

Interim Report Q1 2023

5 May 2023

Highlights Q1 2023

+91%

Rental income

+101%

Net operating
income

7.7

WAULT

6.3

Valuation
yield



Property portfolio in attractive locations with extensive land bank for growth



70

properties

569

tsqm total lettable area ^(a)

4.9

SEK billion total property value

7.7

years average remaining lease period

96.3%

occupancy rate

322

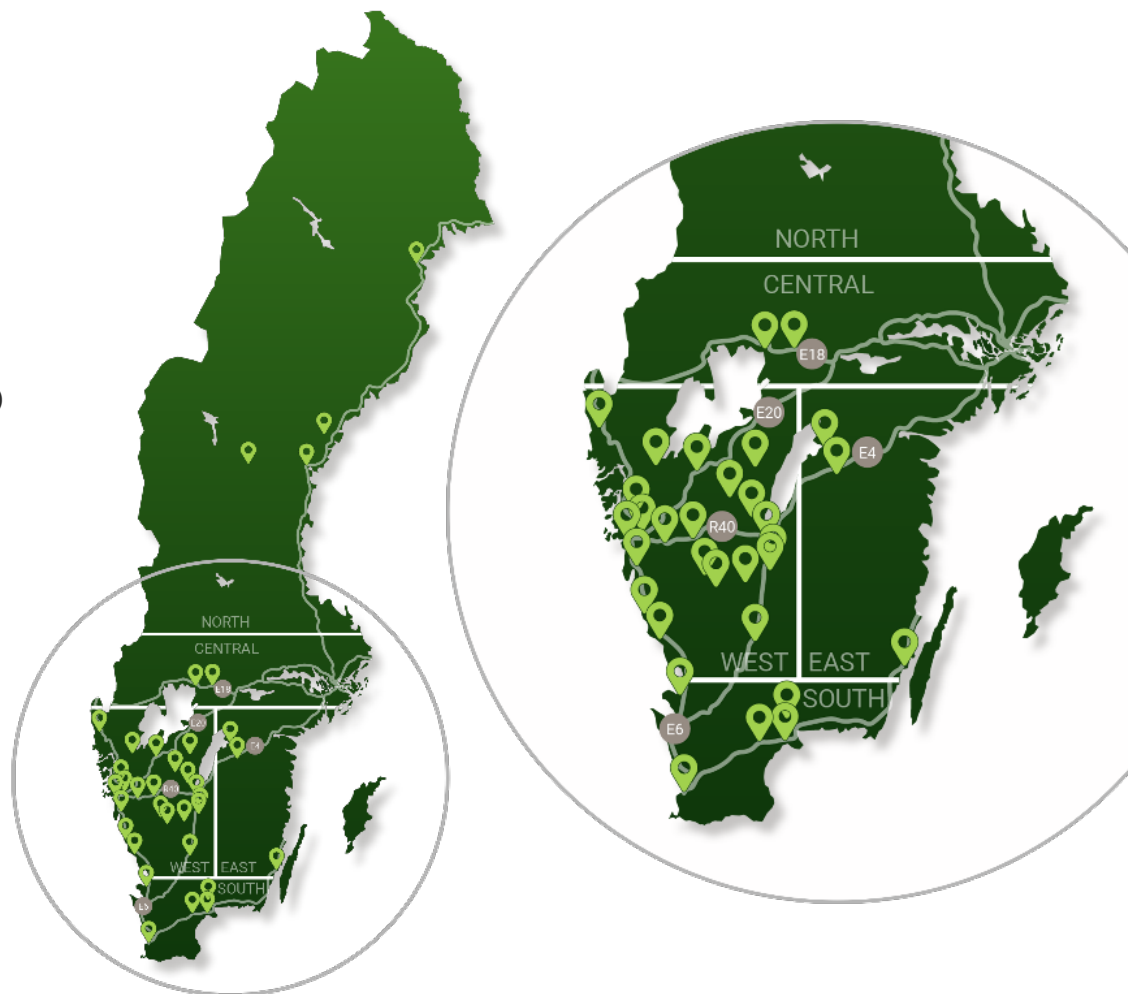
SEK million contracted annual rent^(a)

321

tsqm building rights

6.3%

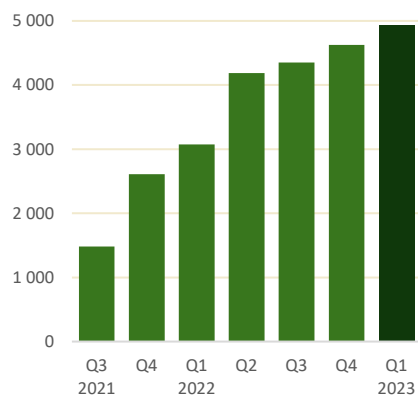
valuation yield



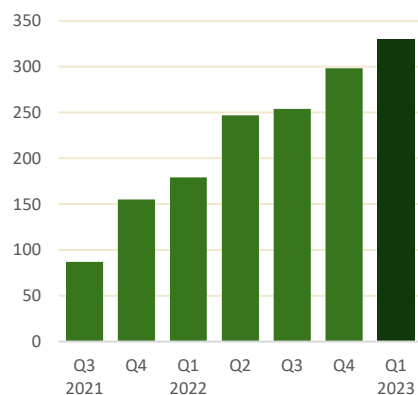
Logistea's operational growth



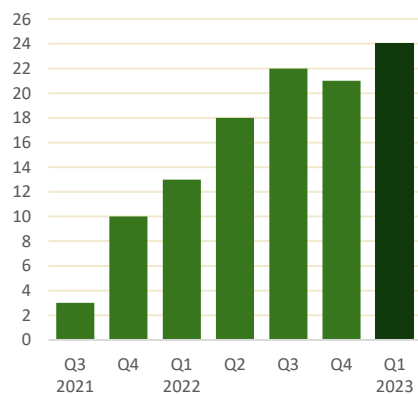
Property value, MSEK



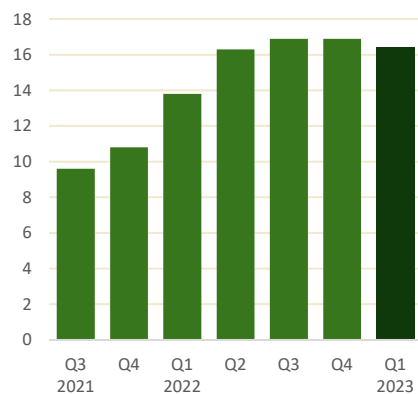
Rental value, MSEK



Income from property mgmt, MSEK



EPRA NRV per share



Operational targets

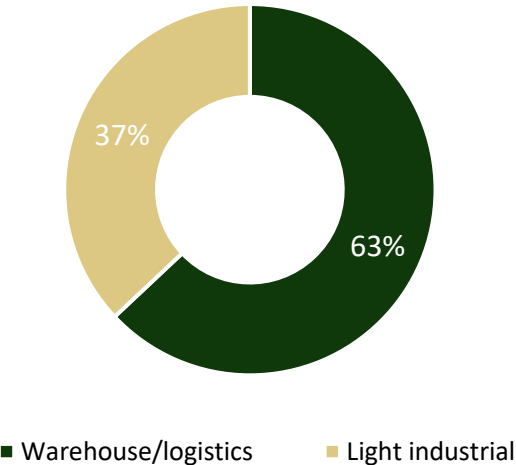
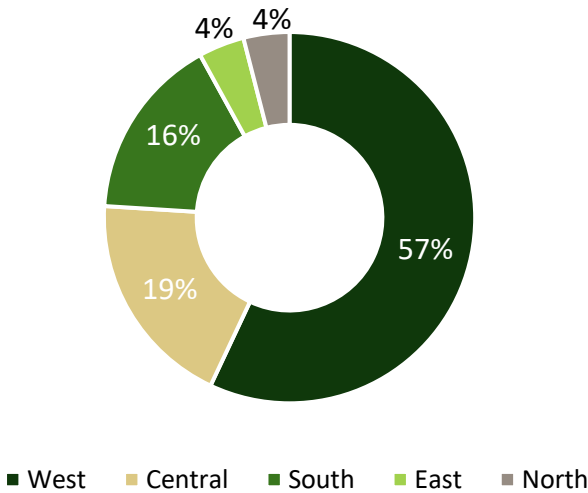
- Property value exceeding SEK 15 billion at the end of 2024.
- Annually complete at least 25,000 square meters of new lettable area.
- 50 percent of the property portfolio's operations will be digitalized by the end of 2026.
- 50 percent of the loan portfolio is green financing at the end of 2026.

Diversified geographic property portfolio



Lettable area by region

Lettable area by category

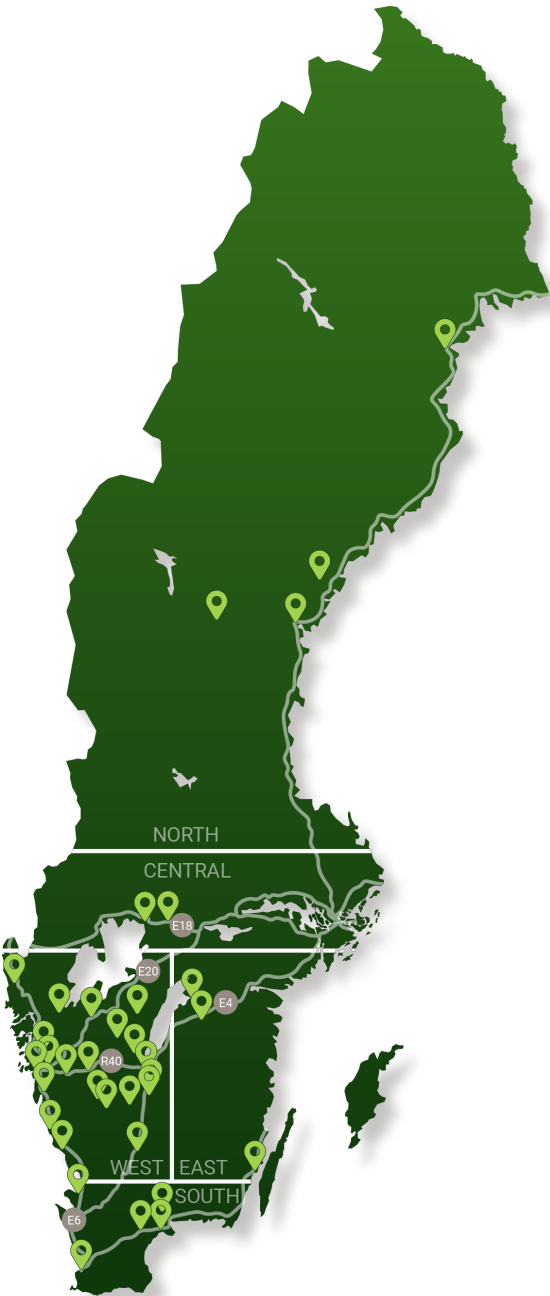


568,644
sqm

Total lettable area (a)

320,500
sqm

Building rights portfolio(a)



(a) Including projects, excluding Svenljunga Lockryd

Two properties acquired – One project finished



Partille Lexby

Acquired in Q1 2023. Two properties located in Partille just outside Gothenburg leased to Elgiganten and Lindex as last mile warehouses. 97 per cent leased with an annual rent of 18,7 MSEK.

Key figures

Wault: ~5 years

Lettable area: 18,000 sq.m.

Tenants: Elgiganten, Lindex, Klättercenter



Timrå Vivsta

Acquired Q2 2022. New development of 4,900 sqm logistics building with single tenant. Located along E4 in Timrå. Completed in March 2023. Will be certified according to BREEAM with either Very Good or Excellent.

Key figures

Yield on cost: ~10.0%

Lettable area: 4,900 sq.m.

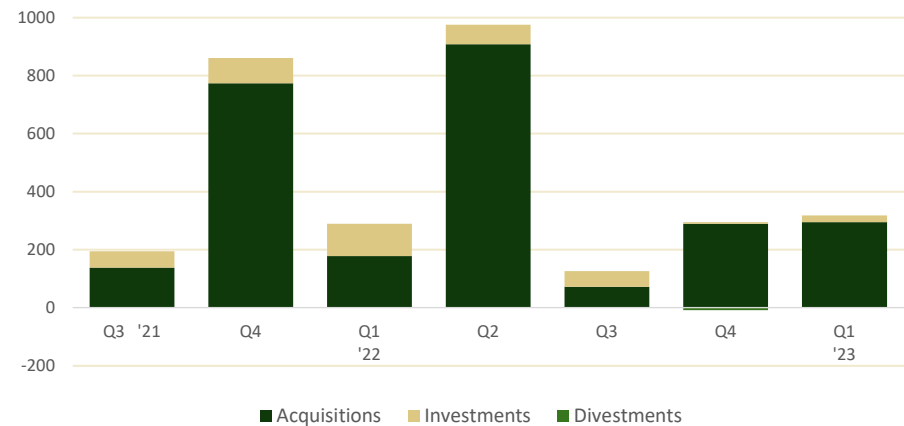
Tenant: Fully leased to Nordic Netstores.
15 years remaining, triple net lease

Valuation yield of 6.3%



- 50% of the property portfolio was valued by external valuers in the first quarter.
- Changes in value for properties amounted to -14 MSEK (-0,3%)
- The unrealised change in value of -13 MSEK are based on:
 - 133 MSEK increased net operating income from mainly adjusted inflation assumption for 2023 (from 2-4% to 5%)
 - -169 MSEK adjusted yield requirements
 - 19 MSEK profit from project management
 - 4 MSEK from deferred tax rebate at acquisitions
- The valuation yield increased from 6,2% in Q4 2022 to around 6,3% in Q1 2023.

	Q1 2023	Q4 2022
Valuation yield, %	6.25	6.20
Valuation yield comparable portfolio, %	6.31	6.20
Property yield, %	6.05	6.15
Inflation assumption 2023, %	5.0	2.0 – 4.0



Strong demand expected to continue

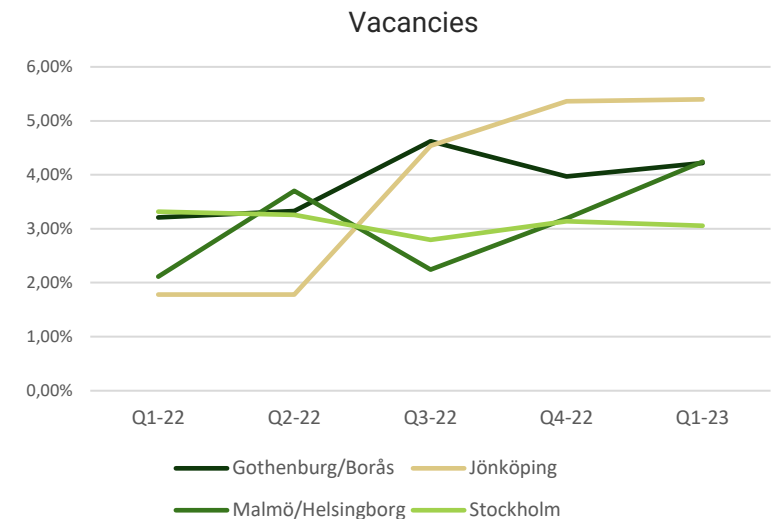
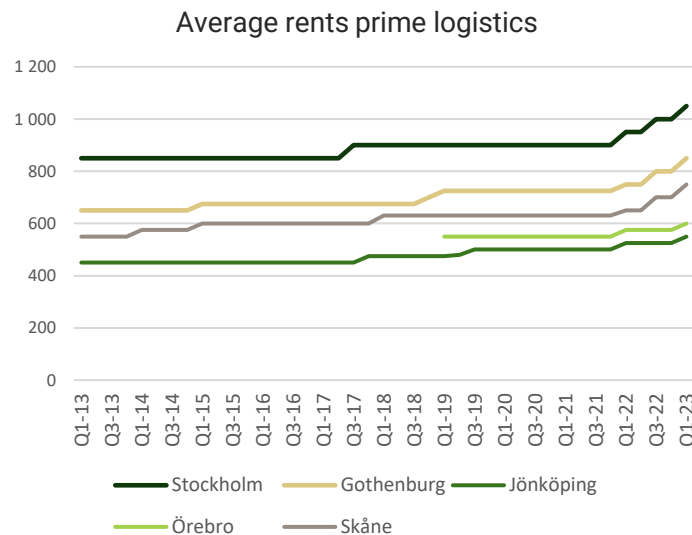


Investor market

- During the beginning of 2023, there has been a continued strong interest from Swedish and foreign investors in both logistics and light industrial properties, especially in properties with longer leases and properties located in or near regional cities.
- The main drivers of investor interest are a strong underlying rental market for both logistics and light industry as well as attractive return levels for light industry

Rental market

- Continued strong demand from tenants for both new and existing premises, driven by, among other things:
 - Strong trend to move production closer to home markets in combination with increased inventory
 - Focus among companies on supply chain vulnerabilities
 - Increased sustainability awareness drives demand for energy-efficient buildings and local presence
 - Continued significant volumes in e-commerce after changing consumer behavior
- Established development of rent levels is expected during 2023 for the entire market, however, with rising levels in metropolitan regions



Sustainability



Logistea's sustainability targets



100% of new builds environmentally certified



Contributing to Agenda 2030 and SDGs^(a)



Engaged in local community

Sustainability overview

Sustainability focus

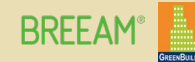
Logistea's ambition is to minimize environmental impact:

- Follows the principle of circularity through the value chain, e.g. recycling and disposal of waste
- Ambition to improve energy efficiency in the entire portfolio
- Policies in place such as sustainability policy, work environment policy and code of conduct, including for suppliers

Environmental certifications

Logistea's ambition is that:

- new buildings and the majority of buildings where major renovations are carried out are environmentally certified
- 100 percent of new constructions are certified according to BREEAM In-Use, Very Good or Excellent



Green financial framework

Green financial framework established enabling green debt instruments to be issued.

- The framework reviewed by ISS ESG
- Green eligible assets under the framework include
 - i) Green and energy efficient buildings
 - ii) Energy efficiency



Support for civil society

- Main sponsor of Grunden Bois, Sweden's largest sports organization for members with intellectual disabilities
- In 2022, Logistea provided financial support to send supplies and aid to victims of Russia's invasion of Ukraine

2022-2023 sustainability summary

- Environmentally certified both our completed new constructions in Borås Viared and Vaggeryd Logistikpark, which were completed in 2022, according to BREEAM In-Use with the rating Very Good
- Implemented energy efficiency measures, primarily in Vaggeryd Logistikpark with an estimated annual energy saving of approximately 2.2 MWh per year
- Started the work of mapping, prioritizing and digitizing parts of the operation in the property portfolio
- Initiated work to enable measurement of our sustainability work in the future in accordance with GRESB

(a) UN Sustainable Development Goals



Financials

Solid financing profile



Summary

- Fixed interest rate period of 2.1 years. Increased in April 2023 to 2.7 due to new derivatives.
- Net debt at the balance sheet date amounted to SEK 2,610 million (2,550), of which bank financing accounts for the absolute largest part.
- Net loan-to-value decreased to 53.0% from 55.2% due to repurchasing outstanding bond loans and property acquisitions.
- Interest cover ratio was to 2.0 (2.1).
- Average tied-up capital time of 2.4 years (2.7).
- The average interest rate was 5.1% (4.8).
- Repurchased bond loans in Logistea's own bond of 86.3 MSEK in Q1 2023. Reduces interest costs by 7.4 MSEK annually given current interest rate.

Key financial ratios

41.0%

Equity ratio

53.0%

Loan-to-value ratio

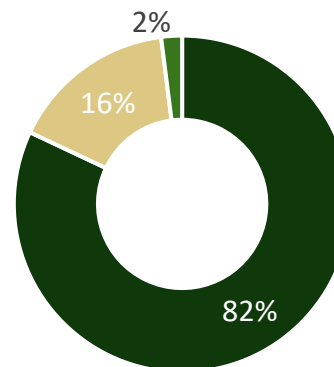
2.1 years

Average fixed-interest period

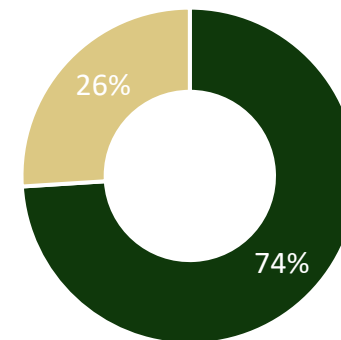
2.4 years

Average tied-up capital period

Interest-bearing debt



■ Bank loan ■ Unsecured bond ■ Promissory loans

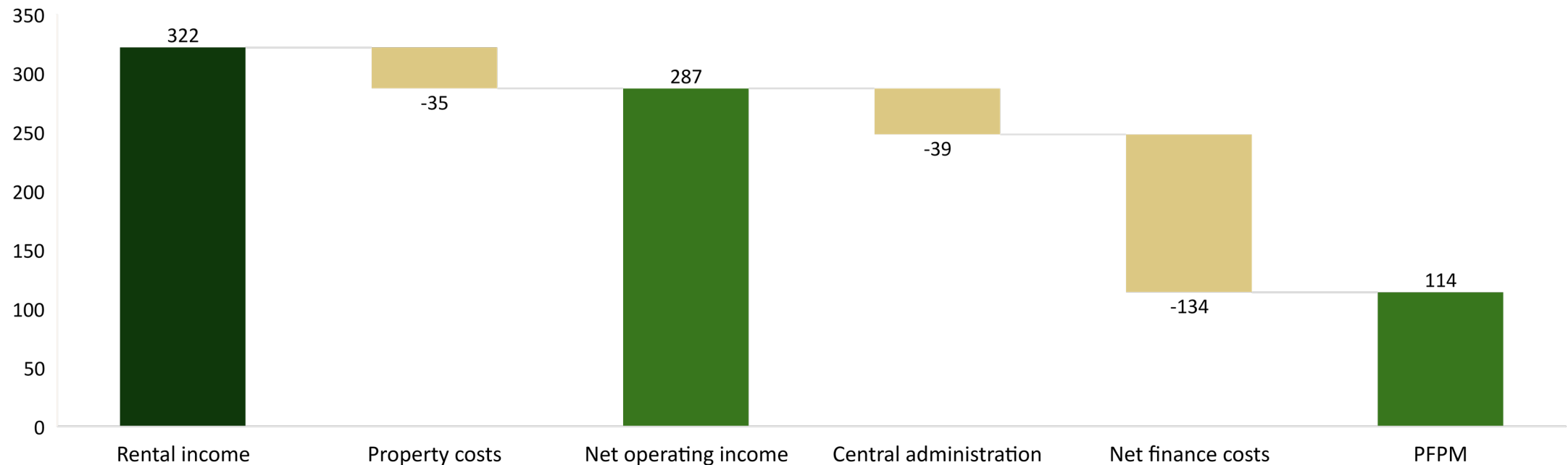


■ Maturity >12 month ■ Maturity <12 month

Current earnings capacity 31 March 2023



MSEK



Comment

The graph above shows the current earning capacity¹, based on the total property portfolio as of 31 March 2023. Rental income is calculated on an annual basis excluding surcharges and rental discounts as well as other property related income based on current leases as of 31 March 2023.

Source: Interim Report Q1 2023.

1) The current earning capacity is not a forecast and should only be considered a hypothetical snapshot and is presented only to illustrate income and expenses on an annual basis given the property portfolio, financial costs, capital structure and organization at a given time

Increased earnings and PFPM q/q



MSEK	Q1 2023	Q4 2022	Q1 2022	R12	FY 2022
Rental income	95	80	50	302	257
Net operating income (NOI)	66	60	33	219	186
Central administration	-9	-11	-8	-39	-38
Net financial income	-33	-28	-12	-96	-75
Profit from property management	24	21	13	84	73
Changes in value properties	-14	-12	179	146	339
Changes in value derivatives	-6	-3	0	2	8
Tax (actual and deferred)	-1	-18	-37	-61	-97
Net profit from real estate operations	3	-12	155	171	323

18 percent increased income compared to last quarter, mainly due to more rent supplements. Occupancy rate was 96.3 percent (99.3).

Increase of NOI by 101 percent compared to Q1 2022. R12 operating margin of 72 percent (65) and adjusted operating margin of 88 percent (84).

Negative changes in value for properties for the quarter due to adjusted yield requirements. Historically high valuation yield of 6.3 percent.

Solid cashflow from operations



MSEK	Q1 2023	Q4 2022	Q1 2022	R12	FY 2022
Cash flow from operations, before changes in working capital	25	25	11	89	75
Cash flow from operations	33	36	-5	114	76
Cash flow from investment activities	-79	-229	-178	-583	-682
Cash flow from financing activities	56	115	37	459	440
Cash flow for the period	10	-78	-146	-10	-166
Cash and cash equivalents at the end of the period	62	52	72	62	52

Solid cash flow from operations in line with business strategy.

Amortisations of interest-bearing liabilities together with repurchases of outstanding bond loans corresponds to SEK 103 million for the quarter.

Unutilized loan facilities of SEK 30 million on the balance date.



Thank you