

Interim Report Q2 2023

14 July 2023

Highlights HY1 2023

+78%

Rental income

+93%

Net operating
income

7.5

WAULT

6.5%

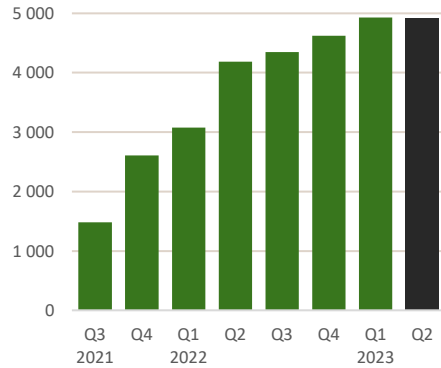
Valuation
yield



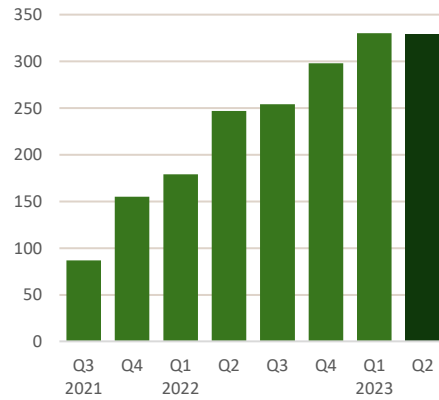
Logistea's operational growth



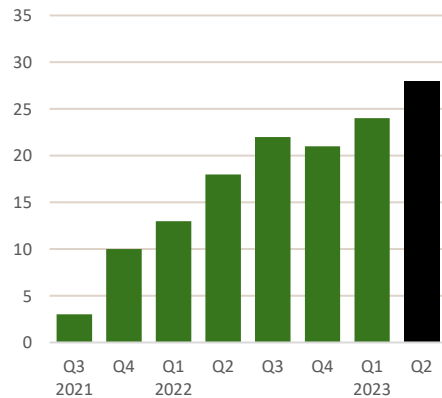
Property value, MSEK



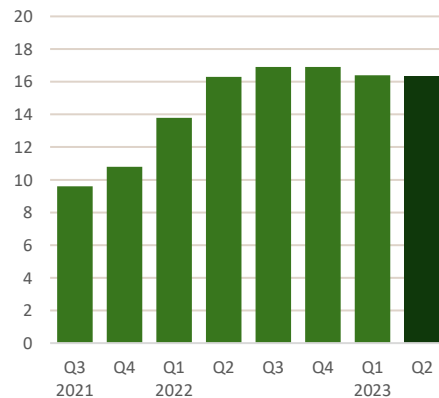
Rental value, MSEK



Profit from property mgmt, MSEK

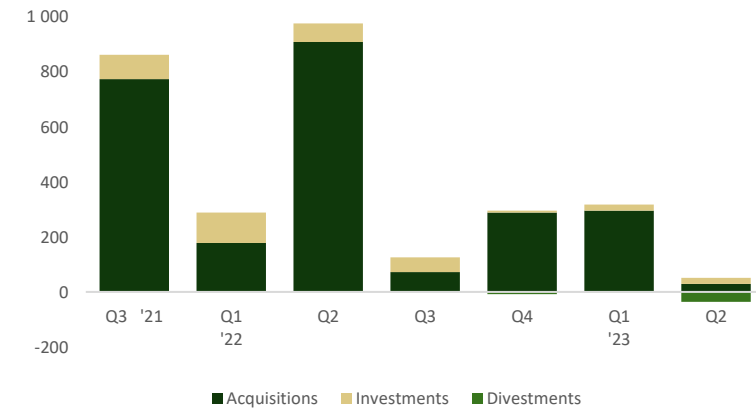


EPRA NRV per share



Operational targets

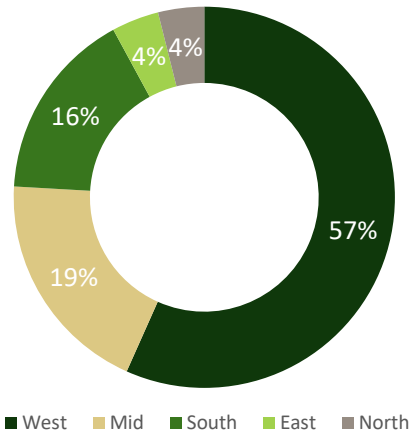
- Property value exceeding SEK 15 billion at the end of 2024.
- Annually complete at least 25,000 square meters of new lettable area.
- 50 percent of the property portfolio's operations will be digitalized by the end of 2026.
- 50 percent of the loan portfolio is green financing at the end of 2026.



Diversified geographic property portfolio



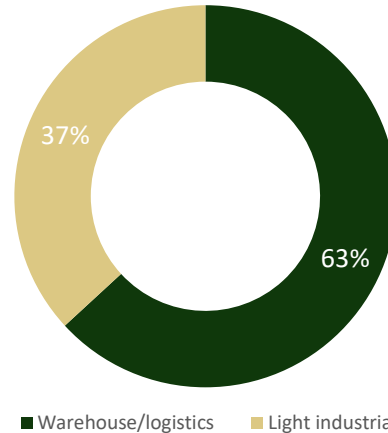
Lettable area by region



563,524
sqm

Total lettable area (a)

Lettable area by category



342,500
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%

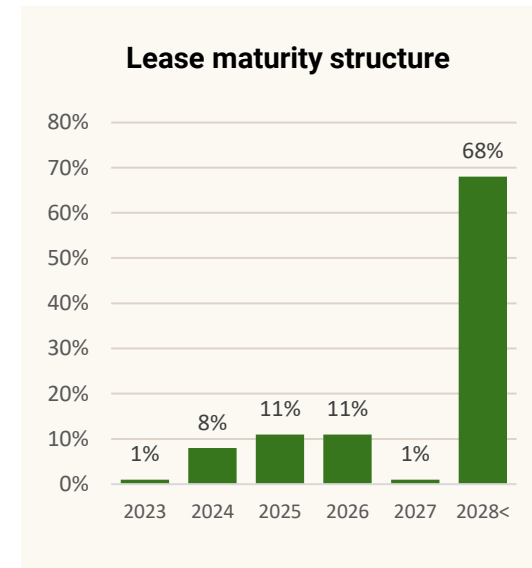
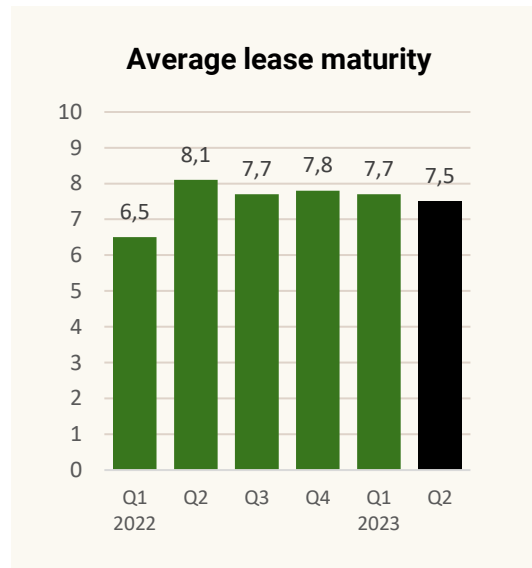
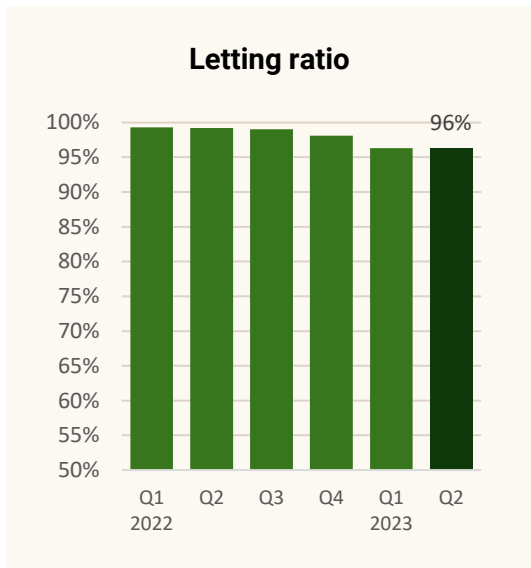
Lettable area: 4,900 sq.m.

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

Solid tenant base



- In the end of June, Logistea signed new green leases with Globen Lightning and Camfil Power Systems for a total of 4,200 square metres. The average lease maturity was 7.3 years and the total rental value amounted to SEK 35 million.



Valuation yield of 6.5%



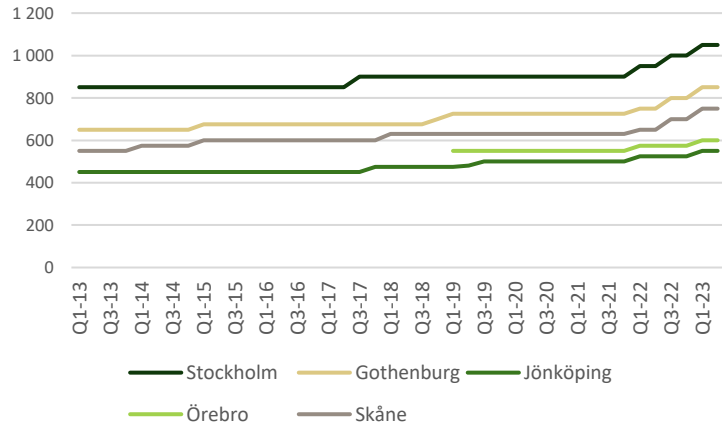
- 26% of the property portfolio was valued by external valuers in the second quarter. Same number for the first quarter was 54%.
- Changes in value for properties amounted to -44 MSEK (-0,6%)
- The unrealised change in value of -37 MSEK are based on:
 - 223 MSEK increased net operating income from mainly adjusted inflation assumption for 2023 (from 2-4% to 5.28%)
 - -283 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 6,5% in Q2 2023.

Strong demand expected to continue

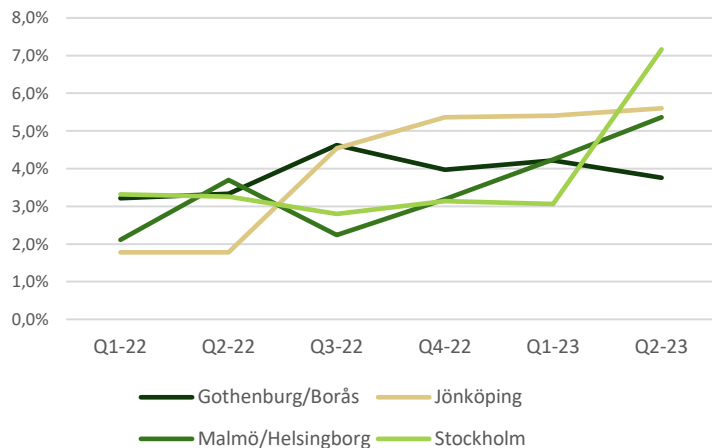


Rents and vacancies

Average rents prime logistics



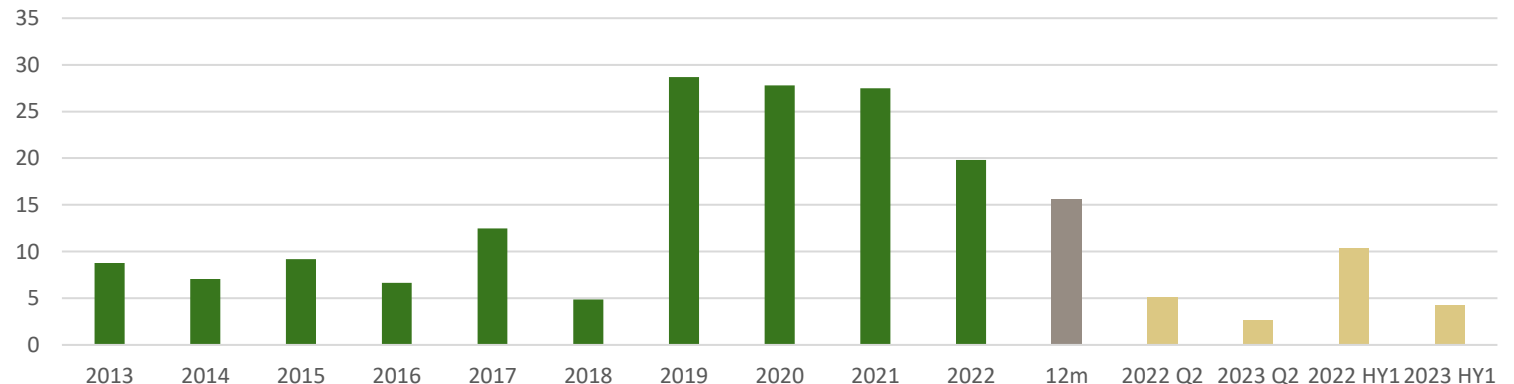
Vacancies



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

Logistic/industry transaction volume on an annual basis, BSEK



Sustainability



Logitea's sustainability targets



100% of new builds environmentally certified



Contributing to Agenda 2030 and SDGs^(a)



Engaged in local community

Sustainability overview

Sustainability focus

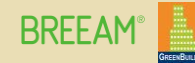
Logitea's ambition is to minimize environmental impact:

- 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

Logitea'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, Logitea 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

Earnings and profit



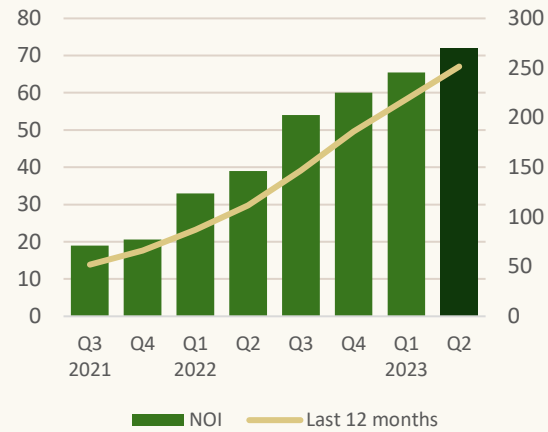
Income



+78% HY1 2023 vs. HY1 2022

+67% Q2 2023 vs. Q2 2022

Net operating income



+93% HY1 2023 vs. HY1 2022

+86% Q2 2023 vs. Q2 2022

Profit from property management



+33% PFPM per share HY1 2023 vs. HY1 2022

+28% PFPM per share Q2 2023 vs. Q2 2022

Financing profile



Summary

- Fixed interest rate period of 2.3 years (2.1).
- Net debt at the balance sheet date amounted to SEK 2,595 million (2,553), of which bank financing accounts for the absolute largest part.
- Net loan-to-value decreased to 52.8% from 55.2% due to repurchasing outstanding bond loans and property acquisitions.
- Interest cover ratio was to 1.9 (2.2).
- Average tied-up capital time of 2.2 years (2.7).
- The average interest rate was 5.0% (4.8).
- Repurchased bond loans in Logistea's own bond of 86.3 MSEK in Q1 and 30 MSEK in Q2.

Key financial ratios

41.4%

Equity ratio

52.8%

Loan-to-value ratio

2.2 years

Average fixed-interest period

44.0%

Secured loan-to-value ratio

2.3 years

Average tied-up capital period

75.5%

Interest secured portfolio

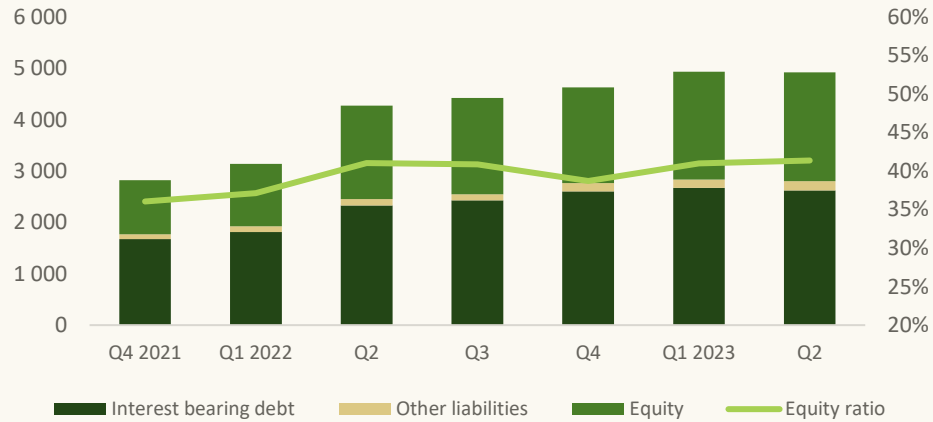
75.5%

Interest secured portfolio

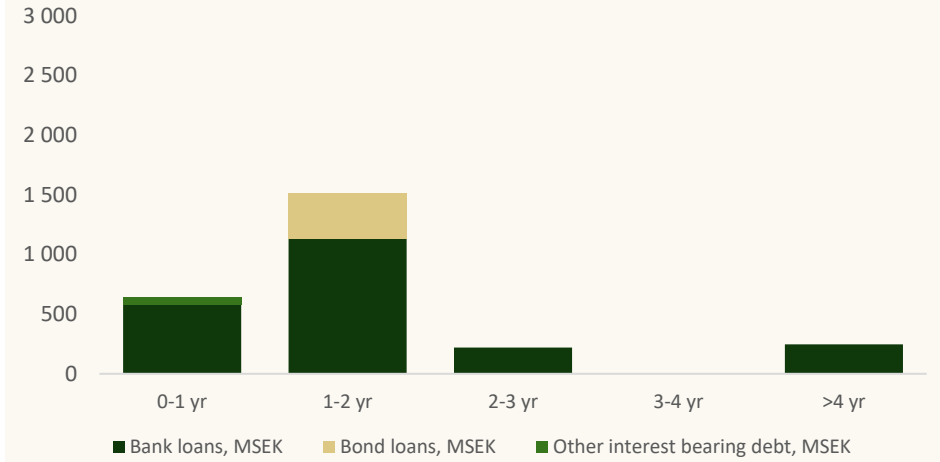
Financing profile



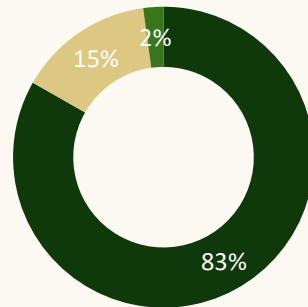
Capital structure



Debt maturity



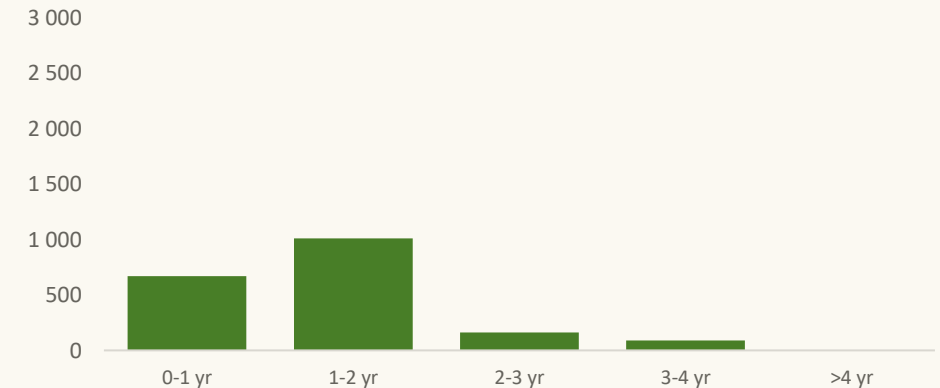
Debt structure



Loan-to-value



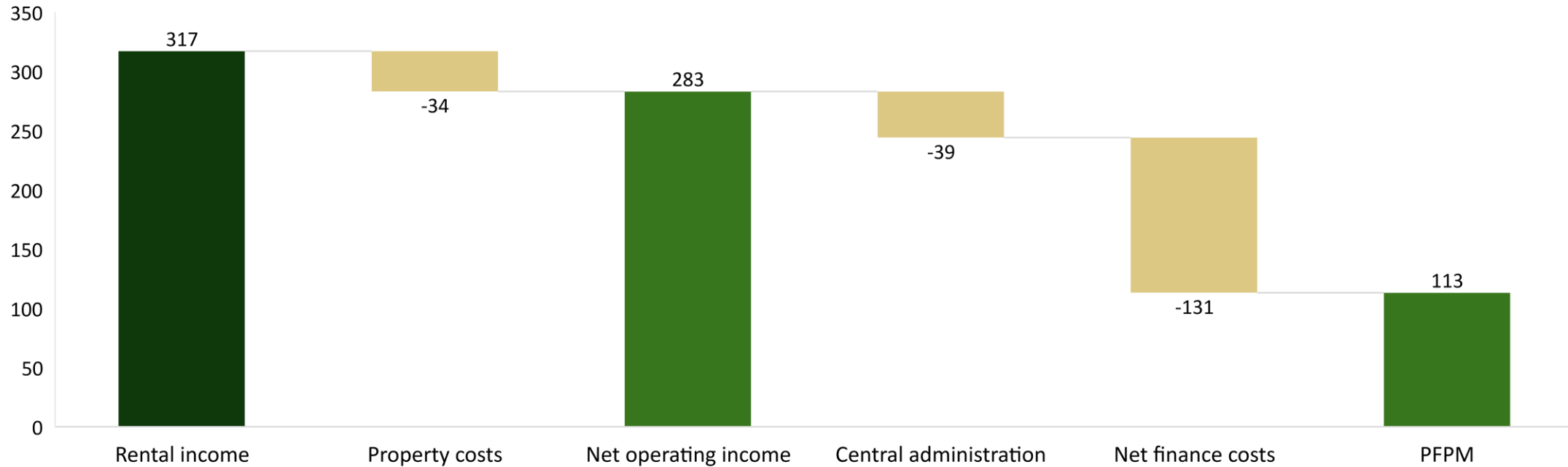
Interest maturity



Current earnings capacity 30 June 2023



MSEK



Comment

The graph above shows the current earning capacity¹, based on the total property portfolio as of 30 June 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 30 June 2023.

Source: Interim Report Q2 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



Q&A



Appendix

Consolidated income statement



Mkr	Jan-Jun 2023		Jan-Jun 2022		Comment
Income	189	4% vacancy	106	1% vacancy	
Property costs	-51		-34		
Net operating income	138		72		
Central administration	-18		-16		
Net financial income	-68	5.0% interest	-25	3.6% interest	
Profit from property mgmt	52	0.4 SEK/share	31	0.3 SEK/share	33.5% increase SEK/share
Changes in value					
Unrealised property value	-37	6.5% valuation yield	314	5.9% valuation yield	
Realised property value	-7		-		
Derivatives	12		2		
Deferred tax	-2		-65		
Actual tax	-3		-2		
Profit after tax	15	0.1 SEK/share	280	2.6 SEK/share	

Consolidated balance statement



Mkr	Jun 2023		Dec 2022		Comment
Property value	4,918	8,319 sek/sqm	4,623	7,932 sek/sqm	
Derivatives	28		10		
Other assets and receivables	132		130		
Cash and bank balances	29		52		
Total assets	5,107		4,815		
Equity	2,114		1,864		EPRA NRV 16.3 SEK/share
Deferred tax	187		185		
Interest-bearing debt	2,624	52.8% LTV	2,605	55.2% LTV	
Other liabilities	182		161		
Equity and liabilities	5,107		4,815		