

# Q3 2022

## Continued strong development

### Summary July – September 2022

- Rental income increased by 207 percent and amounted to SEK 70 million (23).
- Net operating income increased by 185 percent to SEK 54 million (19).
- Profit from property management increased to SEK 22 million (3).
- Profit before tax amounted to SEK 67 million (15), as changes in the value of properties had a positive impact on earnings of SEK 37 million (12).
- Earnings per share amounted to SEK 0.45 (0.13).
- Net asset value per share increased to SEK 16.9 (9.6)
- Two properties acquired in Kumla, with 10,200 sqm of lettable area and 10,000 sqm of building rights with a total property value of SEK 79.4 million.
- The property Stödstop 1:7 in Vaggeryd Logistikpark was certified according to BREEAM In Use Very Good.

### Summary January – September 2022

- Rental income increased by 194 percent and amounted to SEK 177 million (60).
- Net operating income increased by 187 percent to SEK 126 million (44).
- Profit from property management increased to SEK 52 million (8).
- Profit before tax amounted to SEK 414 million (124), as changes in the value of properties had a positive impact on earnings of SEK 351 million (116).
- Earnings per share amounted to SEK 3.03 (1.15).
- 26 properties acquired, corresponding to 198,372 sqm of lettable area and 30,000 sqm of building rights at a total property value of SEK 1,158 million.
- A total of 24,564,885 shares issued, of which 19,428,133 through a preferential rights issue of SEK 350 million before issue costs and 5,136,752 shares in directed issues to finance property acquisitions.
- A total of 22,500 sqm of new construction completed and accessed by the tenants, of which 13,500 sqm in Vaggeryd logistics park during the first quarter and 9,000 sqm in Borås during the second quarter. The properties contribute with an annual net operating income of SEK 14.5 million.

### Significant events after the end of the balance sheet date

No significant events to report

MSEK	Jul-Sep		Jan-Sep		Oct-Sep 2021/2022	Jan-Dec 2021
	2022	2021	2022	2021		
Property value	4,348	1,484	4,348	1,484	4,348	2,607
Rental income	70	23	177	60	209	93
Net operating income	54	19	126	44	147	65
Profit from property management	22	3	52	8	63	18
Result of the period for continuing operations	54	12	335	95	556	317
Earnings per ordinary share A and B, SEK	0.4	0.1	3.0	0.2	5.3	3.7
Occupancy rate, economic, %	99.0	99.6	99.0	99.6	99.0	95.2
Equity ratio, %	40.9	44.6	40.9	44.6	40.9	36.0
Loan to value (LTV), %	52.9	51.1	52.9	51.1	52.9	55.9
Interest cover ratio, multiples	2.3	1.7	2.4	1.6	2.4	1.8
NAV per ordinary share, SEK	16.9	9.6	16.9	9.6	16.9	11.8

Outcome and comparative figures in Logistea's interim report for Q3 2022 refer to the company's real estate operations. Financial results for the company's fashion business, which were distributed from the Group in Q4 2021, are broken out in each financial statement with explanations in Note 4 – 6. For definitions of key figures, see page 22.

## CEO's statement

**“We are proud to report that revenue for the period January to September increased to SEK 177 million (60) and profit from property management to SEK 52 million (8)”**



Logistea is once again reporting strong numbers. We are proud to report that revenue for the period January to September increased to SEK 177 million (60) and profit from property management to SEK 52 million (8). Profit before tax amounted to SEK 414 million (124), where unrealized changes in the value of the property portfolio amounted to SEK 351 million. Net asset value continues to increase and amounted to SEK 16.9 per share at the end of the quarter, compared with SEK 11.8 per share at year-end. This corresponds to an increase of 43 percent. For the same period, the return on equity was just over 30 percent.

Growth in the third quarter was significantly calmer. We added two properties in Kumla at a property value of SEK 79,4 million. It was an investment typical of us, where the seller has operations in the premises and signs a 12-year lease, and where we acquire the property at a return of approximately 7 percent, corresponding to a property value per square meter amounting to SEK 7,800.

Logistea, and many companies with us, are affected by the uncertainty in the market, which has led to a natural slowdown in the transaction market. However, our long-term growth target remains unchanged.

### Increased earnings

At the current inflation rate, our revenues will rise sharply. 97 percent of our leases are indexed, and of these, 97 percent are linked to CPI. This means that rental income will increase by approximately SEK 21 million on an annual basis from year-end at an inflation rate of 9 percent. Given that the inflation rate for 2023 will be 4 percent, rental income will increase by an additional SEK 9 million – i.e. a total of SEK 30 million for the two years. The absolute majority of our rental agreements are so-called triple net agreements or the like, which means that the rent increase mainly results in increased net operating income.

Logistea's tenants are often larger stable companies. Of our 15 largest tenants, where we are the sole landlord of each tenant, the tenants' rental cost amounts to 1.7 percent of their total turnover for each tenant's last reported financial year.

It is also worth noting that a rent increase of 9 percent with unchanged property value corresponds to an implicit higher yield of

just over 0.5 percentage points. The average yield on our existing investment properties today amounts to 5.8 percent.

### A solid foundation

In the increased uncertainty present in the property market at the moment, we choose to focus on what we can influence and what we are good at, namely developing Logistea and creating long-term value for our shareholders, our tenants and our employees. We have an occupancy rate of just over 99 percent, an average remaining term on our leases of just under 8 years and a building rights portfolio of over 300,000 square meters. In addition, our project in Lockryd with the intention of building a battery cell factory for Freyr Battery of around 380,000 square meters. The planning and permit process is proceeding according to plan. Project development will continue to be an important piece of the puzzle in our business, and we do not see any slowdown from tenants and their demand for premises, both existing and new.

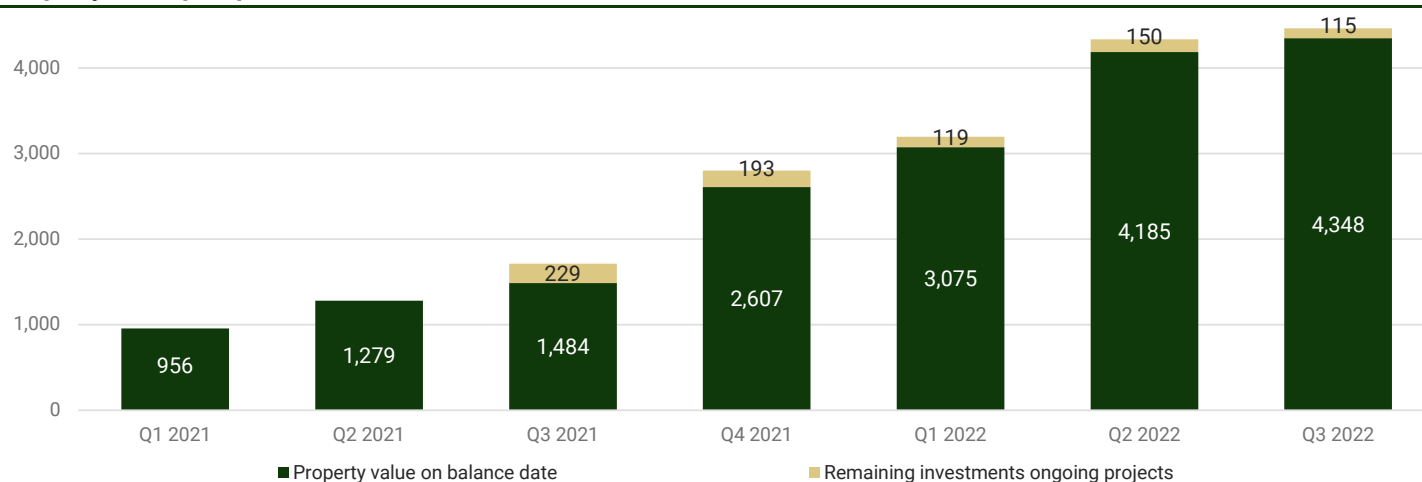
Our cash position was unchanged from the beginning of the quarter despite investments and acquisitions of properties corresponding to a total of SEK 113 million, which shows a strong cash flow from operating activities. Part of our financing is earmarked to sustainability-related measures, and we are pleased that investments with these funds have resulted in, among other things, one of our largest properties being certified according to the environmental certification system BREEAM.

Our financing consists of 76 percent of bank loans, 20 percent of a green unsecured bond issued in Swedish kronor and a smaller part of promissory notes. The average tied-up capital is 2.3 years and apart from a minor refinancing in the third quarter, most of our loans run until 2024–2025. The bond loan of SEK 500 million expires in the fourth quarter of 2024. So we don't see any refinancing risk in the short or medium term. The loan-to-value ratio is at a stable level of 53 percent, but like all real estate companies that use borrowed capital, we continuously review interest costs. We follow developments closely and have control over the consequences of the interest costs for the business.

Niklas Zuckerman  
Chief executive officer

## Logistea's development

### Property value per quarter, SEK million



### Earning capacity, SEK million

MSEK	31/03/2021	30/06/2021	30/09/2021	31/12/2021	31/03/2022	30/06/2022	30/09/2022
Income investment properties	68	85	87	155	179	247	254
Income project properties	-	-	34	34	20	24	26
Non recoverable property costs	-19	-21	-22	-31	-33	-34	-34
<b>Net operating income</b>	<b>49</b>	<b>64</b>	<b>99</b>	<b>158</b>	<b>166</b>	<b>237</b>	<b>246</b>
Central administration	-7	-10	-15	-20	-26	-30	-32
Net finance costs	-12	-20	-23	-53	-55	-84	-93
<b>Profit before tax</b>	<b>30</b>	<b>34</b>	<b>61</b>	<b>85</b>	<b>85</b>	<b>123</b>	<b>121</b>

In the table above, the company's earning capacity is presented on a 12-month basis. The line-up is not to be equated with a forecast. Net operating income is based on leases contracted at the balance sheet date and normalized property costs, not billable, for current and agreed portfolio and real estate projects. For a more detailed description of earning capacity, see page 21.

## Consolidated income statement in summary

MSEK	Not	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
		2022	2021	2022	2021	2021/2022	2021
Rental income		70	23	177	60	209	93
Property expenses		-16	-4	-51	-16	-62	-28
<b>Net operating income</b>	<b>2</b>	<b>54</b>	<b>19</b>	<b>126</b>	<b>44</b>	<b>147</b>	<b>65</b>
Central administration		-11	-11	-27	-23	-28	-24
Net financial income	3	-21	-5	-47	-13	-56	-23
<b>Profit from property management</b>		<b>22</b>	<b>3</b>	<b>52</b>	<b>8</b>	<b>63</b>	<b>18</b>
Changes in value, properties		37	12	351	116	612	378
Changes in value, derivatives		8	-	11	-	11	-
<b>Profit before tax</b>		<b>67</b>	<b>15</b>	<b>414</b>	<b>124</b>	<b>686</b>	<b>396</b>
Actual tax		-2	0	-4	-2	-2	-1
Deferred tax		-11	-3	-75	-27	-128	-78
<b>Result for the period for continuing operations</b>		<b>54</b>	<b>12</b>	<b>335</b>	<b>95</b>	<b>556</b>	<b>317</b>
Profit for the period from distributed operations	4	0	-16	-3	-21	-6	-24
<b>Net profit for the period</b>		<b>54</b>	<b>-4</b>	<b>332</b>	<b>74</b>	<b>550</b>	<b>293</b>
Net profit for the period attributable to:							
Parent company's shareholders, continuing operations		54	12	335	95	556	317
Parent company's shareholders, distributed operations		0	-12	-3	-17	-3	-16
Holding of non-controlling interests		-	-4	-	-4	-4	-8
<b>Earnings per share<sup>1)</sup></b>							
Earnings per share, calculated on result for the period for continuing operations attributable parent company's shareholders, SEK		0.45	0.13	3.03	1.15	5.26	3.72
Earnings per share, calculated on result for the period attributable to parent company's shareholders, SEK		0.45	-0.04	3.00	0.89	5.20	3.44

<sup>1</sup>Earnings per ordinary share are adjusted retroactively for the bonus issue executed and reverse split in November 2021

## Consolidated statement of comprehensive income

MSEK	Not	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
		2022	2021	2022	2021	2021/2022	2021
<b>Net profit for the period</b>		<b>54</b>	<b>-4</b>	<b>332</b>	<b>74</b>	<b>550</b>	<b>293</b>
<i>Items which can be recognized as profit for the period</i>							
Translation difference		-1	0	-1	-	-4	-4
<b>Comprehensive income for the period</b>		<b>53</b>	<b>-4</b>	<b>331</b>	<b>74</b>	<b>546</b>	<b>289</b>
<b>Other comprehensive income for the period attributable to:</b>							
Parent company's shareholders, continuing operations		54	12	335	95	556	317
Parent company's shareholders, distributed operations		-1	-12	-4	-17	-6	-20
Holding of non-controlling interests		-	-4	-	-4	-4	-8

## Performance analysis

### Rental income

During the period January to September, total revenue increased by SEK 70 million (23) to SEK 177 million (60). The increase is mainly explained by an increase in the property portfolio, both from acquisitions and from completed developments.

The economic occupancy rate on the balance sheet date was 99.0 percent (95.1) and the contracted rental value of the investment properties amounted to SEK 254 million (93), an increase of 174 percent.

### Property costs

Property costs for the period amounted to SEK 51 million (16). The surplus ratio was 71 percent (73), and the adjusted surplus ratio was 85 percent (85). Most of the cost increase that has occurred for electricity and heating during the period has been further charged to the tenants in accordance with the rental agreements. The sum also includes costs for property maintenance and other operations and maintenance.

### Net operating income

Completed acquisitions have contributed to an increase in net operating income of 185 percent to SEK 126 million (44) for the period compared to the corresponding period last year. A specification of net operating income for the quarter can be found in Note 2.

### Central administration

Costs for central administration, which refers to costs for group management and group-wide functions, amounted to SEK 27 million (23) for the period.

### Net financial income

Net financial income amounted to SEK 47 million (13) for the period. At the end of the period, the average interest rate was 4.3 percent (3.1). As a result of property acquisitions, interest-bearing net debt increased to SEK 2,298 million (1,468). The loan-to-value ratio was 52.9 percent (55.9). The interest coverage ratio increased for the period to 2.4 times (1.6). See further information on interest-bearing liabilities on page 13.

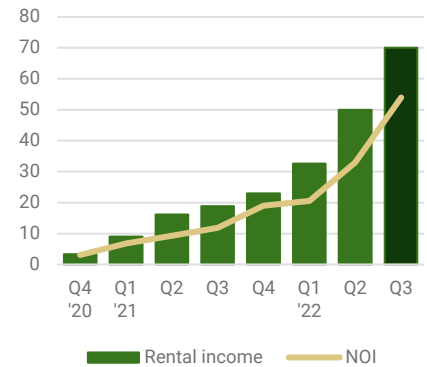
### Profit from property management

Profit from property management increased and amounted to SEK 52 million (8) for the period, of which SEK 22 million (3) is attributable to the third quarter. The increase is largely due to an increased property portfolio in combination with a high degree of leases where the tenant is responsible for the majority of operating and maintenance costs.

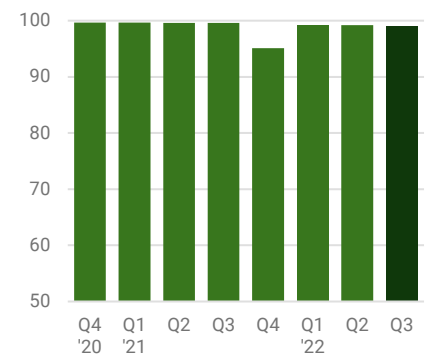
### Results of property operations<sup>1</sup>

Profit for real estate operations amounted to SEK 335 million (95) for the period, affected by increased profit from property management, unrealized changes in the value of the property portfolio of SEK 351 million (116) and deferred tax of SEK 75 million (27). During the period, unrealized changes in the value of derivatives increased to SEK 11 million (0). More information about unrealized changes in the value of real estate can be found in Note 7.

### Rental income and net operating income per quarter, SEK million



### Occupancy rate per quarter, %



<sup>1</sup> Remaining operations after the fashion business is distributed.

## Consolidated statement of financial position in summary

MSEK	Not	30/09/2022	30/09/2021	31/12/2021
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets		2	0	1
Investment properties	7	4,348	1,484	2,607
Right-of-use assets		13	-	2
Other tangible fixed assets		1	4	0
Other long-term receivables		-	-	1
Derivatives		11	-	-
<b>Total non-current assets</b>		<b>4,375</b>	<b>1,488</b>	<b>2,611</b>
<b>Current assets</b>				
Inventory		-	0	-
Current receivables		88	40	82
Cash and bank balances		130	79	218
Assets held for value transfer	6	-	241	-
<b>Total current assets</b>		<b>218</b>	<b>360</b>	<b>300</b>
<b>TOTAL ASSETS</b>		<b>4,593</b>	<b>1,848</b>	<b>2,911</b>
<b>EQUITY AND LIABILITIES</b>				
Equity attributable to parent company's shareholders		1,876	729	1,049
Equity attributable to holding of non-controlling interests		-	89	-
<b>Total equity</b>		<b>1,876</b>	<b>818</b>	<b>1,049</b>
<b>Non-current liabilities</b>				
Interest bearing debt		2,201	774	1,514
Leasing liabilities		10	-	-
Deferred tax		167	38	90
<b>Total non-current liabilities</b>		<b>2,378</b>	<b>812</b>	<b>1,604</b>
<b>Current liabilities</b>				
Interest bearing debt		227	64	172
Leasing liabilities		2	-	2
Other liabilities		110	99	84
Liabilities held for value transfer	6	-	55	-
<b>Total current liabilities</b>		<b>339</b>	<b>218</b>	<b>258</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,593</b>	<b>1,848</b>	<b>2,911</b>

## Consolidated statement of changes in equity in summary

MSEK	30/09/2022	30/09/2021	31/12/2021
Equity at beginning of period	1,049	470	470
Comprehensive income for the period	331	74	289
Emissions, net after issuance costs	494	131	317
Tax effect issuance costs	2	-	-
Non-cash issue acquisition of MBRS Group	-	143	142
Dividend of holdings in MBRS Group	-	-	-177
Staff option program	0	-	8
<b>Equity at end of period</b>	<b>1,876</b>	<b>818</b>	<b>1,049</b>

## Group cash flow statement in summary

SEK	Not	Jul-Sep		Jan-Sep		Jan-Dec
		2022	2021	2022	2021	2021
<b>Cash flow from operations</b>						
Net operating income continuing operations		54	19	126	44	65
Central administration continuing operations		-11	-11	-27	-23	-24
Operating income from distributed operations	4	0	-16	-3	-21	-24
Adjustments for non-cash items		0	6	0	10	11
Interest received		1	0	1	0	0
Interest paid		-19	-2	-40	-10	-17
Tax paid		-4	-	-7	-4	-1
<b>Cash flow before changes in working capital</b>		<b>21</b>	<b>-4</b>	<b>50</b>	<b>-4</b>	<b>10</b>
<b>Cash flow from changes in working capital</b>						
Increase (-)/decrease (+) of commodities		-	-17	-	-22	-22
Increase (-)/decrease (+) of current assets		13	61	11	-24	-36
Increase (+)/decrease (-) of current liabilities		-8	-68	-21	-47	43
<b>Cash flow from operations</b>		<b>26</b>	<b>-28</b>	<b>40</b>	<b>-97</b>	<b>-5</b>
<b>Cash flow from investing activities</b>						
Investments in current properties	7	-54	-56	-232	-73	-161
Acquisition of assets via subsidiaries		-58	-32	-219	-62	-331
Other intangible and tangible assets, net		0	9	-2	7	-1
<b>Cash flow from investing activities</b>		<b>-112</b>	<b>-79</b>	<b>-453</b>	<b>-128</b>	<b>-493</b>
<b>Cash flow from financing activities</b>						
Emissions, net after issuance costs		0	40	338	39	38
Staff option program		-	-	0	-	8
New loans		165	208	830	648	1,257
Repayment of loans		-79	-94	-843	-418	-642
Repayment of leasing debt		-	-2	-	-4	-2
<b>Cash flow from financing activities</b>		<b>86</b>	<b>152</b>	<b>325</b>	<b>265</b>	<b>658</b>
<b>Increase/decrease of cash and cash equivalents</b>						
Cash flow for the period		0	45	-88	40	160
Cash and cash equivalents at beginning of period		130	53	218	58	58
Cash and cash equivalents at end of period		130	98	130	98	218

### Comment on the cash flow statement

The cash flow statement is prepared and adjusted in accordance with IAS 7, which means that only the net purchase price for the shares in acquired companies, less acquired cash and cash equivalents, is recognized under the acquisition of real estate. Amortized loans include the Group's amortization of existing debt and refinancings of acquired debts.

During the quarter, two construction loans were refinanced against real estate loans as the projects are in the final phases. Estimated

remaining investments on ongoing projects until the end of 2023 amount to SEK 115 million.

The Group's cash and cash equivalents are unchanged towards the beginning of the quarter, despite investments in project properties and acquisitions, which is explained by a strong cash flow from operating activities. In addition to the cash position, the Group has unutilized credit facilities of approximately SEK 30 million that can be called off if necessary.

## Property portfolio

Growth through acquisitions slowed somewhat in the third quarter. During the quarter, Logistea acquired two properties in Kumla at an agreed property value of SEK 79.4 million.

The operational goal that the property value should exceed SEK 15 billion at the end of 2024 remains and will be achieved by:

- Acquire properties and buildable land in attractive locations in Sweden, and over time also in the rest of the Nordic region, suitable for warehousing, logistics and light industry.
- Continuously develop the existing property portfolio through new and additional construction of properties on own land.
- Prioritize a well-diversified customer base with financially stable tenants and long-term leases.
- Run a resource-efficient business, where digitalization and technology are enablers and where environmental impact and social sustainability are taken into account in business decisions.

As of September 30, 2022, Logistea owned 68 properties (41) in 38 locations (19) in Sweden. Total rental income in the third quarter amounted to SEK 70 million (23) and for the last 12 months to SEK 209 million. The total lettable area amounted to 544,026 square meters (345,154), including ongoing new constructions and extensions. The economic occupancy rate for investment properties at the end of the period was 99.1 percent (95.1).

For the period, the unrealized change in value amounted to SEK 351 million (116) and for the third quarter it amounted to SEK 37 million (12). Nearly SEK 315 million in changes in value for the period are based on adjusted inflation assumptions during the year and assumptions about yield requirements for investment properties. Other parts of the change in value are due to rising net operating income as a result of completed projects and tenant adaptations.

Changes in value in the third quarter amounted to SEK 37 million, of which SEK 4 million is due to completed projects. The remainder, SEK 33 million, is due to a combination of rising inflation assumptions and adjusted return requirements. For the quarter, the valuation yield was adjusted up by an average of 0.20 percentage points.

The initial yield for Logistea's investment properties at the end of the period was 5.85 percent, compared with 5.87 percent at the end of the previous quarter. More information can be found in Note 7.

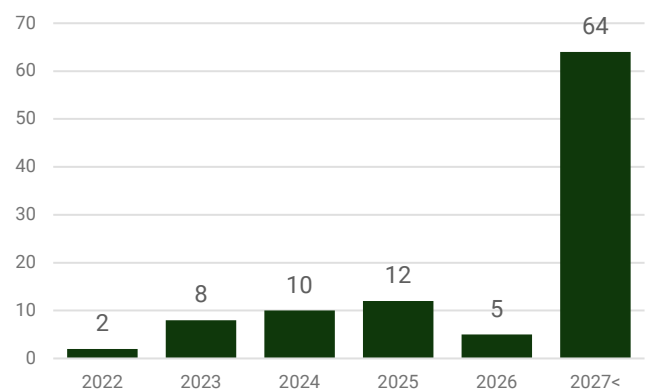
The reported value of the properties is based both on external valuations from reputable valuation institutions and on internal valuations. During 2022, 92 percent of the portfolio has been valued by external valuation institutes, of which 22 percent during the third quarter. During the fourth quarter, a majority of the property portfolio will be valued externally. More information about valuations can be found in Note 10 in Logistea's Annual and Sustainability Report 2021.

### Customers and leases

Logistea's vision is to be the natural long-term partner to companies that demand sustainable and modern premises for warehousing, logistics and light industry by offering sustainable and efficient premises in good business locations adapted to the tenant's needs. Together with the tenants, the properties are developed for the benefit of both parties.

Logistea's acquisition strategy focuses on properties in good locations with long-term financially stable tenants. As of September 30, 2022, the average remaining contract length for Logistea's tenants was 7.7 years. Diversification in terms of tenants' industries in a reduced risk of rent losses and vacancies.

### Lease maturity structure, %





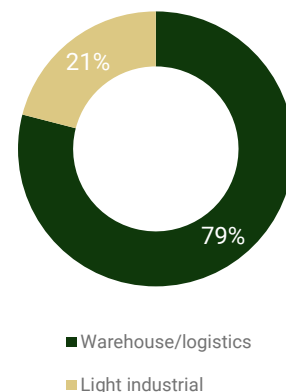
### Property portfolio as of the balance sheet date 30 September 2022

Region	Lettable area, sqm	Property value, MSEK	Rental value, MSEK	NOI, MSEK	Building rights, sqm
West	267,385	2,293	151	132	70,500
Mid	98,505	513	40	31	50,000
South	96,897	717	44	42	13,000
East	28,260	196	13	11	2,000
North	16,759	81	6	6	-
<b>Total</b>	<b>507,806</b>	<b>3,800</b>	<b>254</b>	<b>222</b>	<b>135,500</b>
Project properties	36,220	548	26	24	180,000
<b>Total</b>	<b>544,026</b>	<b>4,348</b>	<b>280</b>	<b>246</b>	<b>315,500</b>

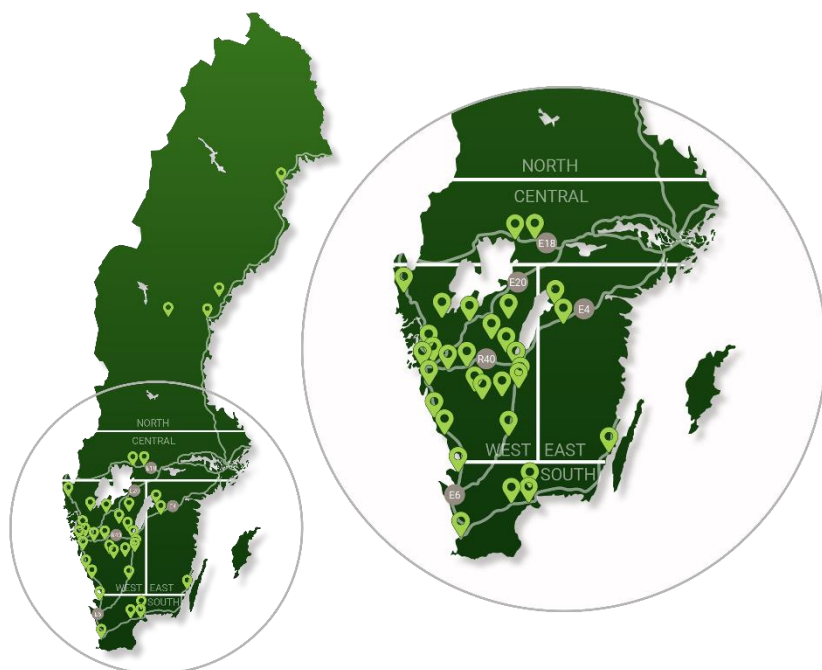
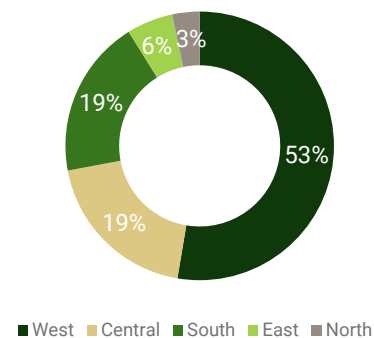
Not included in the table are Svenljunga/Lockryd (480,000 sqm building right) and Ödeshög (50,000 sqm building right), where Logitea has a unilateral option on land acquisition.

During the third quarter, Logitea acquired two properties corresponding to 10,200 square meters of lettable area including approximately 10,000 square meters of building rights, at a total property value of SEK 79.4 million. During the period, 26 properties with a total lettable area of 198,372 square meters including 30,000 square meters of building rights were acquired.

Lettable area by category  
September 30, 2022, sqm



Lettable area by region  
September 30, 2022, sqm



Logitea's property portfolio as of September 30 regionalized.

## Project properties

In order to get and retain satisfied, long-term tenants, Logistea works continuously to develop, refine, modernize and customize properties. Together with the tenants, Logistea develops new properties, further develop and builds to existing properties, and drives further development of the environment closest to the properties. Through a good collaboration, Logistea can grow with the tenant.

## Current projects

*Borås (Vindan 1)* – The project to add approximately 9,000 square meters of state-of-the-art warehouse and logistics space to the existing property has been completed in Q3 2022 and handed over to the tenant, e-commerce company Cellbes, who has also completed the installation of its automation solution, "Autostore". Modernization and purpose adaptation of 6,000 square meters in the original building is underway in collaboration with the tenant.

*Vaggeryd Logistics Park* – The logistics park is an extensive development area of total 380,000 square meters located in an excellent logistics location south of Jönköping where railway connection is also included. The planning work is carried out with the aim of, among other things, increasing the number of building permits. Existing total building rights are estimated to amount to 120,000 square meters.

The first phase, a state-of-the-art property for logistics and light industry of approximately 13,500 square meters with a good signage location at the E4, has been completed, final decision has been received and tenants have been able to move in during the second quarter of 2022.

## Ongoing projects

Property	Lettable area, sqm	Estimated rental value, MSEK	Estimated NOI, MSEK	Total investment, MSEK	Remaining investment, MSEK	Estimated completion, year
Borås Vindan 1	21,700	12	11	101	7	2022
Timrå Vivsta 13:92	5,000	5	4	55	29	2023
Kungsbacka Duvehed 2:51	4,400	4	4	64	39	2024
Kungälv Tråget 3	5,120	5	5	70	40	2024
<b>Total</b>	<b>36,220</b>	<b>26</b>	<b>24</b>	<b>290</b>	<b>115</b>	

Information about project properties is based on assessments of the size, focus and scope of the projects. Furthermore, the information is based on assessments of future project costs and rental value. The assessments and assumptions should not be seen as a forecast. Assessments and assumptions involve uncertainties regarding the implementation, design and size of the projects, schedules, project costs and future rental value. The information about project properties is regularly reviewed and assessments and assumptions are adjusted as a result of ongoing projects being completed or added and conditions changing. Svenljunga/Lockryd is not included in the table.



*Timrå (Vivsta 13:92)* – For Nordic Netstores, Logistea is developing a modern needs-adapted warehouse and logistics building of 5,000 sqm in Timrå with an estimated handover in the second quarter of 2023.

*Gothenburg (Kungälv Tråget 3 & Kungsbacka Duvehed 2:51)* – Construction of two project properties in Gothenburg is expected to begin in 2023.

## Future projects

*Svenljunga* – An early-stage project, with the potential to become one of the larger industrial projects in Sweden in the coming years, consists of the letter of intent that Logistea, together with Hansson Holding AB, signed with battery cell manufacturer Freyr Battery at the end of 2021 regarding a lease agreement for 380,000 square meters of newly produced premises. At the same time, an associated exclusive land reservation agreement for one million square meters of land area was signed with Svenljunga municipality. The planning and permit process is proceeding according to plan.

*Båråmo* – The Båråmo terminal, a dry port linked by rail with the Port of Gothenburg, is one of the largest inland nodes in the shuttle system by rail to and from the Port of Gothenburg. Here, Logistea plans the construction of modern purpose-built warehouse and logistics buildings on 100,000 square meters of land, of which 80,000 square meters are held via a unilateral option. Båråmo intermodal terminal is part of the European rail corridor ScandMed established by the EU.

Project The terminal in Skillingaryd, near the Båråmo terminal, which enables newly produced logistics buildings of up to 55,000 sqm.

More information on [www.logisteatterminalen.se](http://www.logisteatterminalen.se)

## Real estate market

### Investment market

During the third quarter, the number of transactions in the industry segment slowed down compared to the first half of 2022. During the quarter, 13 transactions<sup>2</sup> were completed in the warehousing, logistics and industrial segment with an individual transaction value exceeding SEK 50 million, with a total value of SEK 4.3 billion.<sup>3</sup>

### Strong demand

A survey from the Confederation of Swedish Enterprise shows that Swedish companies have growing problems with supply chains, partly due to the war in Ukraine. The survey, conducted in the first half of 2022, shows that 84 percent of the 675 importing companies surveyed say they have problems with supply chains. Delayed deliveries and lack of goods and services are two of the reasons. 53 percent state that they intend to increase their inventories<sup>4</sup>.

According to the international combined transport agency UIRR, rail freight in Europe increased by almost 11 percent in 2021. During the first half of 2022, freight transport by rail increased by as much as 10.5 percent in Sweden. Likely explanations for the increase are rising fuel costs for trucks and increased sustainability awareness among both freight forwarders and customers.

Logistea's largest project Vaggeryd Logistics Park and Project Terminal in Skillingaryd have, or have the opportunity to, track for railways into the properties. Both properties are also located within a stone's throw of the Båråmo terminal, one of northern Europe's largest dry ports that is also connected to the European railway corridor ScandMed.

### Transaction market

The transaction market in Sweden continued to weaken in the third quarter of 2022 compared with the previous year and activity in August and September was 87 percent below the average over the past five years, which can be linked to rising interest rates and uncertainty about weaker economic conditions. Transaction volume

in the third quarter totalled SEK 15.2 billion, which was 60 percent lower compared to the corresponding period in 2021. Since the turn of the year, transaction volume is down 26 percent but is strong from a historical perspective and only down by 12 percent adjusted for corporate transactions. The quarter has been hesitant and continued rising interest rates combined with a weaker economic outlook and high construction costs affect the transaction market.<sup>5</sup>

### The logistics and industrial transaction market

Interest in investing in warehouse and logistics properties in Sweden remains high, driven by strong underlying demand for space and conditions for rent growth. The segment has been driven by a high demand from tenants who have demanded modern and automated logistics solutions as e-commerce has grown. At the same time, many investors both, national and international, have wanted to increase their exposure to the segment and not least capital-rich institutions. However, the higher interest cost has squeezed the returns of all players in the market, which puts pressure on prices and has created some uncertainty about the price situation over the past two quarters.<sup>6</sup>

Long-term leases and newly produced areas remain highly valued by investors, but interest is relatively broad even for portfolios of industrial properties, although the return requirements there are significantly higher.<sup>7</sup>

Yield requirements are considered to have increased since the end of the second quarter, driven by rising financing costs, among other things. Higher inflation in 2022 will mean contractually large indexation of rents. This will create a buffer for any future rising yield requirements.

<sup>2</sup> Excluding the transaction completed during the third quarter in which Stenhus Fastigheter acquired Randviken Fastigheter for approximately SEK 7 billion.

<sup>3</sup> MSCI Datscha

<sup>4</sup> [https://www.svensktnaringsliv.se/sakomraden/internationell-handel/valfyllda-lager-nar-importpriserna-stiger\\_1184476.html](https://www.svensktnaringsliv.se/sakomraden/internationell-handel/valfyllda-lager-nar-importpriserna-stiger_1184476.html)

<sup>5</sup> JLL Interim Report Q3 2022

<sup>6</sup> JLL Interim Report Q3 2022

<sup>7</sup> JLL Interim Report Q3 2022

## Sustainability

### Targets and strategy in line with Agenda 2030 and BREEAM

Logistea contributes to the UN's Agenda 2030 by supporting a sustainable society and protecting the environment, and has been a member of the UN Global Compact since 2022. The UN global goals where Logistea has the greatest opportunity to influence are:

- 7 Affordable and clean energy,
- 8 Decent work and economic growth;
- 9 Sustainable industry, innovations and infrastructure,
- 11 Sustainable cities and communities,
- 12 sustainable consumption and production, and
- 13 Fighting climate change.

Logistea develops the operational work within the sustainability goals in dialogue with the company's stakeholders. The priority is to minimize the environmental impact of operations by working resource-smart, energy-efficient and environmentally friendly.

### Sustainability goals

Logistea quantifiable targets for energy consumption in new construction, and where possible, in existing properties, are:

- BREEAM Very good or higher, or equivalent certification standard, or
- Energy performance certificates (EPC) A or B, or
- energy consumption less than 20 % of the applicable national building regulation, or
- Reduce energy consumption by at least 30 percent during major renovations.

### Sustainability update

Logistea's work in the area of sustainability continued during the third quarter. During the quarter, a first building, Stödstop 1:7, was environmentally certified in Vaggeryd Logistics Park, which achieved BREAM In Use Very Good. Environmental certification of another building began in the third quarter.

### 50 percent green financing

In 2021, Logistea established a green financial framework with the aim of financing and refinancing green and energy-efficient buildings as well as investments in energy efficiency such as solar panels. The green finance framework is established in accordance with the Green Bond Principles, designed by ICMA (International Capital Markets Association) and the Green Loan Principles, designed by the LMA (Loan Market Association). The framework is audited by ISS ESG, an independent third party. In 2021, Logistea issued SEK 500 million in senior unsecured bonds within the framework, which in total amounts to SEK 1,000 million. The company's green assets on the balance sheet date amounted to approximately SEK 416 million. Logistea's operational target is for 50 percent of the loan portfolio to consist of green financing by the end of 2026. On the balance sheet date, 20 percent of the loan portfolio consisted of green financing.

### Social responsibility

Since 2021, Logistea has been the main sponsor of the Gothenburg-based sports association Grunden Bois. The association welcomes anyone with intellectual disabilities who wants to participate in sports in football, floorball and gymnastics. With the sponsorship, Logistea wants to create conditions for more young people and adults who want to play sports to do so. For more information about the association, see also [www.grundenbois.com](http://www.grundenbois.com)

### Sustainability framework

#### WE SUPPORT



### Samhällsengagemang



## Financing

### Market outlook

The period was marked by continued rising inflation partly due to external factors such as high energy prices as a result of the war in Ukraine and pandemic lags. Inflation is also driven by high demand as a result of good economic conditions in Sweden.

The capital market was volatile for the past two quarters, with low liquidity and broad credit margins. In order to overcome the rising inflation and in the hope of strengthening the Swedish krona, the Riksbank chose to raise its key interest rate by 100 basis points in September. Further interest rate increases are expected during the year, which is why the capital market will not be Logistea's first choice in any future capital raisings, given prevailing market sentiment.

### Derivative instruments

Logistea estimates that the refinancing risk is unchanged compared to the end of the year, supported by the average tied-up capital, which at the end of the period amounted to 2.3 years (2.4). Interest rate risk has changed as the policy rate has increased during the year. To counteract the elevated interest rate risk, Logistea has during the year subscribed to derivatives in the form of interest rate caps and interest rate swaps. The average fixed interest term at the end of the period was 0.8 years (0.5) including the effect of interest rate derivatives. At the end of the period, the average interest rate was 4.3 percent (3.1).

At the end of the third quarter, the derivatives portfolio consisted of interest rate swaps and interest rate caps of a nominal amount of SEK 476 million (0) maturing in 2024 - 2027. All derivatives are used to hedge the interest rate on loans that carry a variable interest rate.

The unrealized change in the value of derivatives during the period amounted to SEK 11 million (0), where the increase in value can be explained by rising market interest rates.

### Interest-bearing liabilities

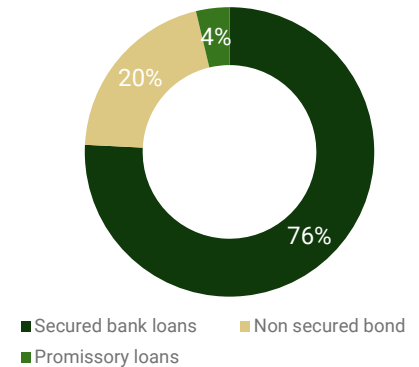
Logistea uses bank financing and the capital market to finance investments in acquisitions and new construction, refinement and optimization of the existing portfolio. Growth shall take place with a balanced net leverage of a maximum of 60 percent over time.

On the balance sheet date, Logistea had an outstanding green unsecured bond of SEK 500 million issued in the fourth quarter of 2021 under a total framework of SEK 1,000 million. The bond loan has a maturity of 3 years.

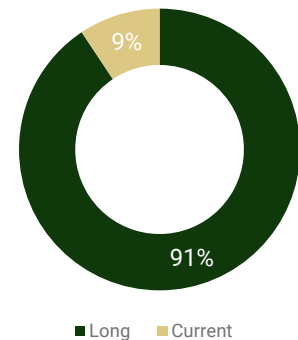
The company's interest-bearing net debt on the balance sheet date amounted to SEK 2,298 million (1,468), corresponding to a loan-to-value ratio of 52.9 percent (55.9) of the properties' market value. Of the interest-bearing gross debt, SEK 2,201 million (1,514) consisted of long-term liabilities and SEK 227 million (172) of short-term liabilities. In total, most of the company's interest-bearing debt consisted of bank financing of SEK 1,850 million (581).

Net borrowing during the quarter amounted to a total of SEK 110 million (614). During the third quarter, the Group raised SEK 167 million (1,256) in new loans and amortized SEK 57 million (642). At the end of the period, Logistea had cash and cash equivalents amounting to SEK 130 million.

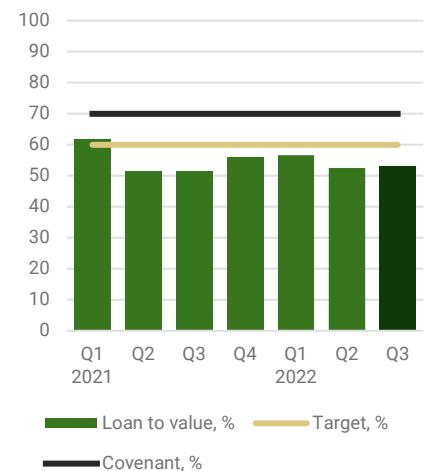
### Distribution of interest-bearing liabilities



### Distribution of long- and short-term liabilities



### Loan-to-value ratio per quarter, %



## Logistea's shares

Logistea's shares are listed on Nasdaq Stockholm Mid Cap and had just over 13,000 shareholders at the end of the period. The ten largest owners as of 30 September 2022 are shown in the table below.

### Shareholders as of 30 September 2022

Each Class A share corresponds to one vote and one Class B share corresponds to one tenth of a vote.

Shareholder	LOGI A	LOGI B	Capital, %	Votes, %
Ilija Batljan directly and via legal entity	2,395,851	24,150,511	22.0	23.2
Dragfast AB	3,050,000	8,030,000	9.2	18.6
M2 Capital Management AB	430,205	11,069,729	9.5	7.4
Stefan Hansson directly and via legal entity	614,787	6,995,921	6.3	6.4
Phoenix Insurance Ltd.	-	7,687,705	6.4	3.8
Karlskoga Industrifastigheter AB	-	6,500,000	5.4	3.1
Kattvik Financial Services AB	51,223	4,286,512	3.6	2.3
Futur Pension	171,995	2,576,604	2.3	2.1
Avere Fastigheter AB	267,917	1,362,948	1.3	2.0
Trenäs Förvaltning AB	394,182	41,828	0.4	1.9
<b>Subtotal 10 largest shareholders</b>	<b>7,376,160</b>	<b>72,701,758</b>	<b>66.3</b>	<b>70.8</b>
Other	2,192,232	38,583,907	33.7	29.2
<b>Total</b>	<b>9,568,392</b>	<b>111,285,665</b>	<b>100.0</b>	<b>100.0</b>

Source: Euroclear and shareholders

### Share issues related to acquisitions

With the support of the Board of Directors' issue authorization from the Annual General Meeting on May 5, 2022, Logistea has continued to pay for property acquisitions with newly issued shares. This is estimated to create shareholder value for existing shareholders. During the first three quarters of 2022, 5,136,752 new Ordinary B shares were issued in connection with acquisitions.

### Preferential rights issue April 2022

In March 2022, Logistea announced the proposal to carry out a rights issue in order to support Logistea's growth strategy. The issue was fully guaranteed by a group of existing shareholders and was completed in April 2022. The subscription price was set at SEK 18 per ordinary share, regardless of share class, which corresponded to issue proceeds of SEK 350 million before issue costs. Through the rights issue, Logistea's share capital increased by SEK 9.7 million through the issuance of 1,594,732 new Ordinary A shares and 17,833,401 new Ordinary B shares, respectively. The number of ordinary shares increased by 19,428,133 ordinary shares, corresponding to a dilution of approximately 16.7 percent of the total number of shares and 16.7 percent of the total number of votes in Logistea.

### Option program

At the Extraordinary General Meeting in October 2021, it was decided to implement an option program for employees and key personnel. As the share price on the balance date was below the strike price of the options, the company does not report any dilution effects.

### Share information, 30 September 2022

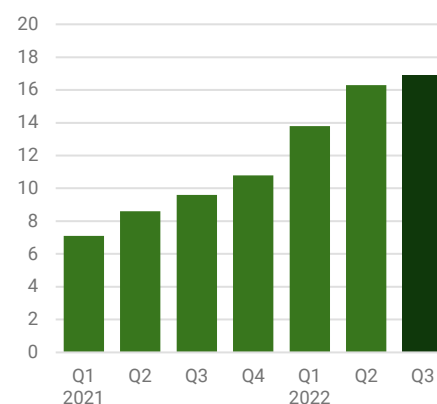
Market cap	1,4 BSEK
Market place	Nasdaq Stockholm, Mid Cap
LEI code	549300ZSB0ZCKM1SL747
Number of shareholders	13,266

Ordinary share Class A	
Number of shares	9,568,392
Closing price	11.5 SEK
ISIN	SE0017131329

Ordinary share Class B	
Number of shares	111,285,665
Closing price	11.3 SEK
ISIN	SE0017131337

Total outstanding shares at the balance sheet date amount to 120,854,057 shares.

### Net asset value (NAV) per ordinary share of class A and B, SEK



## Key figures

	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
	2022	2021	2022	2021	2021/2022	2021
<b>Property related</b>						
Fair value investment properties, MSEK	4,348	1,484	4,348	1,484	4,348	2,607
Rental income, MSEK	70	23	177	60	209	93
Rental value, MSEK	254	93	254	93	254	154
Net operating income, MSEK	54	19	126	44	147	65
Economic occupancy rate, %	99.0	99.6	99.0	99.6	99.0	95.2
Wault, years	7.7	6.3	7.7	6.3	7.7	6.2
Yield, %	5.8	5.9	5.8	5.9	5.8	6.0
Operating margin, %	76.7	79.2	71.3	73.1	70.3	70.6
Adjusted operating margin, %	87.2	92.6	85.0	85.2	83.6	82.2
Number of investment properties	68	26	68	26	68	41
<b>Financial</b>						
Return on equity, %	11.8	7.1	30.5	21.2	42.7	38.5
Equity ratio, %	40.9	44.6	40.9	44.6	40.9	36.0
Interest bearing net debt, MSEK	2,299	759	2,299	759	2,299	1,458
Loan to value, %	52.9	51.1	52.9	51.1	52.9	55.9
Interest cover ratio, multiples	2.3	1.7	2.4	1.6	2.4	1.8
Average interest, %	4.3	2.3	4.3	2.3	4.3	3.1
Average fixed-interest period, years	0.8	0.5	0.8	0.5	0.8	0.5
Average tied-up capital, years	2.3	2.2	2.3	2.2	2.3	2.4
<b>Share-related</b>						
Profit from property mgmt per ordinary share A and B, SEK	0.2	0.4	0.5	0.1	0.6	0.2
Earnings per ordinary share A and B, SEK <sup>1)</sup>	0.4	0.1	3.0	1.2	5.3	3.7
NAV per ordinary share A and B, SEK	16.9	9.6	16.9	9.6	16.9	11.8
Equity per ordinary share A and B, SEK	15.5	9.1	15.5	9.1	15.5	10.9
Share price per ordinary share A, SEK	11.5	20.0	11.5	20.0	11.5	49.5
Share price per ordinary share B, SEK	11.3	-	11.3	-	11.3	33.3
Dividend per ordinary share A and B, SEK	-	-	-	-	-	-
<b>EPRA</b>						
EPRA NRV, SEK/share	16.8	10.7	16.8	10.7	16.8	11.8
EPRA NTA, SEK/share	15.6	10.1	15.6	10.1	15.6	10.9
EPRA NDV, SEK/share	15.5	10.3	15.5	10.3	15.5	10.9
EPRA EPS	0.2	0.0	0.4	0.1	0.6	0.2
Number of outstanding ordinary shares class A and B, thousands	120,854	79,737	120,854	79,737	120,854	96,289
Average number of outstanding ordinary shares, thousands	120,854	78,511	110,482	75,400	104,481	78,768

<sup>1</sup>Earnings per ordinary share are adjusted retroactively for the bonus issue and reverse split in November 2021.

For definitions of key figures, see page 22. Reconciliation tables for calculating key figures are available on Logistea's website.

## Notes

### Not 1. Accounting principles

Accounting policies and calculation methods have remained unchanged compared to the annual accounts for the previous year. This interim report is prepared in accordance with IAS 34 Interim Reporting and the Annual Accounts Act. Disclosures under IAS 34 interim reports are disclosed both in notes and elsewhere in the report. Comparative figures for result items in text are for the corresponding period of the previous year. Comparative figures for balance sheet items in text are from the balance sheet date 2021-12-31.

### Distribution of shares in MBRS Group AB

The fashion business, which was conducted in the previously wholly owned subsidiaries Odd Molly Sverige AB and Used By International AB, was divested on July 1, 2021 to MBRS Group AB (MBRS), formerly We aRe Spin Dye AB (publ). In connection with the transaction, Logistea received newly issued shares corresponding to approximately 53 percent of the number of outstanding shares in MBRS. MBRS was part of the Logistea Group until 22 October 2021 when it was decided to distribute the shares to Logistea's shareholders in a so-called Lex Asea dividend. The profit and balances from the fashion business and MBRS are referred to in the income statement and balance sheet as from distributed operations, see Note 4 and Note 6, respectively. Finally, cash flow for the fashion business and MBRS is also broken out and is reported as cash flow from distributed operations, see Note 5.

### Valuation of the property portfolio

Acquired investment properties are initially recognized at acquisition cost, which includes directly attributable costs to the acquisition. Investment property is then accounted for at fair value at level three of the fair value hierarchy with changes in the value of the income statement. The Group's properties primarily consist of logistics properties, which have a similar risk profile and valuation methodology. The average rental period on all contracts at the balance sheet date was 7.7 years (6.3). The essential variables, which are decisive for the calculated fair value, are discount rate and rental value. Other important variables are long-term net operating income, rent levels, vacancy levels and geographical location. The basis for determining the yield requirement is, among other things, the market's risk rate for real estate investments, at any given time. This is based on a number of factors such as market interest rates, leverage ratios, inflation expectations and return requirements on invested capital. Property-specific conditions also affect the yield requirement. The yield requirement is the property's net operating income in relation to the fair value. As a discount rate, fixed dividend yield is used, with additions for annual inflation. The level of annual future inflation is estimated at 2.0 - 8.5 percent. More information about Logistea's valuations can be found in Note 10 in the Annual Report 2021.

The fair value of the Group's building rights is based on local price analyses from transactions in the area with similar building rights. Costs incurred for, for example, earthworks are added to the fair value.

### Risks and risk management

Through its operations, the Group is exposed to risks and uncertainties. A description of the Group's risks can be found on pages 32–37 and in Note 17 to the Annual Report for 2021. The Annual Report 2021 can be found at [www.logistea.se](http://www.logistea.se).

### Not 2. Net operating income

MSEK	Jul-Sep		Jan-Sep	
	2022	2021	2022	2021
Rental income	70	23	177	60
Whereof supplements	8	4	28	9
Property costs	-16	-4	-51	-16
<b>Net operating income</b>	<b>54</b>	<b>19</b>	<b>126</b>	<b>44</b>
Operating margin	77%	79%	71%	73%
Adj. operating margin	87%	93%	85%	85%

The table above shows how much of the total rental income constitutes a rental supplement. Adjusted surplus ratio is net operating income through rental income excluding the rent supplements and shows how much of the property costs are forwarded to the tenants.

### Not 3. Net financial income

MSEK	Jul-Sep		Jan-Sep	
	2022	2021	2022	2021
Interest income	0.9	0.0	1.1	0.0
Interest costs	-24.2	-4.9	-53.7	-13.2
Capitalised interest	4.2	-	10.9	-
Interest costs IFRS 16	0.0	-	-0.1	-
Arrangement fees	-2.0	-	-4.8	-
<b>Net financial income</b>	<b>-21.1</b>	<b>-4.9</b>	<b>-46.6</b>	<b>-13.1</b>



#### Not 4. Profit and loss account for the period for distributed operations

MSEK	Jan-Sep		Jan-Dec
	2022	2021	2021
Net income	-	181	195
Other operating income	-	1	1
<b>Total income</b>	<b>-</b>	<b>182</b>	<b>196</b>
Commodities	-	-68	-72
Other external costs	0	-90	-88
Staff costs	-3	-36	-44
Depreciation	-	-6	-16
Other operating costs	-	-3	-
<b>Operating profit</b>	<b>-3</b>	<b>-21</b>	<b>-24</b>
Financial costs	-	0	-
<b>Profit before tax</b>	<b>-3</b>	<b>-21</b>	<b>-24</b>
Tax	-	-	-
<b>Profit for the period from distributed operations</b>	<b>-3</b>	<b>-21</b>	<b>-24</b>

#### Not 5. Cash flow statement for the period for distributed operations

MSEK	Jan-Sep		Jan-Dec
	2022	2021	2021
Cash flow from operating activities	-3	-19	-24
Cash flow from investing activities	-	-2	-
Cash flow from financing activities	-	-	-
<b>Cash flow for the period from distributed operations</b>	<b>-3</b>	<b>-21</b>	<b>-24</b>

#### Not 6. Balance sheet for distributed operations

MSEK	30/09/2021
Intangible assets	142
Non-current assets	1
Financial assets	1
Inventory	49
Accounts receivable	22
Current receivables	6
Cash and bank balances	19
<b>Assets held for dividend</b>	<b>241</b>
Current liabilities	55
<b>Liabilities held for dividend</b>	<b>55</b>

For more information about distributed operations, see Accounting principles.

#### Not 7. Investment properties

For the period, the unrealized change in value amounted to SEK 351 million (116) and for the third quarter it amounted to SEK 37 million (12). Nearly SEK 315 million in changes in value for the period are based on adjusted inflation assumptions during the year and assumptions about yield requirements for investment properties. Other parts of the change in value are due to rising net operating income as a result of completed projects and tenant adaptations.

Changes in value in the third quarter amounted to SEK 37 million, of which SEK 4 million is due to completed projects. The remainder, SEK 33 million, is due to a combination of rising inflation assumptions and adjusted return requirements. For the quarter, the valuation yield was adjusted up by an average of 0.20 percentage points.

The initial yield for Logistea's investment properties at the end of the period was 5.85 percent, compared with 5.87 percent at the end of the previous quarter.

All acquisitions made during the period are classified as asset acquisitions.

MSEK	2022	2021
<b>Opening balance 1 January</b>	<b>2 607</b>	<b>887</b>
Investment in existing properties	232	73
Acquisitions	1 158	408
Unrealized changes in value	351	116
<b>Closing balance 30 September</b>	<b>4 348</b>	<b>1 484</b>

## Parent company

### Income statement in summary

MSEK	Jul-Sep		Jan-Sep		Oct-Sep	Jan-Dec
	2022	2021	2022	2021	2021/2022	2021
Intra-group revenue	19	1	54	1	80	27
Administration costs	-17	-10	-45	-21	-56	-32
<b>Operating profit (loss)</b>	<b>2</b>	<b>-9</b>	<b>9</b>	<b>-20</b>	<b>24</b>	<b>-5</b>
Profit from financial items	-1	120	-11	118	-14	115
Year-end appropriations	-	-	-	-	5	5
<b>Profit before tax</b>	<b>1</b>	<b>111</b>	<b>-2</b>	<b>98</b>	<b>15</b>	<b>115</b>
Tax	-	-	-	0	-	-
<b>Net profit for the period</b>	<b>1</b>	<b>111</b>	<b>-2</b>	<b>98</b>	<b>17</b>	<b>115</b>

### Balance sheet in summary

MSEK	30/09/2022	30/09/2021	31/12/2021
<b>ASSETS</b>			
Intangible assets	1	-	1
Tangible assets	1	-	0
Shares in group companies	921	749	791
Receivables from group companies	2,735	535	1,322
Deferred tax assets	6	-	6
Other receivables	24	16	22
Cash and cash equivalents	90	20	150
<b>Total assets</b>	<b>3,778</b>	<b>1,320</b>	<b>2,292</b>
<b>EQUITY AND LIABILITIES</b>			
Restricted equity	62	10	50
Unrestricted equity	1,095	610	612
Interest bearing liabilities	1,969	678	1,529
Liabilities to group companies	632	-	71
Other liabilities	20	22	30
<b>Total equity and liabilities</b>	<b>3,778</b>	<b>1,320</b>	<b>2,292</b>

## Signature of the report

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The Board of Directors and the CEO assure that the interim report provides a fair overview of the Parent Company's and the Group's operations, position and results and describes significant risks and uncertainties that the Parent Company and the companies that are part of the Group face. The interim report has been reviewed by the company's auditor.

Stockholm 26 October 2022

**Logistea AB (publ)**  
Corporate ID 556627-6241

Patrik Tillman  
Chairman of the Board

Bengt Kjell  
Deputy Chairman of the Board

Anneli Lindblom  
Board member

Caroline Thagesson  
Board member

Johan Mark  
Board member

Sanja Batljan  
Board member

Stefan Hansson  
Board member

Niklas Zuckerman  
Chief executive officer

# Auditor's review report

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Logistea AB, org.nr 556627-6241

## Introduction

We have reviewed the condensed interim report for Logistea AB as at September 30, 2022 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm October 26, 2022

Ernst & Young AB

Gabriel Novella  
Authorized Public Accountant

## Current earnings capacity

MSEK	31/03/2021	30/06/2021	30/09/2021	31/12/2021	31/03/2022	30/06/2022	30/09/2022
Income investment properties	68	85	87	155	179	247	254
Income project properties	-	-	34	34	20	24	26
Non recoverable property costs	-19	-21	-22	-31	-33	-34	-34
<b>Net operating income</b>	<b>49</b>	<b>64</b>	<b>99</b>	<b>158</b>	<b>166</b>	<b>237</b>	<b>246</b>
Central administration	-7	-10	-15	-20	-26	-30	-32
Net finance costs	-12	-20	-23	-53	-55	-84	-93
<b>Profit before tax</b>	<b>30</b>	<b>34</b>	<b>61</b>	<b>85</b>	<b>85</b>	<b>123</b>	<b>121</b>

The table above presents the earning capacity of the Group on a 12-month basis. Note that any future index adjustment of rental income is not included.

Since the layout is not to be equated with a forecast, but is intended to reflect a common year, actual outcomes may differ due to both decisions that affect the outcome positively or negatively in relation to common years and unforeseen events. The presented earning capacity does not contain an assessment of rent, vacancy or interest rate changes and only aims to make income and costs visible given, for example, capital structure and organization at a given time.

Logistea's income statement is also affected by changes in value and changes in the property portfolio. None of this has been taken into account in the current earning capacity. Net operating income is based on leases contracted at the balance sheet date and normalized, non-recoverable, property costs for the current portfolio. In addition, the rental value, property costs and estimated financing costs for the ongoing projects that are planned to be completed within a 12-month period where the lease has been signed are included.

Rental income is recognized excluding rental supplements, see Note 2.

## Other information

### Seasonal variations

The leases in the company's property portfolio are approximately 80 percent so-called triple net agreements, which means that the tenant accounts for the absolute majority of operating and maintenance costs. In cases where the property owner is responsible for media costs, seasonal variations in property costs may occur, where, for example, costs for electricity and heating are higher during the colder months of the year.

### Employees

The Group had a total of 17 (3) employees at the end of the period. In the corresponding period for 2021, only employees are listed as eligible for continuing operations, i.e. real estate operations. The average number of employees during the third quarter was 16 people (3).

### Dividend

The Board's goal is to annually propose to the Annual General Meeting to decide on a dividend corresponding to at least 30 percent of the company's profit. Over the next few years, the Board intends to prioritize growth over dividends, which may result in low or non-dividends to ordinary shares. No dividend was resolved at the Annual General Meeting for the 2021 financial year.

### Significant events after the end of the balance sheet date

No significant events are available to report.

### Auditor's review

The interim report has been subject to review by the company's auditor.

## Alternative key ratios & definitions

### Adjusted operating margin

Net operating income as a percentage of basic rental income.

### Average fixed interest rate

Average remaining maturity of the interest rate for interest-bearing liabilities.

### Average interest rate

Average interest rate for interest-bearing liabilities.

### Average number of ordinary shares outstanding

Average number of shares outstanding during the period.

### Building rights

Assessed buildable gross area, in square meters.

### Central administration

Central administrative costs refer to costs for group management and group-wide functions.

### Earnings per ordinary share

Profit after tax in relation to the average number of ordinary shares outstanding.

### Economic occupancy rate

Annual contract value divided by rental value excluding project properties

### EPRA NRV

Equity<sup>1</sup> with the repossession of derivatives and deferred tax.

### EPRA NTA

EPRA NRV less intangible assets and assessed fair value of deferred tax.

### EPRA NDV

EPRA NTA with the repossession of intangible assets, derivatives and deferred tax in full.

### EPRA EPS

Profit from property management less current tax per ordinary share.

### Equity per ordinary share

Equity<sup>1</sup> in relation to the number of ordinary shares outstanding.

### Equity ratio

Equity as a percentage of the balance sheet total.

### Interest-bearing net debt

Interest-bearing liabilities less interest-bearing assets and cash and cash equivalents.

### Interest coverage ratio

Net operating income deducting central administration costs divided by the net interest costs. (excl. effects from ground rent and IFRS 16).

### Investment properties

Properties under ongoing management.

### Loan-to-value ratio

Interest-bearing liabilities after deduction of cash and cash equivalents in relation to the fair value of the properties.

### Net asset value (NAV) per ordinary share

Equity<sup>1</sup> with the reverse of deferred tax liabilities in relation to the number of ordinary shares outstanding.

### Number of investment properties

The number of investment properties in the balance sheet includes properties under day-to-day management as well as project properties.

### Number of ordinary shares outstanding

Number of ordinary shares outstanding at the balance sheet date.

### Operating margin

Net operating income as a percentage of revenue.

### Profit from property management per ordinary share

Profit from property management in relation to the average number of ordinary shares outstanding.

### Project properties

Properties where ongoing renovation or extension affects the landlord more than 40 percent.

### Return on equity

Profit after tax on an annual basis divided by the average of opening and closing equity<sup>1</sup>.

### Rental value

Annual contract value with supplements for assessed market rent for vacant premises.

### Share price per ordinary share

Share price on balance date.

### Unrealised changes in value

Change in fair value excluding acquisitions, divestments and investments.

### Yield

Net operating income in relation to the investment property's fair value (excluding project properties).

Logistea applies the European Securities and Markets Authority's (ESMA) guidelines on Alternative Performance Measures. The guidelines aim to make alternative performance measures in financial statements more comprehensible, reliable and comparable, thereby promoting their usefulness. For the purposes of these Guidelines, an alternative performance indicator means a financial measure of past or future performance, financial performance, financial performance or cash flows that is not defined or set forth in the applicable financial reporting rules; IFRS and the Annual Accounts Act. Derivation of alternative performance measures can be found on Logistea's website.

<sup>1</sup>Equity attributable to parent company shareholders

## Logistea in brief

Logistea AB (publ) is a Swedish real estate company with a vision of being the natural long-term partner to companies that demand sustainable and modern premises for warehousing, logistics and light industry. The vision is realized through the company's business concept of acquiring, developing and managing properties and land. The company's shares are listed on Nasdaq Stockholm Mid-Cap under the tickers LOGI A and LOGI B.

### Operational objectives

- 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 digitized by the end of 2026.
- 50 percent of the loan portfolio is green financing by the end of 2026.

### Financial targets and risk limits

- Profit from property management per ordinary share shall increase by at least 10 percent per year on average over a five-year period.
- Net asset value per ordinary share shall increase by at least 12 percent per year on average over a five-year period.
- The loan-to-value ratio shall amount to a maximum of 60 percent in the long term.
- The interest cover ratio shall exceed 1.8 times.

### Dividend policy

The Board's objective is to annually propose to the Annual General Meeting to decide on a dividend corresponding to at least 30 percent of the company's profit. Over the next few years, the Board intends to prioritize growth over dividends, which may result in low or non-dividends to ordinary shares.

### Financial calendar

Year-end report 2022	2023-02-17
Interim report Q1 2023	2023-05-05
Annual General Meeting	2023-05-05
Interim report Q2 2023	2023-07-14
Interim report Q3 2023	2023-10-27



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This information is information that Logistea AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, at 07:30 CET on October 26, 2022.