



# Earnings Release

2Q22

## Videoconference

July 28, 2022, Thursday  
10:00 a.m. (Brasília) / 9:00 a.m. (New York)  
Simultaneous translation

Replay | Portuguese or English  
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**LOGG**  
B3 LISTED NM

**BELO HORIZONTE, July 27, 2022.** Log Commercial Properties e Participações S.A. ("Company" or "Log") ("B3:LOGG3"), one of the largest developers and rental companies of class A logistics warehouses in Brazil, announces its results for the second quarter of 2022 ("2Q22"). The following financial information, unless otherwise indicated, is presented in thousands of reais (BRL thousand), was prepared in accordance with accounting practices adopted in Brazil and with international financial reporting standards International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

# HIGHLIGHTS 2Q22

Visit the  
Result  
Center



## DELIVERIES

171k m<sup>2</sup>  
100% leased

240k m<sup>2</sup>  
ACCUMULATED 2022

## PRODUCTION

105k m<sup>2</sup>

208k m<sup>2</sup>  
ACCUMULATED 2022

## STABILIZED VACANCY

2.18%

## NET INCOME

BRL 136 mn

Company's best quarterly  
income | Excluding effect of equity  
swap operation

## NET REVENUE

47%

Growth 2Q22 *versus* 2Q21

## SALES OF ASSETS

BRL 424 mn

Gross margin of 32.6%

- 1 BUSINESS PERFORMANCE
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## MANAGEMENT MESSAGE



### Record deliveries, reflecting significant increase in revenue

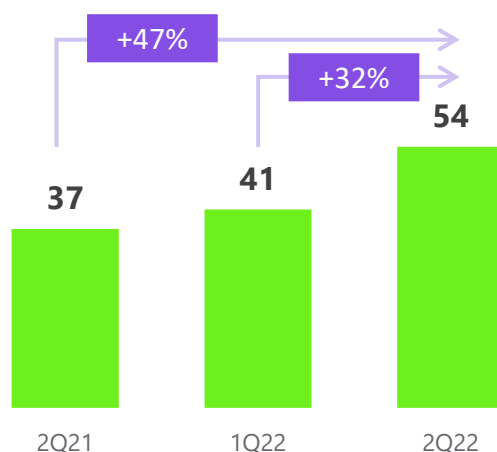


**7 Record deliveries, 100% leased:** In 2Q22, we conducted **the largest asset delivery in the Company's history, totaling 171 thousand m<sup>2</sup> (72% Log)** in the states of Minas Gerais, Ceará and Pernambuco. During **the first half of the year, over 240 thousand m<sup>2</sup> were built in 5 cities**. Total deliveries planned for the year amount to approximately 415 thousand m<sup>2</sup> (83% Log). The production pace continues as expected, in the **second quarter we produced the equivalent to 105 thousand m<sup>2</sup>, accumulating 208 thousand m<sup>2</sup> in the first half of 2022**. In line with our strategy of geographic diversification, we currently have 519.6 thousand m<sup>2</sup> (85%Log) under construction in 8 cities.



**7 Revenue generation with significant growth:** recent deliveries of assets with different levels of average rental ticket explain the significant increase in revenues. In the **second quarter, net revenue totaled BRL 54 million**, representing a relevant growth of 47% in relation to the same period of the previous year.

#### NET OPERATING REVENUE (BRL MN)



**7 Recurrence of asset recycling:** following the strategy of recycling part of our portfolio, as the main source of funding for the Company's growth, announced on July 26, 2022, a Material Fact about the **sale of two assets, totaling BRL 424 million, resulting in an average gross margin of 32.6% on the amount invested and 3.2% above the net asset value (NAV)**. Gross margin is the result between the development yield spread and the asset's market value. These sales **reflect our business model as a developer of high-quality greenfield assets that are highly attractive to the market**. Since launch of the growth plan in December 2019, **we have accumulated approximately BRL 1.0 billion in sales with an average gross margin of 40%**.



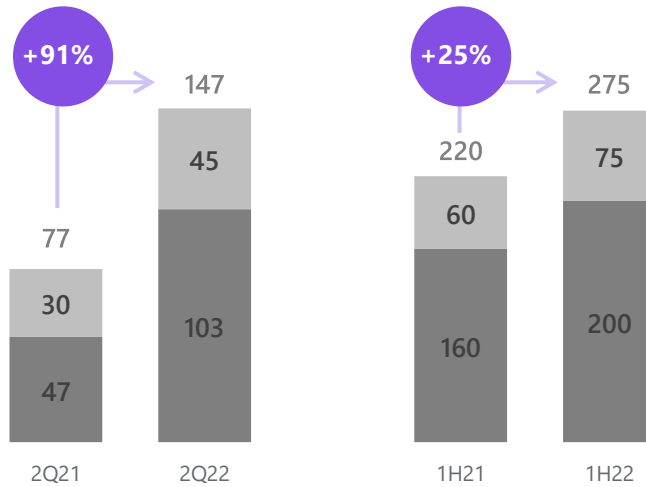
7 Ebitda reached BRL 147 million in the second quarter, representing an increase of 91% compared to the same period in 2021. The Ebitda margin in the quarter was 81.9%, in line with historical levels. Year-to-date, Ebitda reached BRL 275 million, an increase of 25% in relation to 1H21.



**EBITDA**

BRL in million

- Development activity
- Lease activity

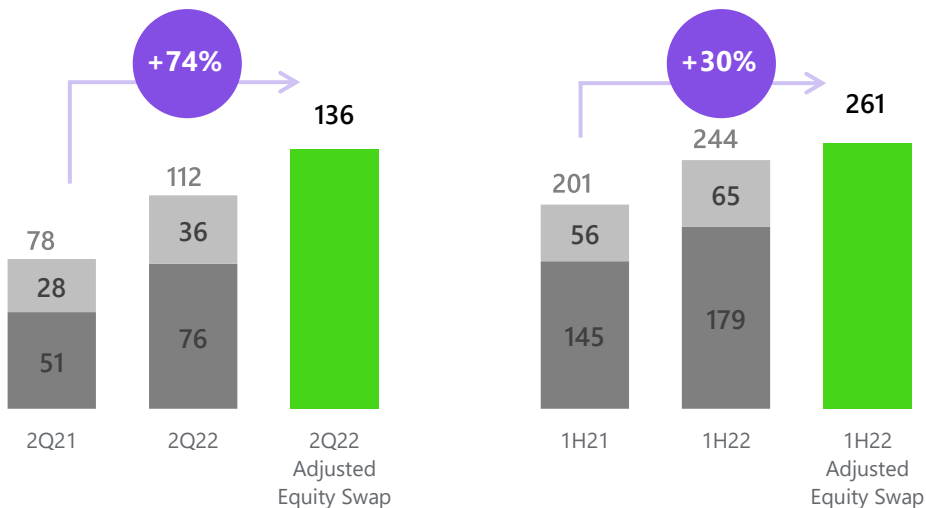


7 We recorded adjusted net income of BRL 136 million in 2Q22, representing an increase of 74% when compared to the same period of the previous year, considering the adjustment of the equity swap transaction. Year-to-date, adjusted net income reached BRL 261 million, corresponding to an increase of 30% compared to 1H21.

**NET EARNINGS**

BRL in million

- Development activity
- Lease activity
- Adjusted Equity Swap





## DEMAND | GROWTH DRIVERS



### Flight to Quality

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



### E-commerce

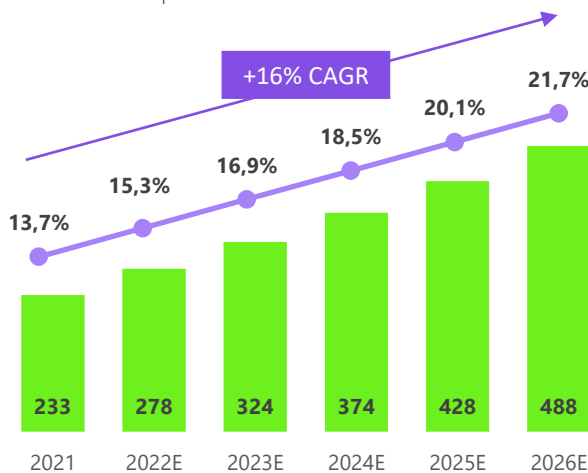
For 2022, it is expected that there will be an expansion in the marketplace, . Another trend is the improvement in the interaction between the physical environment and the digital, which will allow for more efficient shopping experiences. E-commerce is expected to grow by more than 20% in Brazil when compared to the previous year. Brazilian e-commerce is expected to grow more than 2x in terms of BRL (+16% CAGR) in 2021-26E.<sup>1</sup>



Brazil has shown the highest growth among Latin American countries.

E-COMMERCE GROWTH ESTIMATE IN BRAZIL

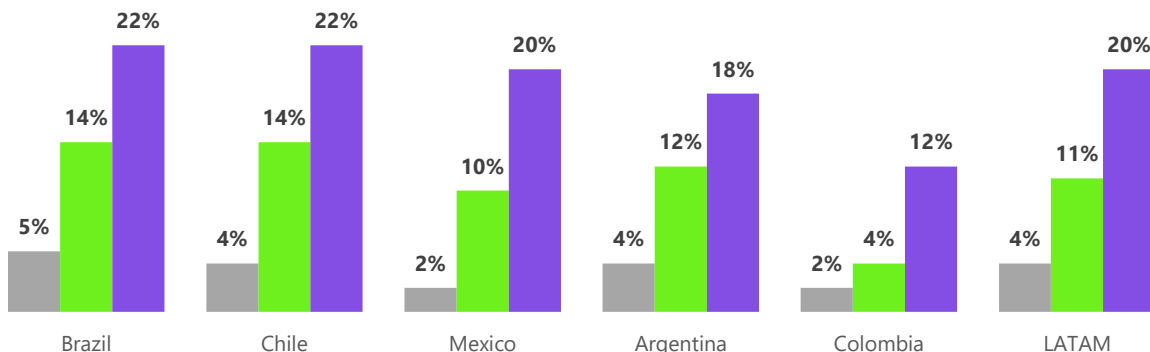
■ Market size | BRLbn ● Penetration



<sup>1</sup>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

E-COMMERCE LATAM PENETRATION<sup>2</sup>

■ 2016 ■ 2021 ■ 2026E



<sup>2</sup>Euromonitor, National Data Sources, Morgan Stanley Research estimates



## REAL ESTATE DEVELOPMENT



**89% landbank acquired**



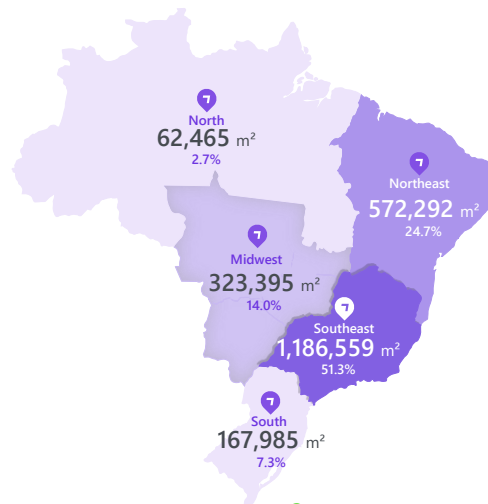
In the first semester, **we approved more than 240 thousand m<sup>2</sup> in projects that have already started.** Due to the know-how of our teams, we are able to work so that the projects are ready for construction and commercialization in less and less time, which shows the efficiency of our Real Estate Development team.



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

We continue with good land negotiations, without direct competition, in important consumption centers, a large part negotiated via barter due to the attractive return that our business model offers. **89% of the landbank needed to meet the “Todos por 1.5” plan** has already been acquired.

## Total Portfolio



**2.3 million m<sup>2</sup> transacting 377 municipalities in metropolitan regions throughout the country**

IBGE 2021 – 100 km Reach

**63%**

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

IBGE 2021 – 100 km Reach

**57%**

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

IBGE 2021 – 100 km Reach

**1,332,090 m<sup>2</sup> GLA**

*89% landbank acquired*  
All for 1.5

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

projects approved 1H22



## CONSTRUCTION

### Record 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 second quarter, we produced the equivalent of 105 thousand m<sup>2</sup> and in the year 208 thousand m<sup>2</sup>.** We expect to maintain this high level of production in the second half of the year.



**In 2Q22, we delivered three assets totaling approximately 171 thousand m<sup>2</sup> (72%Log)** in Itapeva-MG (next to Extrema-MG) and in the metropolitan regions of Recife-PE and Fortaleza-CE. We are at an accelerated pace for deliveries scheduled for the second half of the year in the states of Minas Gerais and Espírito Santo, which together total 174.5 thousand m<sup>2</sup> (87% Log). Total deliveries planned for the year amount to 415 thousand m<sup>2</sup> (83% Log).



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

<i>in m<sup>2</sup></i>	Jun/21	Mar/22	Jun/22
Delivered	851,975	1,060,146	1,182,199
Under construction	421,580	509,637	440,496
Landbank	839,821	727,724	690,003
<b>Portfolio %Log</b>	<b>2,113,376</b>	<b>2,297,507</b>	<b>2,312,698</b>



8

### projects under construction

SOUTHEAST	183,094 m <sup>2</sup>
NORTHEAST	257,402 m <sup>2</sup>

**1,182,199 m<sup>2</sup>**  
GLA delivered Jun/22

### Own Team

of engineers for project development

**+1.9K**

employees working in 8 additional projects

**122,052 m<sup>2</sup>**  
deliveries GLA 2Q22

**104,945 m<sup>2</sup>**  
production GLA 2Q22





### LEASE



## If it moves the customer, it moves Log



Reinforcing the assertiveness of our business model, in the first half of the year we reached **149.3 thousand m<sup>2</sup> of gross absorption with a stabilized vacancy of 2.18%**, well below the national average.



It is important to note that we have a high volume of **pre-leasing in projects to be delivered in 2022**. Our existing customer base continues to be our biggest space taker, making us increasingly a one-stop-shop solution for customers who seek expansion.



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. **69% of our portfolio is made up of customers** who are directly or indirectly exposed to the growth **of e-commerce**.

**43.3K m<sup>2</sup>**  
gross absorption 2Q22

**2.18%**  
stabilized vacancy 2Q22

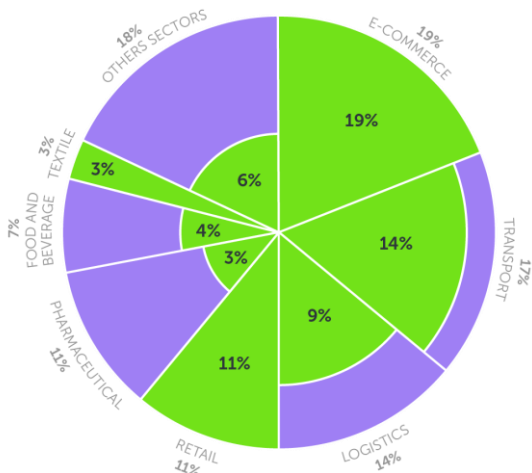
**78%**  
2Q22 index of contractual renewal

**75%**  
agreements closed 2Q22 with customers from LOG portfolio

**264**  
active contracts 2Q22

### CUSTOMERS BY SEGMENT

■ E-commerce Share



**69%**

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





**VACANCY WAREHOUSES** % Log



	Jun/21	Mar/22	Jun/22
Stabilized	2.1%	1.6%	<b>2.18%</b>
Vacancy warehouses	2.1%	3.9%	<b>3.73%</b>
<b>Brazil<sup>1</sup></b>	11%	11%	<b>9.7%</b>

<sup>1</sup>Source: Colliers

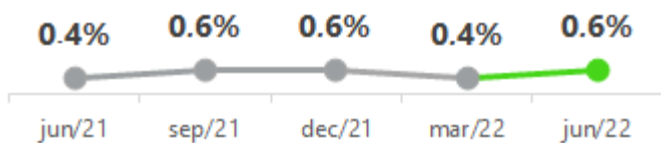
By the end of June/22, we reached a stabilized vacancy rate of 2.18%, which reflects the quality of our assets and our commercial team.



**ACCUMULATED NET DEFAULT**



Last 12 months



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

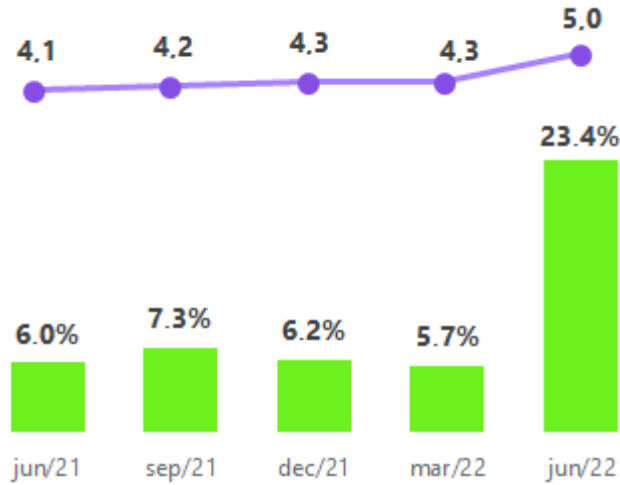
Industrial Park Betim | MG





### CLIENT CONCENTRATION

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



We maintained the low risk of the portfolio, resulting in an average GLA per contract of 5 thousand m<sup>2</sup>. The largest customer, Amazon, has 4 agreements and represents **23.4% of gross revenue and 12.4% of GLA.**

### AGREEMENT EXPIRATION SCHEDULE

	by Revenue	by GLA
Up to 12 months	14%	16%
13 to 24 months	16%	16%
25 to 36 months	11%	11%
37 to 48 months	10%	12%
Above 48 months	49%	45%

By the end of 2Q22, the average term of agreements in force is **101 months.**



## ASSET MANAGEMENT



### Effective asset management



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



Log Belém | PA



1,249,162 m<sup>2</sup>

GLA managed

28

properties under management

25

cities with properties under management

418

direct employees

NPS

Quality Zone

68%

of GLA managed is supplied with renewable energy sources

24%

reduction in the cost of power with agreements in the free-trade market





## CAPITAL STRUCTURE



### Sound balance for investments



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



To meet the planned investments, we report as a subsequent event the raising of a Debenture in the amount of BRL 400 million, a single series at an average cost of CDI+1.65% for a total term of 5 years. The financial settlement took place in July 2022. It is worth noting that our funding does not require further guarantees, 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 reference levels.

Log Gravataí | RS





FII LGCP11



Real estate consulting



**BRL 279 million**  
Equity

**9,755**  
Shareholders

**0.78%**  
Yield *JUNE/22*



**80.6K**  
m<sup>2</sup> of GLA

**0.0%**  
Default

**9.39%**  
Yield *ANNUALIZED*



**2.73 million**  
Shares

**0.0%**  
Vacancy

**BRL 0.62**  
Earnings per share  
*JUNE/22*

**5**  
Projects in 5 States

**59**  
Clients

**14**  
Areas of Activity

# FII LGCP11

Asset / Place	Class	% Asset	Acquisition	m <sup>2</sup> GLA	Conclusion	Clients	% Revenue
<b>Viana</b> <i>Viana, ES</i>	<b>A</b>	35.0%	12/19/2019	60,987	Sep/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%

More information

**interdtvm**

## FINANCIAL PERFORMANCE

### Net Revenue

Net revenue grew compared to the same period of the previous year, due to: i) new project deliveries with differentiated lease average ticket, ii) new leases and iii) in the existing portfolio we made contractual adjustments in line with inflation.

<b>NET REVENUE</b> <i>in BRL thousand</i>	<b>2Q22</b>	<b>2Q21</b>	<b>Var. %</b>	<b>1H22</b>	<b>1H21</b>	<b>Var. %</b>
Leases	49,004	37,886	29.3%	89,718	75,615	18.7%
(-) Taxes	(2,895)	(2,083)	39.0%	(5,176)	(4,161)	24.4%
Other revenues	9,012	1,277	605.7%	11,692	2,487	370.1%
(-) Taxes	(813)	1,277	-163.7%	(1,134)	2,487	-145.6%
<b>Total</b>	<b>54,308</b>	<b>36,962</b>	<b>46.9%</b>	<b>95,100</b>	<b>73,711</b>	<b>29.0%</b>

<b>GROSS REVENUE</b> <i>in BRL thousand</i>	<b>2Q22</b>	<b>2Q21</b>	<b>Var. %</b>	<b>1H22</b>	<b>1H21</b>	<b>Var. %</b>
Lease income	47,419	36,907	28.5%	88,407	73,740	19.9%
Revenue linearization	1,585	979	61.9%	1,311	1,875	-30.1%
<b>Total</b>	<b>49,004</b>	<b>37,886</b>	<b>29.3%</b>	<b>89,718</b>	<b>75,615</b>	<b>18.7%</b>

### Depreciation and cost

The effects of any changes in the valuation of properties are reflected in the account "change in fair value of investment properties", in compliance with current accounting pronouncements. Depreciation is calculated and recorded in accordance with the rules established by the Federal Revenue Service. In the 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>	2Q22	2Q21	Var. %	1H22	1H21	Var. %
Net revenue from condominium manag.	1,542	1,121	37.6%	2,779	2,182	27.4%
Cost of service provision	(709)	(506)	40.1%	(1,377)	(962)	43.1%
<b>Total</b>	<b>833</b>	<b>615</b>	<b>35.4%</b>	<b>1,402</b>	<b>1,220</b>	<b>14.9%</b>
<b>Margin Log ADM</b>	<b>54.0%</b>	<b>54.9%</b>	<b>-0.8 p.p.</b>	<b>50.4%</b>	<b>55.9%</b>	<b>-5.5 p.p.</b>

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

## Operating income (expenses)

<i>in BRL thousand</i>	2Q22	2Q21	Var. %	1H22	1H21	Var. %
Business expenses	(2,524)	(2,767)	-8.8%	(4,432)	(4,445)	-0.3%
Vacancy expenses	(918)	(431)	113.0%	(1,731)	(1,039)	66.6%
General and administrative expenses	(8,166)	(5,937)	37.5%	(17,680)	(12,520)	41.2%
Other revenues/expenses, net	(1,045)	12,125	-108.6%	(2,436)	11,288	-121.6%
<b>Total</b>	<b>(12,651)</b>	<b>2,990</b>	<b>-523.2%</b>	<b>(26,279)</b>	<b>(6,716)</b>	<b>291.4%</b>

Evidencing gains in scale and efficiency of the commercial team, commercial and vacancy expenses grew 7.6% in 2Q22 and 12.4% in 1H22, it is important to highlight that the increase was lower than the growth in revenues, that is, even with greater leased area, costs are remaining stable. The evolution of general and administrative expenses, both in the second quarter and in the first semester, refer to non-recurring expenses with the Company's personnel structure, increase in travel-related expenses, which were restricted due to the pandemic and growth in the administrative structure that will have its representation diluted in the following quarters. Other revenues refer substantially to the sale of the BTS Extrema asset.

## Results from equity interest in investees

<i>in BRL thousand</i>	2Q22	2Q21	Var. %	1H22	1H21	Var. %
Cabral	-	(3,946)	100.0%	-	(3,745)	100.0%
Parque Torino	2,770	1,245	122.5%	5,227	2,475	111.2%
Loteamento Betim	(21)	3,570	-100.6%	(16)	3,913	-100.4%
SPE SJC	(12)	(8)	37.5%	(21)	(16)	31.3%
Others	(281)	-	-	(508)	-	-
<b>Total</b>	<b>2,456</b>	<b>861</b>	<b>185.4%</b>	<b>4,682</b>	<b>2,627</b>	<b>78.2%</b>

The quarterly and annual variation observed in Parque Torino refers to the evolution of the project, with the delivery of new phases and the maturation of the asset. In the Betim subdivision (PIB), the negative variation is due to the change in the accounting methodology for the sale of land in 4Q21. We sold the Strip Mall Cabral asset in the second quarter of 2021 in line with our strategy of divesting non-core assets.



## Financial income (expenses)

<i>in BRL thousand</i>	2Q22	2Q21	Var. %	1H22	1H21	Var. %
Financial expenses	(66,043)	(9,185)	619.0%	(74,240)	(14,348)	417.4%
Interest	(29,340)	(9,185)	219.4%	(49,209)	(14,348)	243.0%
Equity Swap	(36,702)	-	-	(25,031)	-	-
Financial revenues	21,931	9,782	124.2%	43,685	15,509	181.7%
<b>Total</b>	<b>(44,112)</b>	<b>597</b>	<b>7,488.8%</b>	<b>(30,555)</b>	<b>1,161</b>	<b>2,731.8%</b>

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

## Income tax and social contribution

<i>in BRL thousand</i>	2Q22	2Q21	Var. %	1H22	1H21	Var. %
Current	(3,329)	(8,789)	-62.1%	(7,053)	(11,528)	-38.8%
Deferred	12,243	10,335	18.5%	7,735	(8,829)	187.6%
<b>Total</b>	<b>8,915</b>	<b>1,546</b>	<b>476.6%</b>	<b>682</b>	<b>(20,357)</b>	<b>103.4%</b>

The change in current taxes occurs from the sale of the BTS Extrema asset in 2Q21. The evolution of the deferred tax balance is associated with the increase in the interest rate in the period.

## Deferred taxes

<i>in BRL thousand</i>	2Q22	2Q21	Var. %	1H22	1H21	Var. %
Deferred from operation	10,509	2,112	397.6%	10,445	4,510	13.6%
Deferred equity swap	12,479	-	-	-	-	-
Deferred operating income from development of new assets	1,734	8,223	-78.9%	(2,710)	(13,340)	-79.7%
<b>Total</b>	<b>12,243</b>	<b>10,335</b>	<b>18.5%</b>	<b>7,735</b>	<b>(8,829)</b>	<b>187.6%</b>

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

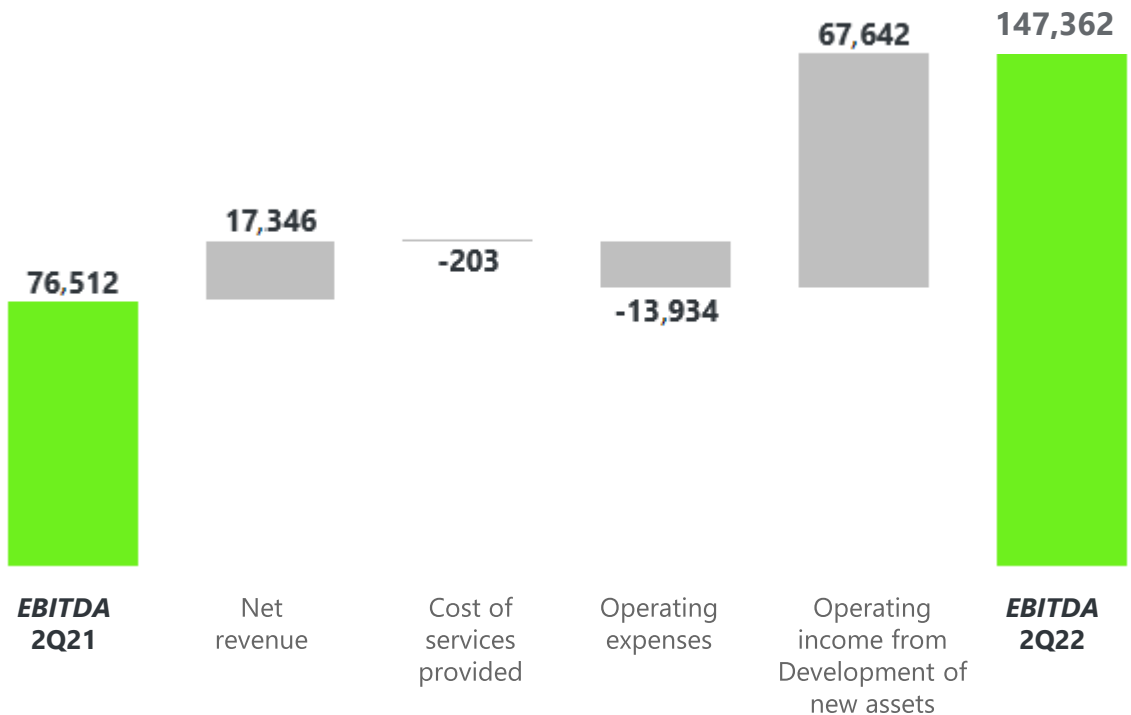
Log Fortaleza II | CE



**Ebitda (Earnings before interest, taxes, depreciation and repayment)**

*in BRL thousand*

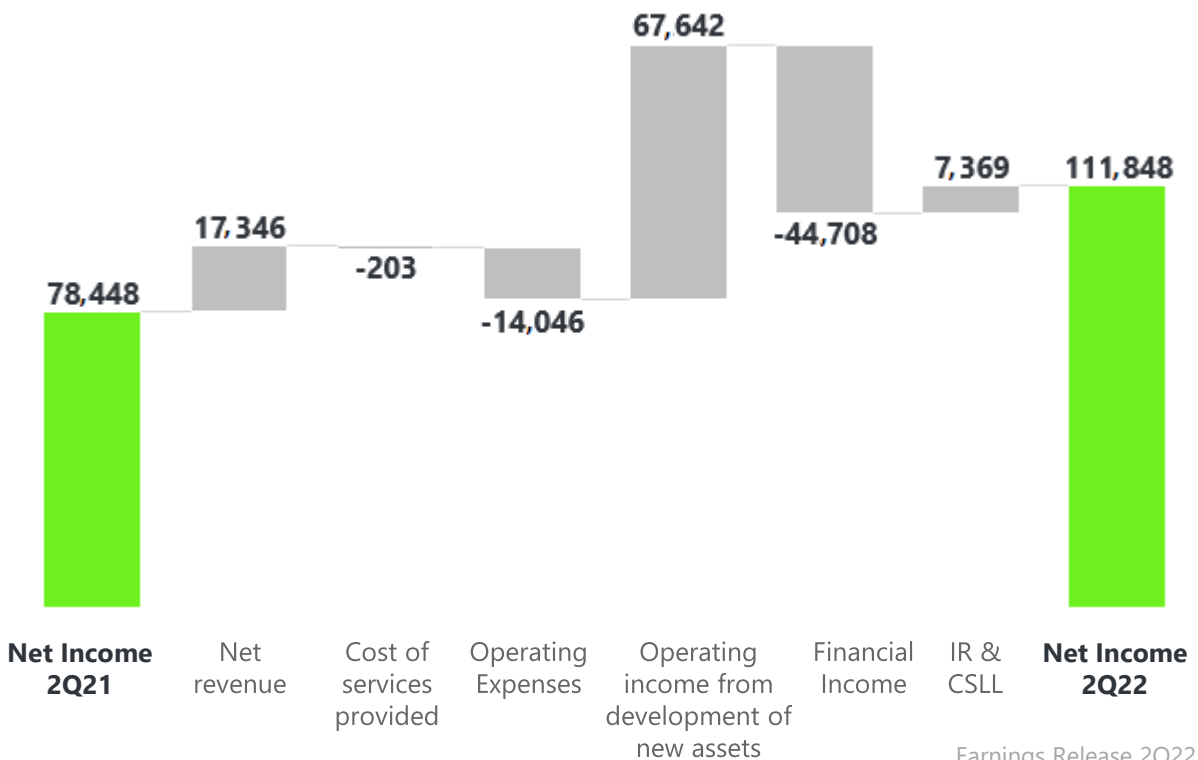
	2Q22	2Q21	Var. %	1H22	1H21	Var. %
<b>(=) Net income/loss</b>	<b>111,848</b>	<b>78,448</b>	<b>42.6%</b>	<b>244,182</b>	<b>200,544</b>	<b>21.8%</b>
(+) Income Tax (IR) & Social Security Contribution (CSLL)	(8,915)	(1,546)	476.6%	(682)	20,358	-103.4%
(+) Financial income	44,112	(597)	7,488.8%	30,555	(1,161)	2,731.8%
(+) Depreciation	317	205	55.1%	614	402	52.7%
<b>EBITDA</b>	<b>147,362</b>	<b>76,510</b>	<b>92.6%</b>	<b>274,668</b>	<b>220,145</b>	<b>24.8%</b>
<b>Margin EBITDA</b>	<b>271.3%</b>	<b>207.0%</b>	<b>64.3 p.p.</b>	<b>288.8%</b>	<b>298.7%</b>	<b>-9.8 p.p.</b>
Operating income upon development of new assets	(103,641)	(35,998)	<b>187.9%</b>	(201,929)	(151,081)	<b>33.7%</b>
Sale BTS Extrema	-	(11,860)	<b>100.0%</b>	-	(11,860)	<b>100.0%</b>
Others	778	1,284	<b>-39.4%</b>	1,794	2,687	<b>-33.2%</b>
<b>EBITDA for Lease Activity</b>	<b>44,499</b>	<b>29,936</b>	<b>48.6%</b>	<b>74,533</b>	<b>59,891</b>	<b>24.4%</b>
<b>Margin EBITDA for Lease Activity</b>	<b>81.9%</b>	<b>81.0%</b>	<b>0.9 p.p.</b>	<b>78.4%</b>	<b>81.2%</b>	<b>-2.9 p.p.</b>



## Net Income

*in BRL thousand*

	2Q22	2Q21	Var. %	1H22	1H21	Var. %
<b>Net Income/Loss</b>	<b>111,848</b>	<b>78,448</b>	<b>42.6%</b>	<b>244,182</b>	<b>200,544</b>	<b>21.8%</b>
<b>Net Margin</b>	<b>206.0%</b>	<b>212.2%</b>	<b>-6.3 p.p.</b>	<b>256.8%</b>	<b>272.1%</b>	<b>-15.3 p.p.</b>
Operating income from development of new assets	(103,641)	(35,998)	<b>187.9%</b>	(201,929)	(151,081)	<b>33.7%</b>
IR/CS deferred from operating income of develop. new assets	(1,734)	(8,223)	<b>-78.9%</b>	2,710	13,340	<b>-79.7%</b>
Sale BTS Extrema	59	(11,860)	<b>100.5%</b>	154	(11,860)	<b>101.3%</b>
IR/CS Sale BTS Extrema	-	4,477	<b>-100.0%</b>	(1,891)	4,477	<b>-142.2%</b>
Equity Swap Operation	36,754	-	-	25,084	-	-
IR/CS Equity Swap Operation	(7,981)	-	-	(5,047)	-	-
Others	540	861	<b>-37.3%</b>	2,029	1,623	<b>25.0%</b>
<b>Net Income Lease Activity</b>	<b>35,845</b>	<b>27,706</b>	<b>29.4%</b>	<b>65,292</b>	<b>55,735</b>	<b>17.1%</b>
<b>Net Margin Lease Activity</b>	<b>66.0%</b>	<b>75.0%</b>	<b>-9.0 p.p.</b>	<b>68.7%</b>	<b>75.6%</b>	<b>-7.0 p.p.</b>

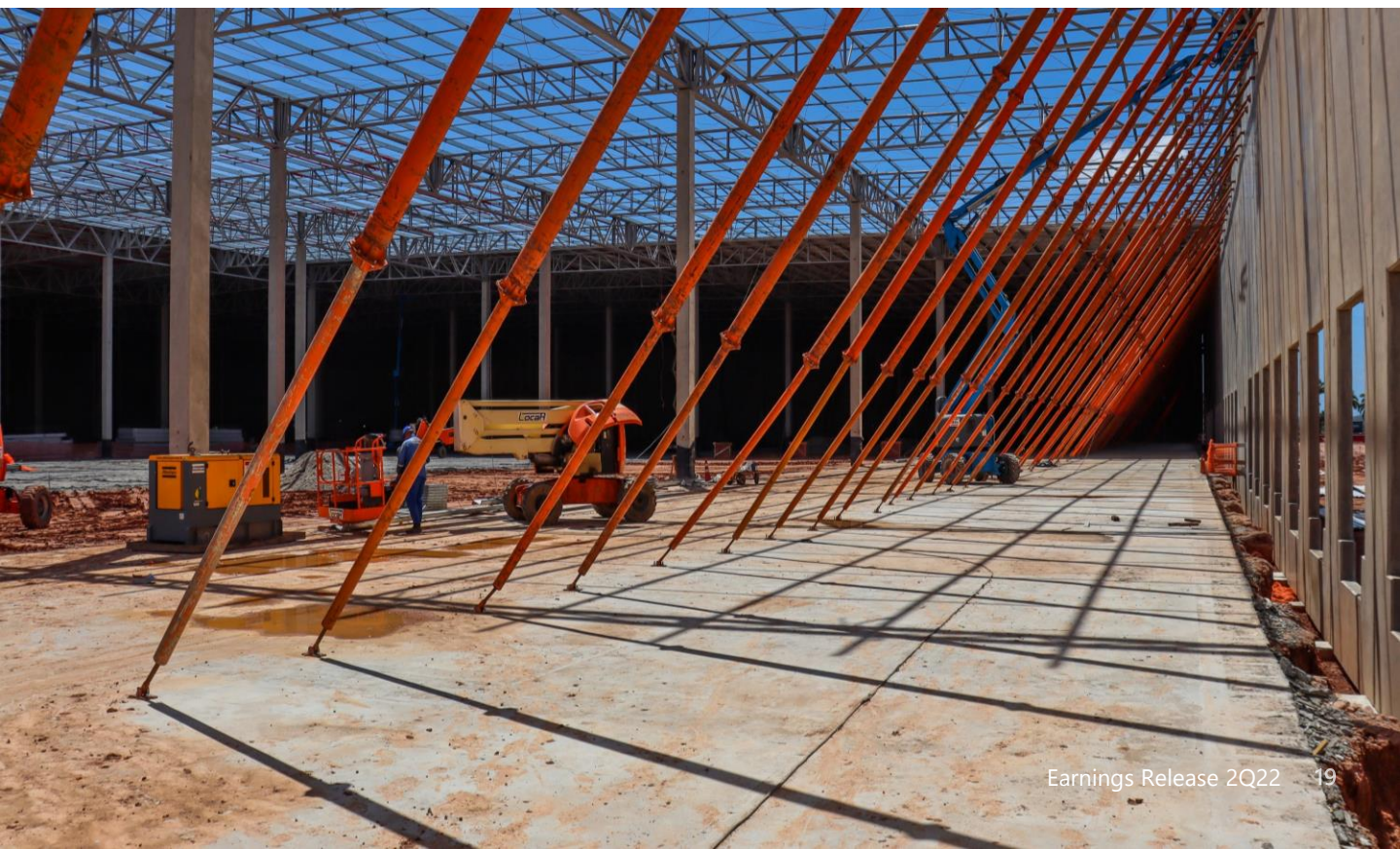


### FFO (Funds From Operations)

*in BRL thousand*

	2Q22	2Q21	Var. %	1H22	1H21	Var. %
<b>(=) Net Income/Loss</b>	<b>111,848</b>	<b>78,448</b>	<b>42.6%</b>	<b>244,182</b>	<b>200,544</b>	<b>21.8%</b>
Depreciation	317	205	55.1%	614	402	52.7%
Operating income from development of new assets	(103,641)	(35,998)	<b>187.9%</b>	(201,929)	(151,081)	<b>33.7%</b>
IR/CS deferred from operating income of develop. new assets	(1,734)	(8,223)	<b>-78.9%</b>	2,710	13,340	<b>-79.7%</b>
Sale BTS Extrema	59	(11,860)	<b>100.5%</b>	154	(11,860)	<b>101.3%</b>
IR/CS Sale BTS Extrema	-	4,477	<b>-100.0%</b>	(1,891)	4,477	<b>-142.2%</b>
Equity Swap Operation	36,754	-	-	25,084	-	-
IR/CS Equity Swap Operation	(7,981)	-	-	(5,047)	-	-
Others	540	861	<b>-37.3%</b>	2,029	1,623	<b>25.0%</b>
<b>FFO for Lease Activity</b>	<b>36,163</b>	<b>27,912</b>	<b>29.6%</b>	<b>65,906</b>	<b>56,137</b>	<b>17.4%</b>
<b>FFO Margin for Lease Activity</b>	<b>66.6%</b>	<b>75.5%</b>	<b>-8.9 p.p.</b>	<b>69.3%</b>	<b>76.2%</b>	<b>-6.9 p.p.</b>

Log Recife | PE

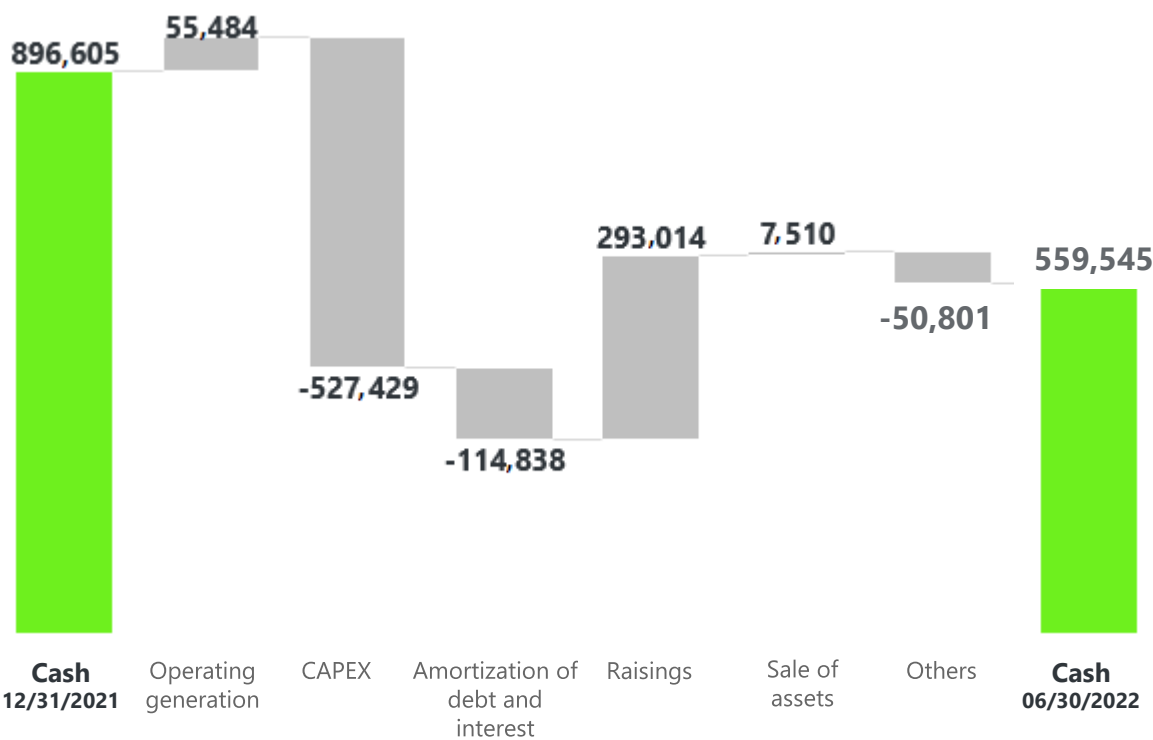




## Cash, cash equivalents and marketable securities

*in BRL thousand*

	06/30/22	12/31/21	Var. %
Cash and cash equivalents	83,173	207,564	-59.9%
Marketable securities - Current assets	250,235	485,911	-48.5%
Marketable securities - Noncurrent assets	226,137	203,130	11.3%
<b>Total</b>	<b>559,545</b>	<b>896,605</b>	<b>-37.6%</b>



Log Goiânia II | GO



## Receivables

*in BRL thousand*

	06/30/2022	12/31/2021	Var. %
Warehouse lease and retail	39,729	34,206	16.1%
Sale of assets/companies	18,843	26,353	-28.5%
Condominium management	686	457	50.1%
Others	11,448	23,501	-51.3%
<b>Total</b>	<b>70,706</b>	<b>84,517</b>	<b>-16.3%</b>

## Investment Property

*in BRL thousand*

	06/30/2022	12/31/2021	Var. %
Lands	272,688	466,660	-41.6%
Ongoing Projects	932,699	880,883	5.9%
Projects 100% completed	3,336,544	2,425,163	37.6%
<b>Total</b>	<b>4,541,931</b>	<b>3,772,706</b>	<b>20.4%</b>

Log Belém | PA



## Indebtedness: loans, financing and debentures

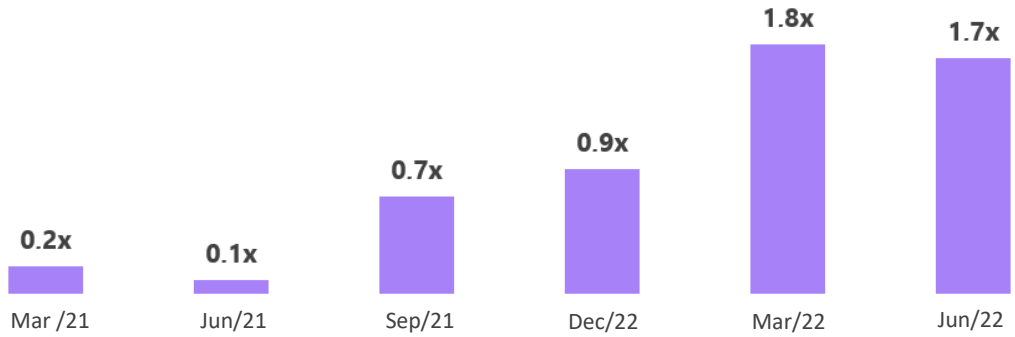
<i>in BRL thousand</i>	Term	Effective Cost*	06/30/2022	12/31/2022
Financ. to construction	Dec/13 to Oct/24	CDI + 1.92%	14,605	17,247
Financ. to construction	Dec/13 to Sep/28	108.95% CDI	18,098	19,978
Debentures 12th issue	Jan/18 to Dec/27	CDI + 2.42%	55,096	60,106
Debentures 14th issue	Nov/21 to Nov/23	117% CDI + 0.26% p.a.	91,472	121,363
Debentures 15th issue	Jan/19 to Dec/28	CDI + 1.71%	45,624	49,118
Debentures 16th issue	Mar/20 to Mar/25	108% CDI + 0.34% p.a.	56,393	64,989
Debentures 17th issue	Sep/19 to Sep/24	116,5% CDI + 0.18% p.a.	238,534	235,266
Debentures 18th issue	Mar/26	CDI + 2.21%	259,592	256,485
Debentures 19th issue	Sep/28	CDI + 1.23%	474,423	459,132
Debentures 20th issue - 1st series	Mar/27	CDI + 1.55%	134,235	-
Debentures 20th issue - 2nd series	Mar/29	CDI + 1.47%	172,622	-
(-) Cost of fund raising			(20,836)	(15,979)
<b>Total</b>			<b>1,539,858</b>	<b>1,267,705</b>

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



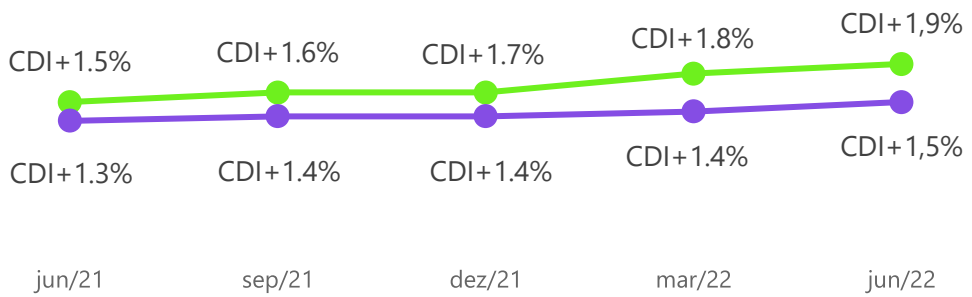
**NET DEBT / EBITDA**

● Net Debt / EBITDA



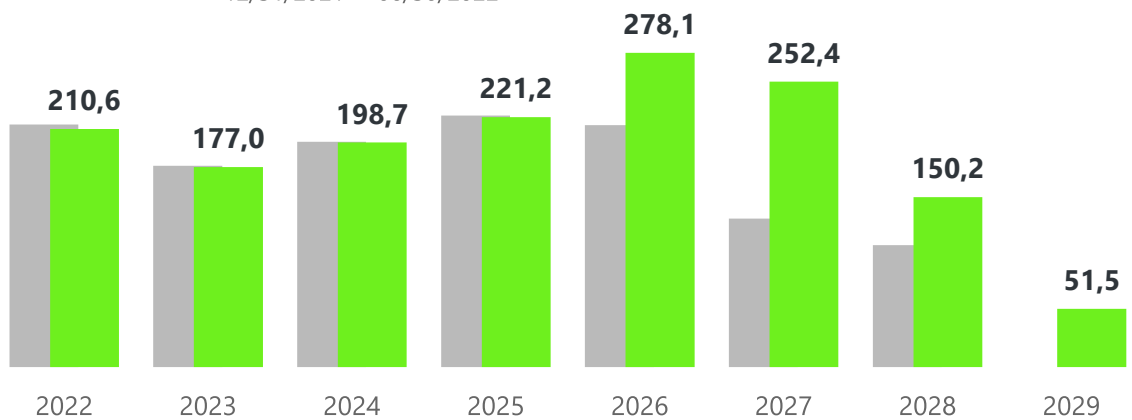
**COST OF DEBT**

● Cost of face ● Effective Cost



**DEBT AMORTIZATION SCHEDULE in BRL MILLION**

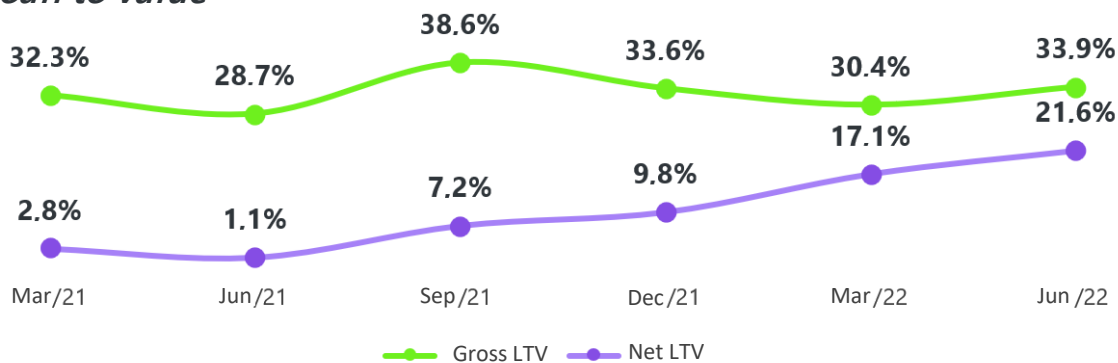
● 12/31/2021 ● 06/30/2022



## Debt Indicators

<i>In BRL thousand</i>	06/30/2022	12/31/2021	Var. %
(+) Loans, financing and debentures	1,539,858	1,267,705	21.5%
(-) Cash and cash equivalents	559,545	896,605	-37.6%
(=) Net debt	980,313	371,100	164.2%
(=) Shareholders' Equity	3,619,382	3,340,742	8.3%
<b>(=) Net debt / Equity</b>	<b>27.1%</b>	<b>11.1%</b>	<b>16.0 p.p.</b>

## Loan to value



Log Itapeva | MG





CAPITAL MARKET



11 analysts with active coverage



BRL1.9 BN BRL9 MN

Market Cap

ADTV 30 Ref. Date: 06/30/22



■ Traded Volume ● Price of Share



Shareholding Structure	# shares	% of total
Controlling group and managers	41,201,866	40.33%
Treasury	1,396,071	1.37%
Free Float	59,561,217	58.30%
<b>Total</b>	<b>102,159,154</b>	<b>100%</b>

LOGG3 Source: Broadcast | Ref. Date: 06/30/2022

Final Price	BRL18.27
Highest price 2Q22	BRL30.36
Lowest price 2Q22	BRL18.04
Depreciation 2Q22	-42.20%
Depreciation 2022	-19.07%

IBRA

IGCT

IGCX

IGNM

IMOB

ITAG

SMLL

**ESG****Sustainability Report**

In April, we launched our new version of the Sustainability Report, base year 2021. The report follows the standards of the Global Reporting Initiative (GRI), which provides transparency, quality and comparability for the data disclosed. We had the inclusion of Sustainability Accounting Standards Board (SASB) indicators, which are sectoral in nature and are being increasingly adopted to meet the demands of stakeholders, especially capitals market.

For this edition, we reviewed our materiality, which lists 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 an online survey.

**Implementation of SDG into business strategy**

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

**2022 MATERIAL SUBJECTS**

ETHICS AND INTEGRITY	RISK MANAGEMENT
CORPORATE GOVERNANCE	SUPPLIER MANAGEMENT
SUSTAINABLE CONSTRUCTION	CUSTOMER SATISFACTION
INNOVATION	HEALTH AND SAFETY
HUMAN CAPITAL MANAGEMENT	NEIGHBORING COMMUNITIES AND SOCIAL ACCOUNTABILITY

A major step forward in the ESG agenda, in 2021, was the voluntary start of carrying out and assuring the Company's greenhouse gas emissions inventory, with the support of renowned consultancies. We highlight that since our first process we are already mapping direct and indirect emissions, from scopes 1, 2 and 3.

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

Visit [our ESG page](#) and see more information about the initiatives.

**More information****Sustainability Report**



## CASE OF THE QUARTER: LAUNCHED LOG SOCIAL VIANA



Continuing the support to the communities neighboring our projects, and continuing with the objective of expanding the Log Social Program to all the regions where we are present, in May of this year we inaugurated the second unit of the project in the Logistic Condominium Log Viana I, in the municipality of Viana, metropolitan region of Vitória, Espírito Santo.



Log Social consists of the development of educational programs, in partnership with institutions in the area, for the qualification of basic education and professional training of employees of tenants and the population surrounding the logistics condominiums. On a permanent basis, the program began in August 2021, at the Log Fortaleza Condominium, in Maracanaú, metropolitan region of Fortaleza, Ceará.



In addition to the space for classes, Log offers all participants a school kit with uniform, notebook, handouts and other materials to help and encourage them in their study journey. All courses are face-to-face, with instructors and students respecting the health and safety standards recommended by local health bodies.

Log Social offers basic computer courses, NR10 (electrical area), NR 35 (industrial area), forklift, checker, fire brigade, first aid, among others. Until June 2022, 8,052 hours/class were taught by the project in Log Viana I and Log Fortaleza I.

Log's objective is that by the end of the year more than 25 thousand hours/class will be taught in the program. For this, the company intends to expand Log Social to other projects.

[Click here and check other cases](#)



Log Social Viana - ES



Log Social Maracanaú - CE



## FINANCIAL STATEMENTS



### Statement of Income for the Year *in BRL thousand*



	2Q22	2Q21	Var. %	1H22	1H21	Var. %
<b>Net revenue from lease and services provided</b>	54,308	36,962	46.9%	95,100	73,711	29.0%
<b>Costs of services provided - condominium management</b>	(709)	(506)	-40.1%	(1,377)	(962)	-43.1%
<b>Gross profit</b>	<b>53,599</b>	<b>36,456</b>	<b>47.0%</b>	<b>93,723</b>	<b>72,749</b>	<b>28.8%</b>
<b>Operating income (expenses)</b>	<b>93,446</b>	<b>39,849</b>	<b>134.5%</b>	<b>180,332</b>	<b>146,992</b>	<b>22.7%</b>
Selling expenses	(3,442)	(3,198)	-7.6%	(6,163)	(5,484)	-12.4%
General and administrative expenses	(8,166)	(5,937)	-37.5%	(17,680)	(12,520)	-41.2%
Other operating income (expenses), net	(1,043)	12,125	-108.6%	(2,436)	11,288	-121.6%
Changes in the fair value of investment property	103,641	35,998	187.9%	201,929	151,081	33.7%
Results from equity interest in investees	2,456	861	185.2%	4,682	2,627	78.2%
<b>Income before financial income and taxes</b>	<b>147,045</b>	<b>76,305</b>	<b>92.7%</b>	<b>274,055</b>	<b>219,742</b>	<b>24.7%</b>
<b>Financial income (expenses)</b>	<b>(44,112)</b>	<b>597</b>	<b>7,488.9%</b>	<b>(30,555)</b>	<b>1,161</b>	<b>2,731.8%</b>
Financial Charges	(66,043)	(9,185)	-619.0%	(74,240)	(14,348)	-417.4%
Financial income	21,931	9,782	124.2%	43,685	15,509	181.7%
<b>P/L before Income Tax and social security contribution</b>	<b>102,933</b>	<b>76,902</b>	<b>33.8%</b>	<b>243,500</b>	<b>220,902</b>	<b>10.2%</b>
<b>Income Tax and social security contribution</b>	<b>8,915</b>	<b>1,546</b>	<b>476.6%</b>	<b>682</b>	<b>(20,358)</b>	<b>103.4%</b>
Financial expenses	(3,328)	(8,789)	62.1%	(7,053)	(11,528)	38.8%
Financial income	12,243	10,335	18.5%	7,735	(8,829)	187.6%
<b>Net income for the period</b>	<b>111,848</b>	<b>78,448</b>	<b>42.6%</b>	<b>244,182</b>	<b>200,544</b>	<b>21.8%</b>
Shareholders of the Company	99,789	77,069	29.5%	231,237	186,704	23.9%
Noncontrolling interests	12,059	1,379	774.5%	12,945	13,840	-6.5%





## Balance Sheet *in BRL thousand*



ASSETS	06/30/2022	12/31/2021	Var. %	LIABILITIES	06/30/2022	12/31/2021	Var. %
<b>Current assets</b>	<b>402,835</b>	<b>775,097</b>	<b>-48.0%</b>	<b>Current liabilities</b>	<b>513,578</b>	<b>511,425</b>	<b>0.4%</b>
Cash and cash equivalents	83,173	207,564	-59.9%	Suppliers	12,637	44,604	-71.7%
Marketable securities	250,235	485,911	-48.5%	Loans, financing and debentures	261,387	214,610	21.8%
Receivables	40,781	61,190	-33.4%	Derivative financial instruments	27,352	-	-
Recoverable taxes	23,044	14,252	61.7%	Labor and social liabilities	11,719	9,138	28.2%
Prepaid expenses	3,487	4,029	-13.5%	Tax liabilities	17,127	15,457	10.8%
Other	2,115	2,151	-1.7%	Land payables	35,168	46,383	-24.2%
				Barters	137,411	70,290	95.5%
				Dividend payable	-	87,627	-100.0%
				Other	10,777	23,508	-54.2%
<b>Noncurrent assets</b>	<b>5,227,875</b>	<b>4,384,806</b>	<b>19,2%</b>	<b>Noncurrent liabilities</b>	<b>1,497,750</b>	<b>1,307,736</b>	<b>14.5%</b>
Marketable securities	226,137	203,130	11.3%	Lease liability	8,164	4,244	92.4%
Derivative financial instruments	6,569	-	-	Loans, financing and debentures	1,278,471	1,053,095	21.4%
Receivables	29,925	23,327	28.3%	Derivative financial instruments	3,815	3,620	5.4%
Prepaid expenses	12,016	12,088	-0.6%	Land payables	-	3,034	-100.0%
Recoverable taxes	43,036	36,909	16.6%	Barters	105,119	160,300	-34.4%
Deferred income tax and social contribution	22,874	7,428	207.9%	Deferred taxes	95,739	77,828	23.0%
Other	10,725	7,764	38.1%	Other	6,442	5,615	14.7%
Investments in subsidiaries and joint ventures	319,066	313,663	1.7%				
Investment property	4,541,931	3,772,706	20.4%	<b>Equity</b>	<b>3,619,382</b>	<b>3,340,742</b>	<b>8.3%</b>
Property and equipment	11,286	4,927	129.1%	Equity attributable to Company shareholders	3,536,372	3,311,569	6.8%
Intangible assets	4,310	2,864	50.5%	Noncontrolling interests	83,010	29,173	184.5%
<b>TOTAL ASSETS</b>	<b>5,630,710</b>	<b>5,159,903</b>	<b>9.1%</b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>5,630,710</b>	<b>5,159,903</b>	<b>9.1%</b>





## Consolidated statement of cash flow *in BRL thousand*



	1Q22	1Q21	Var. %
<b>OPERATING ACTIVITIES</b>			
Net Income for the period	244,182	200,544	21.8%
Adjustments to reconcile net income to net cash generated by (used in)	(171,873)	(143,073)	-20.1%
Reduction (increase) in operating assets	(13,294)	(18,244)	27.1%
Increase (decrease) in operating liabilities	(30,055)	30,397	-198.9%
Income tax and social security contribution paid	(9,356)	(6,246)	-49.8%
<b>Cash provided by (used in) operating activities</b>	<b>19,604</b>	<b>63,378</b>	<b>-69.1%</b>



<b>INVESTMENT ACTIVITIES</b>			
Increase in / acquisition of investments	(4,481)	(12,163)	63.2%
Decrease in marketable securities	632,659	256,786	146.4%
Increase in marketable securities	(384,110)	(490,135)	21.6%
Dividends received from subsidiaries	3,760	5,078	-26.0%
Receipt for the sale of subsidiaries / assets	7,510	197,406	-96.2%
Aquisition of investment properties	(518,976)	(182,174)	-184.9%
Other	(3,972)	(307)	-1,193.8%
<b>Net cash used in investment activities</b>	<b>(267,610)</b>	<b>(225,509)</b>	<b>-18.7%</b>



<b>FINANCING ACTIVITIES</b>			
Proceeds from loans, financing and debentures, net	293,014	247,985	18.2%
Amortization of loans, financing and debentures	(61,771)	(128,164)	51.8%
Interest paid	(45,256)	(11,927)	-279.4%
Lease payments	(207)	(246)	15.9%
Dividend paid	(87,627)	(33,240)	-163.6%
(Payment) receipt on derivative financial instrument	(7,811)	-	-
Disposal (acquisition) of treasury shares	(7,656)	-	-
Proceeds from exercised stock options	37	3	1,133.3%
Contributions from noncontrolling shareholders	40,892	(10,337)	495.6%
<b>Net cash (used in) provided by financing activities</b>	<b>123,615</b>	<b>64,074</b>	<b>92.9%</b>

<b>(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(124,391)</b>	<b>(98,057)</b>	<b>-26.9%</b>
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<b>CASH AND CASH EQUIVALENTS</b>			
At the beginning of the period	207,564	453,855	-54.3%
At the end of the period	83,173	355,798	-76.6%



## GLOSSARY



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

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



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



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

**GLA FII:** GLA disposed of to FII LGCP11.

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



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



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

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

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

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

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

**FFO (Funds From Operations):** Net Profit before depreciation.

**FFO for Leasing Activities:** considers, through the FFO, additions or reductions to eliminate the effects of gain or loss from the disposal of assets, such as, for example, events with gains on the sale of properties and fair value adjustments and other "non-cash" effects.

**FII:** Real Estate Investment Fund.

**FII LGCP11:** the LOGCP Inter fund (LGCP11) is a real estate fund that works with a focus on profiting 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 sheds since the beginning of the work.

**12 Months Net Default:** calculated by the remaining % of the balance of maturities accumulated in the last 12 months minus the amount of receipts in the same period.

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

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

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

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

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

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

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

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

**Vacancy:** GLA available for lease.

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

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

102

assets  
delivered

+1M

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

+1.5M

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

[Click to see the full portfolio](#)

Modular  
Warehouses  
**100% class**

**A**

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





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