

Q4 2023

Positive net lettings and lower average interest rate

Summary the year January – December 2023

- Income increased by 44 percent and amounted to SEK 371 million (257).
- Net operating income increased by 48 percent to SEK 276 million (186).
- Profit from property management increased by 47 percent to SEK 107 million (73).
- Profit before tax amounted to SEK 8 million (420), where changes in the value of properties affected profit by SEK -63 million (339).
- Earnings per share amounted to SEK 0.0 (2.6).
- Net asset value per share decreased to SEK 13.2 (16.9), mainly as a result of the rights issue.
- In January, Logistea closed a transaction of two properties in Gothenburg at a total property value of SEK 292 million.
- During the third quarter, a fully guaranteed rights issue of a total of SEK 436 million was completed. Part of the proceeds was used to repurchase bonds of a nominal value of SEK 303.8 million in early October.
- In August, Logistea signed a new 20-year lease agreement with NKT HV Cables AB in Alingsås regarding the construction of a new production and test facility.

Summary the quarter October – December 2023

- Income increased by 16 percent and amounted to SEK 93 million (80).
- Net operating income increased by 10 percent to SEK 66 million (60).
- Profit from property management increased by 19 percent to SEK 25 million (21).
- Profit before tax amounted to SEK -106 million (6), where changes in the value of properties affected profit by SEK -83 million (-12).
- Earnings per share amounted to SEK -0.5 (-0.1).
- In October, Logistea repurchased bonds corresponding to a nominal amount of SEK 303.75 million.
- In October, it was announced that an international logistics company had signed a lease agreement for leasing in the property Grundstenen 7 in Trollhättan.
- In December, Logistea closed a transaction of the Kalmar Sigillet 1 property, with a lettable area of 35,300 square meters and an annual rental income of SEK 25.2 million. The property value amounted to SEK 340 million.
- In December, the company announced that it had entered into an agreement to acquire two properties in Karlstad and Nybro at a property value of SEK 189 million.
- The Board of Directors has decided to propose to the upcoming Annual General Meeting in May 2024 that no dividend shall be paid for the financial year 2023.

Significant events after the balance sheet date

- At the Extraordinary General Meeting on 25 January 2024, the acquisition of the two properties in Karlstad and Nybro was approved. Closing of the properties was on 30 January 2024.

MSEK	Jan-Dec		Oct-Dec	
	2023	2022	2023	2022
Property value	5,386	4,623	5,386	4,623
Income	371	257	93	80
Net operating income	276	186	66	60
Profit from property management	107	73	25	21
Result of the period for continuing operations	-8	323	-95	-12
Earnings per ordinary share A and B, SEK	0.0	2.6	-0.5	-0.1
Occupancy rate, economic, %	95.7	98.1	95.7	98.1
Equity ratio, %	48.6	38.7	48.6	38.7
Loan to value (LTV), %	45.5	55.2	45.5	55.2
NAV per ordinary share A and B, SEK	13.2	16.9	13.2	16.9

CEO's statement

"The fact that we have succeeded in acquiring modern logistics properties at yield levels at over of 7 percent is gratifying and proves that we have the right organization to find good transactions."



Logistea ended the year on a strong note, and we can once again show stable numbers and key figures. During the quarter, we acquired three properties for a total of SEK 529 million with a lettable area of 59,500 square meters. In Kalmar, we have acquired Nordic Nest's central warehouse and head office at a value of SEK 340 million. Part of the proceeds, SEK 95 million, consists of newly issued Logistea shares at a price of SEK 13.50 per share. The agreement with Nordic Nest runs for 8.5 years. Closing took place at the end of December 2023.

In Nybro and Karlstad, we have agreed to acquire two properties leased to Royal Design and GDL respectively at a value of approximately SEK 189 million. The average remaining term of the properties' leases is 9 years. Closing took place in January 2024.

Following these three acquisitions, our total property portfolio will amount to just below SEK 5.6 billion. Earnings from these transactions will be recognized fully in the next two quarters.

Brightening in the market

In the transaction market, we have been able to prove during the autumn that the market for warehouse and logistics properties is functioning and that the demand is high. Our segment has a marginal decline of 6 percent in transaction volume compared to the same quarter last year – while the total transaction volume is down 44 percent. It is natural for investors to seek out properties with stable incomes, high returns in relation to the cost of borrowed capital and an underlying demand for the premises. We have also noted several larger portfolios being sold at yield levels of between 5.0-5.5 percent. The fact that we have succeeded in acquiring modern logistics properties at yield levels at over 7 percent is gratifying and proves that we have the right organization to find good transactions. The market is on the rise, but there are still many good deals to be made for those who have patience, the right network of contacts, a strong ownership collective and good banking relationships.

Net operating income for the year amounted to SEK 276 million (186), which corresponds to an increase of 48 percent compared with the previous year. Net lettings for the year were positive at SEK 9 million (-17) and are mainly based on the autumn's major lettings. Profit from property management for the year amounted to SEK 107 million (73), an increase of 47 percent compared to 2022. Profit from property management for the quarter amounted to SEK 25 million. The result was charged with costs of just over SEK 4

million for the repurchase of the bond loan, which was made at a price of 101 percent, as well as costs for reorganisation and variable remuneration to staff. Furthermore, net operating income is seasonally dependent and charged with operating costs in line with the first (and cold) quarter of the year. A more accurate picture of current net operating income and profit from property management is given in the earnings capacity on the next page, where the completed transactions are considered.

We have once again chosen to engage authorized valuation firms for the valuation of all our cash-flow generating properties. The average valuation yield for the fourth quarter was 6.6 percent, compared with 6.2 percent a year ago and 5.9 percent in 2021. Positive for both earnings and valuations for 2024 will be an index adjustment of 6.5 percent, which will affect rents from 1 January 2024.

Stronger funding base

In the financial markets, we saw a sharp decline in long-term interest rates in December. As a result, we have further improved our loan portfolio during the quarter. In addition to the bond buybacks, we have changed some of the interest rate hedges, which has resulted in our average interest rate falling from 5.2 percent in the third quarter to 4.7 percent at the end of the year. 84 percent of our loan portfolio is hedged and the loan-to-value ratio of 46 percent is reassuring.

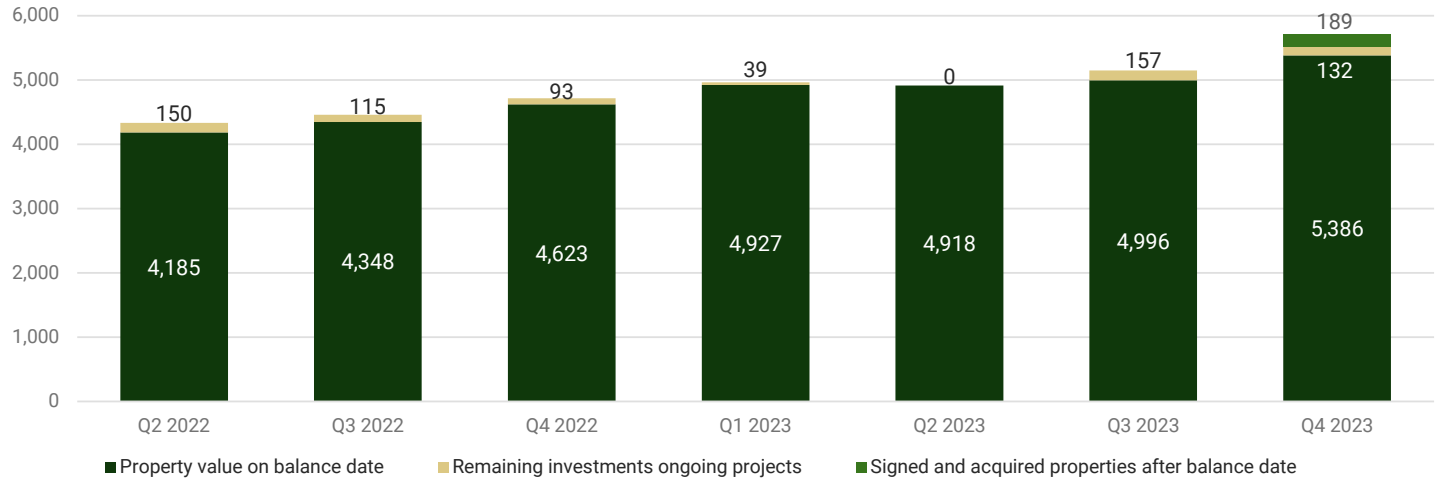
With lower inflation, interest rates have now peaked and we will probably see a lower policy rate as early as this spring. Let's see if spring comes early this year. The sharp increase in the repo rate that we have seen over the past two years is now expected to be replaced by up to 1.5 percent lower policy rate as early as 2024. For real estate companies like Logistea with approximately 50 percent loan-to-value, this will have major and positive consequences on profit from property management.

During the year, we have concentrated our efforts and implemented a number of successful measures in our sustainability work. In addition to the new ambitious and significant sustainability targets, we have conducted a double materiality analysis and prepared the company for future sustainability reporting requirements in various areas.

Niklas Zuckerman
Chief Executive Officer

Logistea's development

Property value per quarter, SEKm



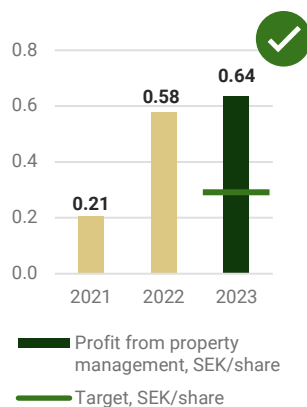
Earnings capacity, SEKm

MSEK	30/09/2022	31/12/2022	31/03/2023	30/06/2023	30/09/2023	31/12/2023	16/02/2023*
Rental value investment properties	256	304	330	329	327	366	380
Vacancy investment properties	-2	-5	-12	-12	-15	-16	-16
Rental value project properties	26	15	4	-	16	16	16
Non recoverable property costs	-34	-35	-35	-34	-32	-34	-35
Net operating income	246	279	287	283	296	332	345
Central administration	-32	-39	-39	-39	-37	-36	-36
Net finance costs**	-93	-117	-134	-131	-135	-117	-126
Profit from property management	121	123	114	113	124	179	183

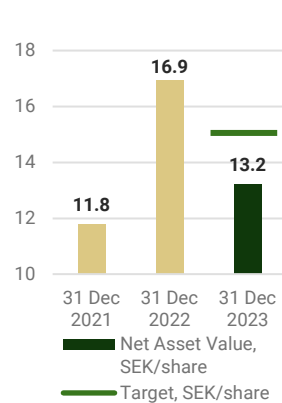
*For a more detailed description of earning capacity, please refer to page 24.

Financial targets

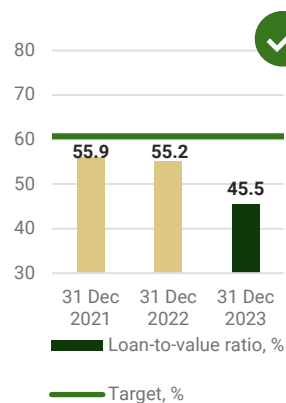
Profit from property management per share shall increase by at least 10 percent per year on average over a five-year period



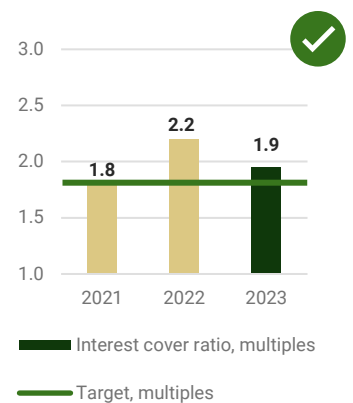
Net asset value per share shall increase by at least 12 percent per year on average over a five-year period



Long-term loan-to-value ratio shall amount to a maximum of 60 percent



Interest cover ratio shall exceed 1.8 times



Consolidated income statement in summary

MSEK	Not	Jan-Dec		Oct-Dec	
		2023	2022	2023	2022
Rental income		357	257	92	80
Other income		14	-	1	-
Income		371	257	93	80
Property expenses		-95	-71	-27	-20
Net operating income	2	276	186	66	60
Central administration		-36	-38	-10	-11
Net financial income	3	-133	-75	-31	-28
Profit from property management		107	73	25	21
Changes in value, properties		-63	339	-83	-12
Changes in value, derivatives		-36	8	-48	-3
Profit before tax		8	420	-106	6
Actual tax		-9	-3	-4	1
Deferred tax		-7	-94	15	-19
Result for the period for continuing operations		-8	323	-95	-12
Profit for the period from distributed operations	4	-1	-5	0	-2
Net profit for the period		-9	318	-95	-14
Net profit for the period attributable to:					
Parent Company's shareholders, continuing operations		-8	323	-95	-12
Parent Company's shareholders, distributed operations		-1	-5	0	-2
Earnings per share					
Earnings per share, calculated on result for the period for continuing operations attributable to Parent Company's shareholders, SEK					
		-0.05	2.56	-0.45	-0.09
Earnings per share, calculated on result for the period attributable to Parent Company's shareholders, SEK					
		-0.05	2.52	-0.45	-0.10

Earnings per share have been adjusted retroactively with the effect of the difference between the established subscription price in the rights issue in September 2023 and the share prices as of the date before the issue terms were announced, in accordance with IAS 33.

Consolidated statement of comprehensive income

MSEK	Not	Jan-Dec		Oct-Dec	
		2023	2022	2023	2022
Net profit for the period		-9	318	-95	-14
<i>Items which can be recognised as profit for the period</i>					
Translation difference		-	1	-	2
Comprehensive income for the period		-9	319	-95	-14
Other comprehensive income for the period attributable to:					
Parent Company's shareholders, continuing operations		-8	323	-95	-12
Parent Company's shareholders, distributed operations		-1	-4	0	0

Performance analysis

Income

Rental income excluding rent supplements increased by 41.0 percent during the year to SEK 306 million (217) and total income amounted to SEK 371 million (257). Income has increased mainly as a result of property acquisitions and index adjustments in existing leases. For comparable property holdings, rental income excluding rent supplements increased by 8.1 percent as a result of indexation affecting a lower occupancy rate compared with the previous year. A breakdown of the income can be found in Note 2.

Of the year's increase in rental income, excluding rent supplements, SEK 4 million came from completed projects, SEK 8 million from like-for-like property holdings and SEK 77 million from acquired properties.

Other income during the year of SEK 14 million (0) is attributable to the company's share of the electricity subsidy received, rent guarantees and indemnities.

The economic occupancy rate on the balance sheet date was 95.7 percent (98.1). The decrease is largely attributable to one vacancy that has arisen where lease expired, which was communicated during the first quarter of the year. The annual rental value of investment properties amounted to SEK 366 million on the balance sheet date, compared with SEK 304 million at the beginning of the year. Read more about lettings under the Property portfolio section.

Property costs

Property costs for the year amounted to SEK -95 million (-71). Costs have increased mainly because of the larger property portfolio. For comparable property holdings, costs decreased by 4.2 percent, partly because of lower media costs. Most of the operating costs for the year have been passed on to the tenants in accordance with the lease agreements. The higher property costs compared to the previous quarter are due to higher seasonal property costs and higher maintenance costs in the fourth quarter.

Net operating income

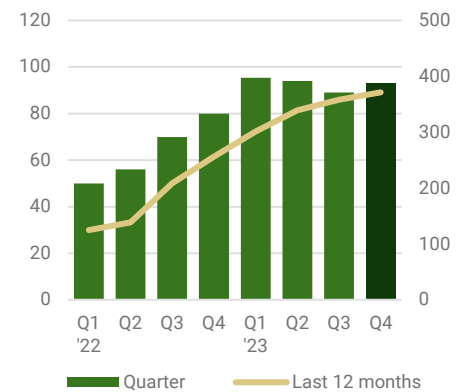
Completed property acquisitions and increased index supplements for rental income contributed to a 48.4 percent increase in net operating income to SEK 276 million (186) for the year. The lower net operating income compared to the previous quarter is due to higher property costs described in the section above. For comparable property holdings, net operating income increased by 11.4 percent compared with the previous year, mainly as a result of indexation of rents and other income. A breakdown of net operating income can be found in Note 2.

For the past twelve months, the operating margin was 77.3 percent (72.4), and the adjusted operating margin was 90.2 percent (85.7).

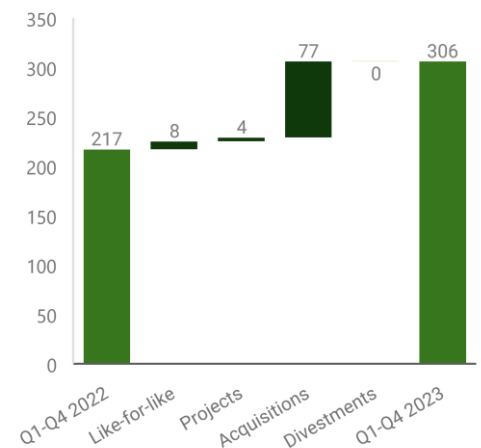
Central administration

Costs for central administration, which refers to costs for Group management and Group-wide functions, amounted to SEK -36 million (-38) for the year. For the quarter, the cost amounted to SEK -10 million (-11), which is slightly higher than the previous quarter. The increase is based on personnel changes implemented during the quarter and variable remuneration to the personnel.

Income, SEKm



Comparison of rental income excluding rent supplements, SEK m



Net operating income, SEKm



Net financial income

As a result of mainly rising loan volumes, but also of higher market interest rates, net financial income amounted to SEK -133 million (-75) for the year. At the end of the period, the average borrowing rate was 4.7 percent (4.8), which is lower than at the end of the third quarter of 2023, when it was 5.2 percent. During the fourth quarter, Logistea repurchased bonds of approximately SEK 309 million in its outstanding unsecured bond loan, which amounts to a total of SEK 500 million. In connection with the repurchase, a tender fee of SEK 4 million was reimbursed to the bond holder who accepted the tender offer, which affected the net financial income for the period. As of the end of the year, Logistea holds SEK 425 million of a total of SEK 500 million of the outstanding bond loan. Thus, after deducting the bonds held by Logistea, SEK 75 million remains. The repurchases, combined with ongoing amortisation, resulted in interest-bearing net debt falling to SEK 2,449 million (2,553) at the end of the year. The loan-to-value ratio also fell to 45.5 percent (55.2) during the period. For more information on interest-bearing liabilities, see the section Financing on page 15.

Profit from property management

Profit from property management for the year amounted to SEK 107 million (73). The increase is largely due to an increased property portfolio through acquisitions and completed projects, as well as increased net operating income in the existing portfolio. Profit from property management decreased from SEK 30 million in the third quarter to SEK 25 million in the fourth quarter. The decrease is mainly due to lower net operating income, higher costs for central administration and the tender fee in the net financial income.

Changes in value

For the year, changes in the value of the property holdings amounted to SEK -63 million (339). The unrealised change in value amounted to SEK -55 million (339) and the realised change in value to SEK -8 million (0). Of the unrealised change in value, SEK 298 million is based on rising net operating income, mainly due to adjusted inflation assumptions for 2023 (from 2.0–4.0 percent as of 31 December 2022 to an outcome of 6.5 percent) and SEK -447 million is due to changed assumptions regarding the yield requirement, where the yield requirement has been adjusted upwards by an average of 0.7 percentage points during the period. In addition, SEK 90 million of the unrealised change in value is based on project profit and deferred tax rebate on acquisitions amounted to SEK 4 million. More information on changes in the value of properties can be found in the property section and in Note 6.

Logistea's interest rate derivatives are marked to market at the end of each quarter. For the year, changes in value linked to interest rate derivatives amounted to SEK -36 million (8).

Tax

Tax expense for the year amounted to SEK -16 million (-97). The tax consists of current tax of SEK -9 million (-3) on profit for the year and deferred tax of SEK -7 million (-94). Effective tax is particularly affected by current interest deduction limitations and issue costs that are booked directly against equity. The corporate tax rate for the 2023 tax year amounts to 20.6 percent (20.6).

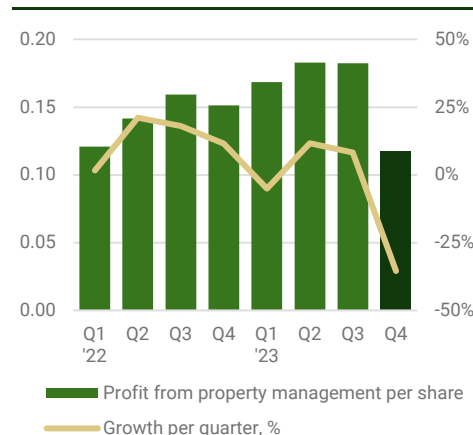
Profit for the year

Net profit for the year amounted to SEK -9 million (318), primarily due to lower unrealised changes in the value of properties and derivatives and improved profit from property management. Profit/loss from distributed operations amounted to SEK -1 million (-5).

Profit from property management, SEKm



Profit from property management per share, SEK



Consolidated statement of financial position in summary

MSEK	Not	31/12/2023	31/12/2022
ASSETS			
Non-current assets			
Intangible assets		1	1
Investment properties	6	5,386	4,623
Right-of-use assets		10	12
Other tangible fixed assets		4	5
Other long-term receivables		1	1
Derivatives		6	10
Deferred tax		2	-
Total non-current assets		5,410	4,652
Current assets			
Current receivables		79	111
Cash and bank balances		29	52
Total current assets		108	163
TOTAL ASSETS		5,518	4,815
EQUITY AND LIABILITIES			
Equity attributable to Parent Company's shareholders		2,684	1,864
Total equity		2,684	1,864
Non-current liabilities			
Interest-bearing debt		1,453	2,505
Leasing liabilities		8	10
Derivatives		18	-
Deferred tax		194	185
Total non-current liabilities		1,673	2,700
Current liabilities			
Interest-bearing debt		1,025	100
Leasing liabilities		2	2
Other liabilities		134	149
Total current liabilities		1,161	251
TOTAL EQUITY AND LIABILITIES		5,518	4,815

Consolidated statement of changes in equity in summary

MSEK	31/12/2023	31/12/2022
Equity at beginning of period	1,864	1,049
Comprehensive income for the period	-9	319
Emissions, net after issuance costs	824	494
Tax effect issuance costs	3	2
Staff option program	2	0
Equity at end of period	2,684	1,864

Group cash flow statement in summary

MSEK	Not	Jan-Dec		Oct-Dec	
		2023	2022	2023	2022
Cash flow from operations					
Net operating income continuing operations		276	186	66	60
Central administration continuing operations		-36	-38	-10	-11
Operating income from distributed operations	4,5	-1	-5	0	-2
Adjustments for non-cash items		1	1	0	1
Interest received		3	4	0	3
Interest paid		-132	-67	-57	-27
Tax paid		-7	-6	2	1
Cash flow before changes in working capital		104	75	1	25
Cash flow from changes in working capital					
Increase (-)/decrease (+) of current assets		41	-7	-5	-18
Increase (+)/decrease (-) of current liabilities		-28	8	-16	29
Cash flow from operations		117	76	-20	36
Cash flow from investing activities					
Investments in current properties		-111	-196	-51	36
Acquisition of assets via subsidiaries		-329	-484	-240	-265
Divestment of assets via subsidiaries		30	4	-	4
Other intangible and tangible assets, net		0	-6	0	-4
Cash flow from investing activities		-410	-682	-291	-229
Cash flow from financing activities					
Dividend					
Emissions, net after issuance costs		420	338	-1	0
Staff option program		2	0	-	-
New loans		378	1,072	218	242
Repayment of loans		-530	-970	-342	-127
Cash flow from financing activities		270	440	-125	115
Increase/decrease of cash and cash equivalents					
Cash flow for the period		-23	-166	-436	-78
Cash and cash equivalents at beginning of period		52	218	465	130
Cash and cash equivalents at end of period		29	52	29	52

Comments on the cash flow statement

The cash flow statement has been prepared 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 reported under acquisition of assets via subsidiaries. Repayment of loans include the Group's amortisation of existing debt and refinancing of acquired debt.

The Group's cash and cash equivalents decreased from SEK 52 million to SEK 29 million during the period. The sum of ongoing amortisation of interest-bearing liabilities together with the repurchase of bond loans amounts to a total of SEK 530 million.

At the end of the year, Logistea had unutilized credit facilities amounting to SEK 165 million linked to ongoing reconstructions and projects. In addition, investments made for ongoing renovations and projects amounted to SEK 42 million at year-end. In order to reduce the Group's cost of capital, available credits linked to ongoing investments of SEK 29 million have not been utilized, which has, however, had a negative impact on cash flow for the period.

Property portfolio

During the quarter, Logistea acquired the property Sigillet 1 in Kalmar with an annual rental income of SEK 25.2 million and signed an agreement to acquire two properties located in Karlstad and Nybro with a total rental income of SEK 14.2 million. In addition, a new lease agreement was signed with an international logistics operator for 15,000 sqm of logistics space in the Grundstenen 7 property in Trollhättan at an annual rent of SEK 7.3 million.

Property portfolio

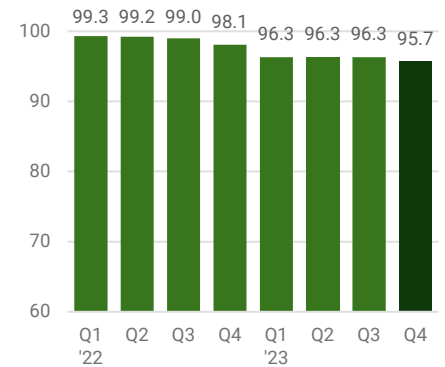
As of 31 December 2023, Logistea owned 69 properties (68) in 40 locations (40) in Sweden. Total income for the year amounted to SEK 371 million (257). Total lettable area amounted to 598,854 square meters (540,870), excluding ongoing and planned new construction and extensions. The average rent in the portfolio was SEK 588 per square metre (486). The economic letting rate for investment properties was 95.7 percent (98.1) at the end of the period. The change is partly due to two vacancies that arose during the year in Vaggeryd Logistikpark, where the tenant Azelio has been declared bankrupt while the lease agreement with PDL has been forfeited by Logistea, and partly due to a vacancy in Borås, where the previous contract expired in the first quarter of 2023. The leasing work is ongoing and dialogues are being held with a number of interested parties regarding the leasing of the premises, where we have a strong belief that lease agreements for parts of the premises can be signed during the first quarter of 2024. For 2023, net lettings were positive of SEK 9 million (-17), which is largely explained by lettings in Trollhättan and Karlskoga.

The total carrying value of the property holdings on the balance sheet date amounted to SEK 5,386 million (4,623). As of the balance sheet date, there are two ongoing new constructions, extensions or renovations that are planned to be completed within an 18-month period. Firstly, a new construction for NKT HV Cables AB at Bulten 1 in Alingsås with an investment volume of SEK 160 million, which is planned to be completed in Q1 2025, and the redevelopment of the property Vindrosen 4 in Borås for Globen Lighting and Camfil Power Systems AB with an estimated investment of SEK 18 million and an estimated occupancy during the first quarter of 2024.

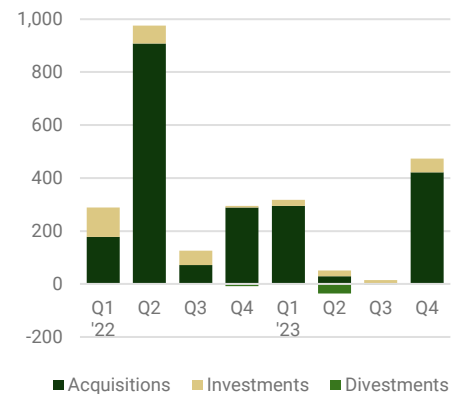
For the financial year of 2023, the unrealised change in value amounted to SEK -55 million (339) and the realised change in value was SEK -8 million (0). Of the unrealised change in value, SEK 298 million is based on rising net operating income, mainly due to adjusted inflation assumptions for 2023 (from 2.0–4.0 percent as of 31 December 2022 to an outcome of 6.5 percent) and SEK -447 million is due to changed assumptions regarding the yield requirement, where the yield requirement has been adjusted upwards by an average of 0.7 percentage points during the period. In addition, SEK 90 million of the unrealised change in value is based on project profit and deferred tax rebate on acquisitions amounted to SEK 4 million.

For the fourth quarter, the unrealised change in value amounted to SEK -83 million (-12) and the realised change in value was zero (0). Of the total unrealized change in value, SEK -83 million is based on changed assumptions regarding the yield requirement, where the yield requirement has been adjusted upwards by an average of 0.1 percentage points during the quarter.

Occupancy rate, %



Acquisitions, investments and divestments, SEKm



Change in property value, SEKm

SEKm	2023	2022
Property value 1 January	4 623	2 607
Investments in projects	111	196
Acquisition	746	1 489
Divestment	-39	-8
Unrealised change in value	-55	339
Property value December 31	5 386	4 623

Property yield

The property yield for Logistea's cash flow-generating properties at the end of the period was 6.3 percent (6.2) and the average valuation yield was 6.6 percent (6.2).

Valuation method

At the end of the fourth quarter, 100 percent of the cash-flow generating properties, corresponding to 96 percent of the total portfolio, had been valued by external authorised and independent valuation institutes. Other properties have been valued internally. During the third, second and first quarters, 24, 26 and 54 percent of the cash-flow generating properties were valued by external valuation agencies. To assess the market value of the properties during the year, Logistea has used Newsec and Savills as independent valuation companies.

Generally, cash flow calculations are used in value assessments, in which net operating income, investments and residual value are calculated at present value. The calculation period is adjusted based on the remaining term of each property's existing lease. The valuation technique is unchanged from the previous year and more information about valuations can be found in note 6 in this report and in note 10 in Logistea's Annual and Sustainability Report 2022.

Customers and rental agreements

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 tenants' needs. Together with the tenants, the properties are developed for the benefit of both parties.

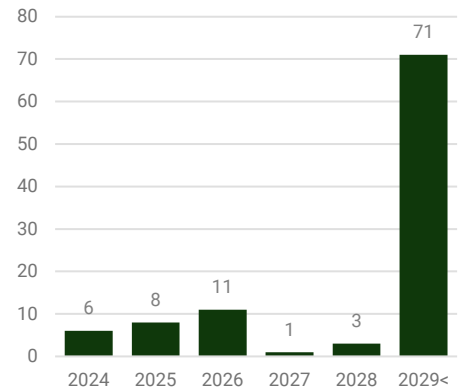
Logistea's acquisition strategy focuses on and prioritizes properties in good locations with financially stable tenants and long-term leases. As of December 31, 2023, the average remaining lease length for Logistea's tenants was 7.9 years (7.8). Logistea prioritizes a well-diversified customer base in terms of the tenants' business areas and industries, which is expected to provide a reduced risk of rental losses and vacancies and a stable cash flow over time.

Logistea primarily signs so-called triple net leases with full KPI adjustment, where the tenant pays the cost of operation and maintenance in addition to the contracted rent. Examples of these costs are heating, electricity, water, property tax, property management and maintenance of the properties. This means that Logistea has a limited risk of increases in these types of costs.

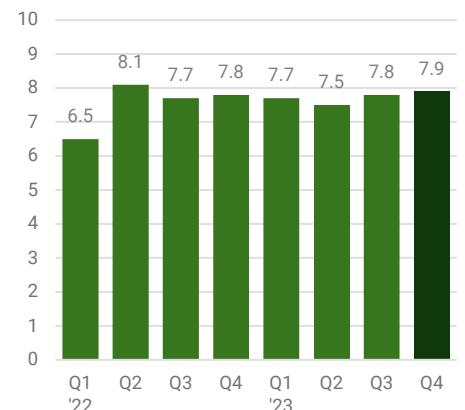
Net lettings

MSEK	Jan-Dec		Oct-Dec	
	2023	2022	2023	2022
New leases	30	4	10	3
Renegotiations	1	-7	0	-7
Terminations	-13	-13	-7	-12
Bankruptcies	-8	0	-4	0
Net lease	9	-17	-1	-16

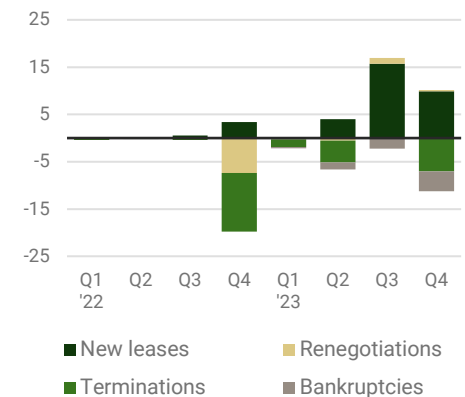
Maturity structure contracted rental value, %



Average lease duration, years



Net lettings per quarter, SEKm

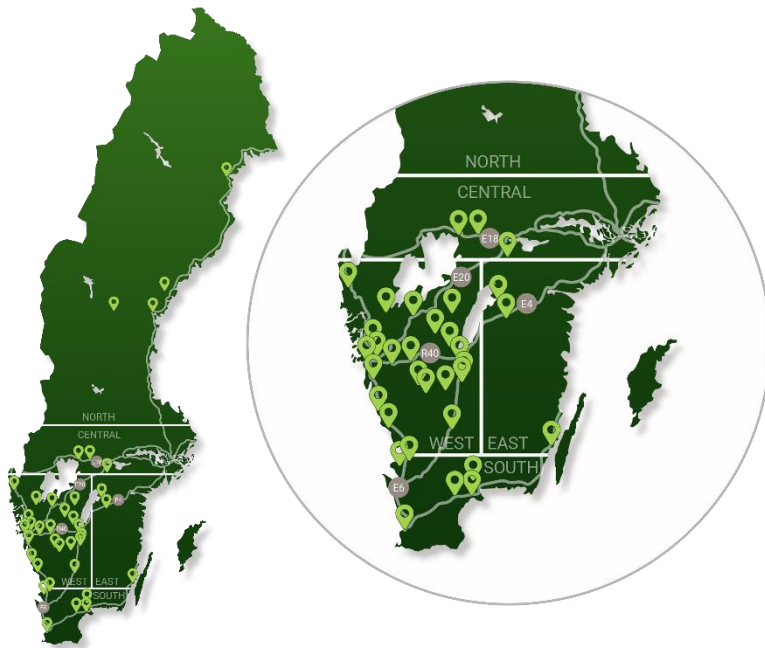


Property portfolio as of the closing period 31 December 2023

Region	Lettable area, sq.m.	Property value, MSEK	Contracted rental value, MSEK	NOI*, MSEK	Building rights, sq.m.
West	319,369	3,115	201	183	61,500
Mid	108,382	614	50	41	58,000
South	91,151	637	48	44	17,000
East	57,929	558	38	36	2,000
North	22,023	147	13	13	-
Total	598,854	5,071	350	317	138,500
Project properties	3,500	315	16	16	204,000
Total	602,354	5,386	366	333	342,500

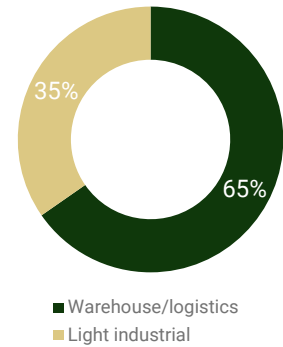
*Refers to net operating income from earnings capacity.

Svenljunga/Lockryd (480,000 sqm building rights) and Ödeshög (50,000 sqm building rights), where Logistea has a unilateral option to acquire land, have not been included in the table.

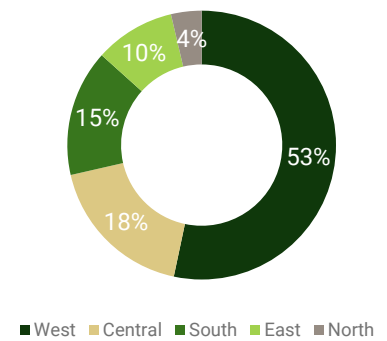


Logistea's property portfolio as of 31 December by region.

Lettable area by category December 31, 2023, sqm



Lettable area by region December 31, 2023, sqm



Project

In order to maintain satisfied and long-term tenants, Logistea works continuously to develop, refine, modernize and adapt its properties based on the tenant's needs. Together with the tenants, Logistea develops new properties, modernizes and expands existing properties, and drives further development of the surrounding environment adjacent to the properties. Through a good and close collaboration, Logistea can grow together with the tenants.

Ongoing new construction

Alingsås (Bulten 1)

In August 2023, Logistea signed a 20-year lease agreement with NKT HV Cables AB for the construction of a production and test facility at the property Bulten 1 in Alingsås. The investment amounts to a maximum of SEK 160 million and the building is expected to be completed in the first quarter of 2025. The lease is a green triple-net lease. The project is financed through Sparbanken Alingsås. Logistea has also extended the lease agreement with NKT for approximately 10,700 square meters in the existing building on the same property until 2045-04-30. The annual rent, excluding surcharges, for the two leases amounts to a total of approximately SEK 26.75 million.

Completed new construction

Timrå (Vivsta 13:92)

In April 2022, the property Vivsta 13:92 in Timrå Municipality was acquired and taken possession of. Construction of a new warehouse and logistics building of 4,900 square meters was completed on the property in March 2023, according to plan. Tenants moved in at the end of the first quarter of 2023. Furthermore, the building has been environmentally certified according to BREEAM In-Use with a rating of Excellent.

Current projects

Property	Lettable area, sq.m.	Estimated rental value, MSEK	Estimated NOI, MSEK	Total investment, MSEK	Remaining investment, MSEK	Estimated completion, year
Alingsås Bulten 1	3,500	16	16	160	132	2025
Total	3,500	16	16	160	132	



Ground was broken for the project in Alingsås on 10 October 2023

Future projects

Vaggeryd Logistics Park

Vaggeryd Logistics Park is an extensive development area located south of Jönköping. In addition to an excellent logistics location, there is also a rail connection in the area. The logistics park comprises a total land area of 380,000 square meters and approximately 150,000 square meters of developable building rights, excluding the first completed construction phase. In the second quarter of 2023, work began on connecting the area to district heating.

Batteries with an output of 9 mW are now being installed in the logistics park, which will be in operation during the first half of 2024.

Fåglabäck in Vaggeryd

With its proximity to the Båråmo Terminal, a dry port linked by rail to the Port of Gothenburg, the area is one of the largest inland nodes in the shuttle. Here, Logistea is planning the construction of modern warehouse and logistics buildings of approximately 55,000 - 60,000 square meters on a land area of approximately 100,000 square meters of land, of which 80,000 square meters are held via a unilateral option. The Båråmo intermodal terminal is part of the European railway corridor ScandMed, established by the EU.

Lockryd in Svenljunga

During the third quarter, Freyr Battery A/S announced that it was cancelling plans to establish a battery cell factory in Svenljunga, Sweden. Logistea has been in dialogue with other parties about establishing itself on the land, which, with its proximity to Borås and Gothenburg, can become an attractive logistics location.



Illustration of the test and production hall in Alingsås

Market – Warehousing, logistics and light industry

Summary

Interest in investing in properties in the warehousing, logistics and light industry segments remains high, driven by structural growth factors in combination with rising production costs, which has supported a continued strong rental market and the sector's so-called "Structural Growth". Triple Net leases, where tenants pay for property costs, create the conditions for growth in net operating income. The segment has been driven by strong demand from tenants who, among other things, have moved production from other countries to Sweden and the need for increased safety stock in light of disruptions in supply chains. JLL sees broad support for investments in the segment linked to both national and international investors and where most of the segment continues to be traded at a premium on the stock exchange, which underpins the risk appetite from the capital market.

Today's higher interest costs, on the other hand, have dampened demand in the prime segment, resulting in continued rising yield levels. However, interest costs for longer maturities have fallen sharply towards the end of 2023, linked to signals that central banks in Sweden, but also in the US and the EU, are seeing the peak in policy rates. Despite lower long-term interest rates, yield requirements have continued to increase even at the end of 2023, which JLL believes is linked to some uncertainty about the timing and magnitude of the policy rate cut, and believes that the lower long-term interest rates should create stabilisation and the possibility of falling yield requirements in 2024 and 2025, given that inflation clearly falls and that policy rates are adjusted in line with what the fixed income market is pricing in.

The logistics and industrial segment has continued to attract investors and transaction volumes are only down by approximately 6 percent in the second half of 2023 compared to the same period last year. The total transaction volume for the segment for the full year amounted to SEK 18.9 billion, corresponding to a decline of approximately 50 percent.

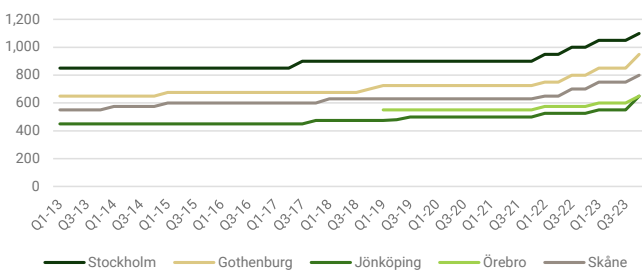
Rental market

Long-term leases, newly built spaces and locations close to transport are still highly sought after by investors in the real estate sector. The interest also extends to portfolios of older industrial properties with shorter leases. Warehouse and industrial properties located in close proximity to cities, also known as "last mile" properties, continue to be very popular, underlining their potential for development and rents in the long term.

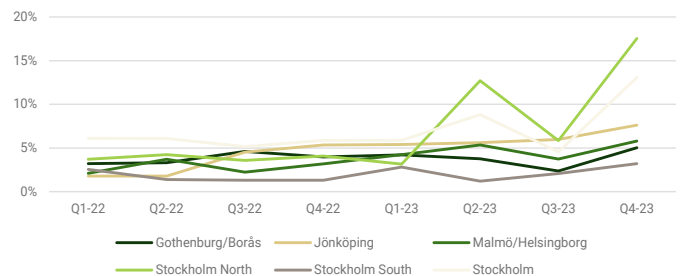
According to JLL's assessment, the vacancy rate for modern logistics and industrial properties is approximately 8.3 percent, which is an increase of approximately 3.6 percent since Q4 2022. The increase in the vacancy rate can largely be attributed to a few large logistics facilities in northern Stockholm that were started without tenants, mainly in 2021, and which have now been completed without a tenant being signed. This, together with a structural increase in vacancy in the older portfolio, has driven up vacancy rates in 2023. Northern Stockholm is the submarket with the highest vacancy rate according to JLL's survey. In Q4 2023, it was recorded at 17.5 percent, an increase of 4.1 percent year-on-year.

JLL estimates that prime rents in the segment have increased by between 7 and 24 percent, with the strongest increase in Jönköping. Market rents for light industry and secondary logistics are more affected by local demand and can vary greatly depending on specifications/tenant adaptations and micro location. JLL estimates that market rents for industrial space have increased slightly more (10-30 percent) in 2023, which is higher than the CPI adjustment of rents by 10.9 percent for 2023, but also supported by newly produced space and higher construction costs. JLL believes that the strongest rent growth is linked to Jönköping and Örebro, which have relatively low rents with a certain lag in the statistics, supporting higher levels.

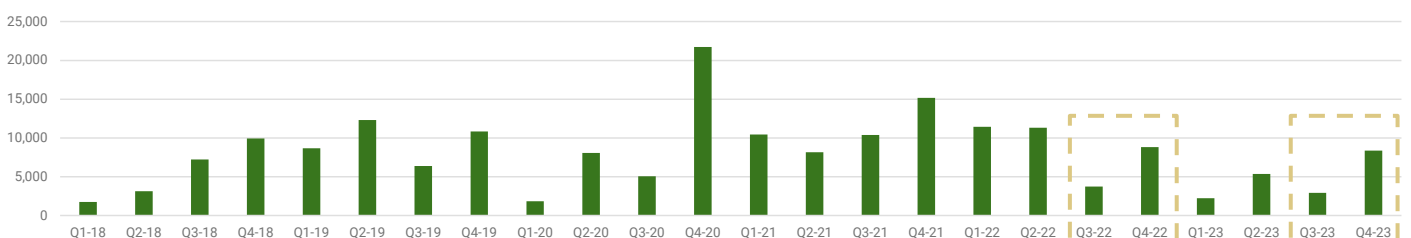
Average rents prime logistics



Vacancies



Logistics/Industry quarterly transaction volume, SEK billion



Text and information in the market section was prepared by JLL Research in January 2024.

Sustainability

Updated sustainability targets in line with the completed double materiality analysis

Sustainability is an integrated part of Logistea's strategic framework and goals. In 2023, we initiated work to adapt the company's sustainability projects and reporting to the new Corporate Sustainability Reporting Directive (CSRD). A double materiality analysis according to the European Sustainability Reporting Standards (ESRS) was conducted and validated with the company's key stakeholders. The materiality analysis pointed out the sustainability issues that Logistea should prioritize in order to minimize risks and take advantage of opportunities, both financially and in terms of Logistea's impact on the outside world.

As a result of the analysis, Logistea's sustainability framework has been updated and new sustainability goals of both strategic and operational nature have been developed within the ESG framework. The achievement of the targets below will be reported in the second half of 2024.

E

Goals related to the environment

Energy saving measures - Annually move at least 10 percent of the properties in the comparable portfolio to a significantly better energy class through energy projects by the end of 2025.

Solar energy - Increase the installed capacity from solar energy by 1 MWp annually.

Batteries - Installed capacity from battery storage of at least 30 MW by the end of 2025.

Fossil-free electricity - 100 percent fossil-free electricity for the electricity agreements that Logistea has control over, at the end of 2025.

Net zero greenhouse gas - Logistea will reach net zero greenhouse gas emissions in scope 1 and 2 by the end of 2028.

Charging infrastructure - Five properties will be equipped with charging infrastructure for vehicles annually.

Sustainability certification - All new construction and major renovations must be sustainability certified.

Reuse - Logistea will work to use recycled materials in new construction and renovations.

Ecosystem services - Logistea will work for an expansion of the proportion of green bio spaces within the property portfolio.

SG

Goals related to social and governance

Satisfied employees - >50 in ENPS (employee net promoting score).

Equality - 40/60 percent gender equality in the company, the management team and on the board.

Governance

All of Logistea's employees must be trained in Logistea's Code of Conduct.

All significant suppliers must undertake to comply with Logistea's Code of Conduct.

Logistea will work to ensure that significant tenants sign a green lease appendix.

Current developments in Logistea's sustainability work

During the fourth quarter of 2023, Logistea was granted a building permit to construct and install battery storage units in Vaggeryd Logistics Park. During the first half of 2024, a battery with an output of 9 MW will be commissioned to both support the power grid and to be able to offer tenants a more stable and predictable electricity cost.

During the fourth quarter of 2024, solar cells were installed and commissioned at the Vindan 1 property in Borås. The solar cells have a capacity of 490 kWp.

In addition to the completion of the double materiality analysis, policies and other governing documents have been updated to be ready for future reporting requirements.

Goal fulfilment 2023

100%

Of the properties that have been added through new construction or undergone a major renovation, sustainability has been certified according to Logistea's requirements.

Financing

Market situation

The fixed income market for 2023 was characterised by great volatility. The first nine months of the year were branded by rising interest rates and a focus on inflation, and the fourth quarter was instead branded by sharply and rapidly falling long-term interest rates and a stronger krona. Inflationary pressures, both globally and in Sweden, fell back drastically, mainly in the fourth quarter, and there are many indications that interest rates have peaked and that the next step for the world's central banks are to cut their policy rates rather than further hikes going forward.

The capital market, primarily for real estate companies in the high-yield segment, has opened up during the end of 2023. At the same time, companies in the investment grade segment have been able to issue bonds relatively successfully at relatively attractive levels. During the fourth quarter, several companies in the sector also continued to divest assets with the aim of managing future credit maturities, which is a trend that is expected to continue into 2024.

Interest-bearing liabilities

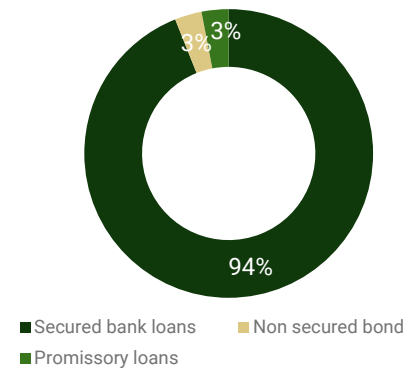
Logistea has primarily used bank financing and to some extent the capital market to finance investments such as acquisitions, new construction and refinement of the existing portfolio in the form of primarily tenant adaptations but also energy efficiency measures. Of the total interest-bearing debt, bank financing accounted for 94 percent (79), bond loans for 3 percent (19) and promissory notes for 3 percent (2). During the third quarter, Logistea announced a voluntary tender offer for its outstanding senior unsecured green bonds, in which Logistea during the fourth quarter repurchased bonds for a total nominal amount of SEK 309 million. At the end of the period, Logistea had outstanding bonds, which the company does not own, corresponding to SEK 75 million. The interest rate on the bond loan is variable and has a margin of 5.15 percent, a tenor of 3 years and matures in October 2024.

On the balance sheet date, Logistea's interest-bearing net debt, interest-bearing liabilities less cash and cash equivalents, amounted to SEK 2,449 million (2,553), corresponding to a loan-to-value ratio of 45.5 percent (55.2) of the market value of the properties. The interest coverage ratio multiple was 1.9 (2.2). Of the interest-bearing gross debt, secured bank financing accounted for SEK 2,333 million (2,056), SEK 75 million (500) consisted of unsecured bonds and SEK 75 million (59) consisted of promissory notes. The secured loan-to-value ratio at the end of the period was 42.8 percent (43.3). Of the interest-bearing liabilities, SEK 1,453 million (2,505) consisted of non-current liabilities and SEK 1,025 million (100) of current liabilities. The majority of the short-term bank debt will be refinanced in the first half of 2024.

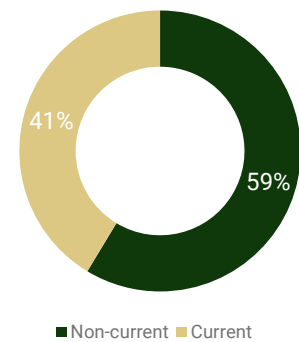
The average fixed-interest and tied-up capital period was 2.8 years (2.1) and 1.9 years (2.7) respectively at the end of the period. The average interest rate on the balance sheet date was 4.7 percent (4.8), including the effect of interest rate derivatives.

On the balance sheet date, the nominal amount of the company's derivatives amounted to SEK 2,081 million with an average interest rate of 2.5 percent. The Company owned interest rate swaps with a nominal amount of SEK 1,161 million with an average interest rate of 2.6 percent, performance swaps with a total nominal amount of SEK 900 million, where the barrier in performance swaps with a nominal amount of SEK 800 million amounts to 4.50 percent and a nominal amount of SEK 100 million has a barrier of 4.25 percent. The average interest rate, the fixed interest rate, for the performance swaps was 2.36 percent, which is paid as long as the floating interest rate (Stibor 3-months) is below the respective barrier level. In addition, the company had an interest rate cap with a nominal amount of SEK 20 million and an interest rate (cap) of 1.5 percent.

Distribution of interest-bearing liabilities, %



Distribution of non-current and current liabilities, %



Loan-to-value ratio, %



Net borrowing during the period totalled SEK -124 million (115). During the period, the Group raised SEK 218 million (242) in new loans and amortised bank loans and repurchased bonds of SEK 342 million (127). At the end of the period, Logistea had cash and cash equivalents amounting to SEK 29 million (52).

Interest rate risk management

During the quarter, Logistea continued to actively work with the derivative portfolio to improve and strengthen the protection against unforeseen events in the fixed income market by reducing the proportion of performance swaps, improving the maturity structure, extending the fixed interest period and at the same time lowering the average interest rate.

During the fourth quarter, Logistea has closed a performance swap, with a nominal amount of SEK 500 million and a fixed interest rate of 3.26 percent maturing in April 2025, while new interest rate derivatives with a total nominal amount of SEK 600 million have been signed with an average interest rate of 2.68 percent and an average maturity of 4 years. Logistea signed a performance swap with a nominal amount of SEK 200 million with a tenor of 3 years, an interest rate swap with a nominal amount of SEK 200 million with a tenor of 4 years and an interest rate swap with a nominal amount of SEK 200 million with a tenor of 5 years.

At the end of the period, the nominal value of Logistea's derivative portfolio amounted to SEK 2,081 million (1,168) and consisted of derivatives maturing during the period 2024–2029. The market value of derivatives at the end of the quarter was SEK -12 million (8). The change in market value for the period amounted to SEK -36 million (8) and is attributable to falling market interest rates and restructuring in the derivatives portfolio.

Derivative instruments

More information about what the different derivatives mean can be found in the section Definitions.

Outstanding derivative contracts as of 2023-12-31

Derivative	Nominal amount, SEKm	Strike	Interest	Maturity, years
Interest rate swap	100	-	2.0%	0.9
Interest rate cap	20	1.5%	-	1.2
Extendable swap	100	-	2.6%	1.4
Extendable swap	100	-	2.6%	1.4
Interest rate swap	10	-	2.3%	1.4
Interest rate swap	200	-	2.9%	1.5
Interest rate swap	112	-	2.8%	2.1
Interest rate swap	50	-	2.4%	2.4
Performance swap	200	4.5%	2.7%	2.9
Interest rate swap	39	-	2.0%	3.2
Interest rate swap	50	-	2.4%	3.4
Performance swap	250	4.5%	2.4%	3.9
Interest rate swap	200	-	2.7%	3.9
Performance swap	250	4.5%	2.2%	4.1
Interest rate swap	200	-	2.6%	4.9
Performance swap	100	4.3%	2.2%	5.0
Performance swap	100	4.5%	2.3%	5.1
	2,081	-	2.5%	3.2

Capital and interest rate maturity

Maturity date	Credit maturity					Interest rate maturity			
	Bank loans, MSEK	Bond loans, MSEK	Other interest bearing debt, MSEK	Total debt, MSEK	Share, %	Volume, MSEK	Share, %	Average fixed interest rate term, years	
0-1 years	895	75	25	995	40	453	18	0.1	
1-2 years	1,192	-	50	1,242	50	480	19	0.3	
2-3 years	-	-	-	-	-	362	15	0.4	
3-4 years	204	-	-	204	8	538	22	0.8	
>4 years	42	-	-	42	2	650	26	1.2	
Total	2,333	75	75	2,483	100	2,483	100	2.8	

Logistea's share

Logistea's shares are listed on Nasdaq Stockholm Mid Cap and had 11,692 shareholders (12,964) at the end of the period. The ten largest shareholders as of 31 December 2023 are shown in the table below.

Shareholders as of 2023-12-31

Each Class A share carries one vote and one Class B share carries one-tenth of a vote.

Shareholder	LOGI A	LOGI B	Capital, %	Votes, %
Slättö	4,346,862	36,597,431	18.8	21.5
Dragfast AB	5,004,087	2,540,000	3.5	14.1
Nordika	2,183,464	25,440,568	12.7	12.7
Rutger Arnhult with related parties	2,076,583	23,743,867	11.8	12.0
Stefan Hansson with related parties	935,261	8,669,741	4.4	4.8
Fourth Swedish National Pension Fund	-	16,295,751	7.5	4.4
Phoenix Insurance Ltd.	-	11,681,557	5.4	3.1
Karlskoga Industrifastighets AB	40,000	8,200,000	3.8	2.3
Patrik Tillman with related parties	78,966	6,145,967	2.9	1.9
Carnegie Fonder	-	4,483,925	2.1	1.2
Subtotal 10 largest shareholders	14,665,223	143,798,807	72.7	78.1
Personnel	1,898	2,138,492	1.0	0.6
Other	2,420,740	54,890,815	26.3	21.3
Total all shareholders	17,087,861	200,828,114	100.0	100.0

Source: Euroclear and shareholders.

Rights issue 2023

During the third quarter, Logistea carried out a rights issue of a total of SEK 436 million in order to manage future debt maturities in Logistea's outstanding bond loan, finance future acquisitions and value-creating investments in the existing portfolio. The resolution was made based on the authorization granted at the Annual General Meeting on 5 May 2023.

Issues during the quarter

On October 5, Logistea announced that the company is carrying out a directed issue of 1,673,820 Class B shares to pay an additional purchase price for the shares in Vaggeryd Logistikpark AB.

On December 20, Logistea closed the transaction of the Kalmar Sigillet 1 property, where, as part of the payment of the purchase price to the seller, 551,809 Class A shares and 6,485,228 Class B shares were issued at a share price of SEK 13.50 per share, corresponding to SEK 95 million.

Option program

Logistea has two active stock option programs for employees and key personnel. The first option program comprises 4,125,000 options entitling the holders to subscribe for approximately 4,692,000 Class B shares during the subscription period in December 2025. The second option program comprises 1,640,000 options entitling the holders to subscribe for approximately 1,815,000 Class B shares during the subscription period in June 2026. Since the share price on the balance sheet date was lower than the options' subscription prices, which on the balance sheet date amounted to SEK 26.1 and SEK 14.0 per share, respectively, the company does not report any dilution effect regarding the options.

Share information, 31 December 2023

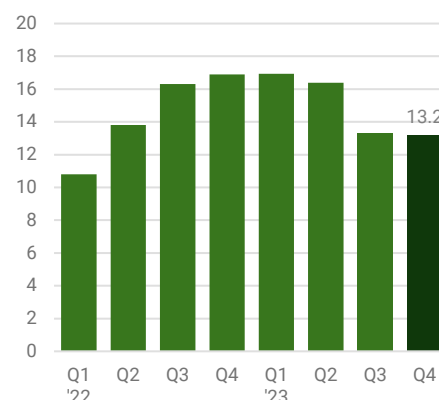
Market capitalization	SEK 2.7 billion
Marketplace	Nasdaq Stockholm Mid Cap
LEI code	549300ZSB0ZCKM1SL747
Number of shareholders	11,692

Class A ordinary share	
Number of shares	17,087,861
Closing price	SEK 12.52
ISIN	SE0017131329

Class B ordinary shares	
Number of shares	200,828,114
Closing price	SEK 12.50
ISIN	SE0017131337

The total number of outstanding shares on the balance sheet date amounts to 217,915,975 shares.

Net asset value per ordinary shares of Class A and B, SEK



EPRA key figures

	MSEK	SEK/share
Equity according to IFRS	2,684	12.3
EPRA NAV	2,684	12.3
Deferred tax properties and derivatives	194	1.0
Net fair value derivatives	12	0.0
EPRA NRV	2,890	13.3
Estimated real tax liability, 5.15%	-178	-0.9
Intangible assets	-1	0.0
EPRA NTV	2,711	12.4
Derivatives as above	-12	0.0
Deferred tax in full	-16	-0.1
Intangible assets	1	0.0
EPRA NDV	2,684	12.3

Key figures

	Jan-Dec		Oct-Dec	
	2023	2022	2023	2022
Property related				
Fair value investment properties, MSEK	5,386	4,623	5,386	4,623
Income, MSEK	371	257	93	80
Rental value, MSEK	366	304	366	304
Net operating income, MSEK	276	186	66	60
Economic occupancy rate, %	95.7	98.1	95.7	98.1
Wault, years	7.9	7.8	7.9	7.8
Yield, %	6.3	6.2	6.3	6.2
Operating margin, 12 months average, %	77.3	72.4	77.3	72.4
Adjusted operating margin, 12 months average, %	90.2	85.7	90.2	85.7
Number of investment properties	69	68	69	68
Financial				
Return on equity, %	-0.4	22.2	-14.4	-2.6
Equity ratio, %	48.6	38.7	48.6	38.7
Interest-bearing net debt, MSEK	2,449	2,553	2,449	2,553
Loan to value, %	45.5	55.2	45.5	55.2
Secured loan to value, %	42.8	43.3	42.8	43.3
Net debt to EBITDA ratio, times	8.3	10.6	8.3	10.6
Interest cover ratio, 12 month average, times	1.9	2.2	1.9	2.2
Average interest, %	4.7	4.8	4.7	4.8
Average fixed-interest period, years	2.8	2.1	2.8	2.1
Average tied-up capital, years	1.9	2.7	1.9	2.7
Share-related				
Profit from property mgmt per ordinary share A and B, SEK	0.6	0.6	0.1	0.2
Earnings per ordinary share A and B, SEK	0.0	2.6	-0.5	-0.1
NAV per ordinary share A and B, SEK	13.2	16.9	13.2	16.9
Equity per ordinary share A and B, SEK	12.3	15.4	12.3	15.4
Share price per ordinary share A, SEK	12.5	12.5	12.5	12.5
Share price per ordinary share B, SEK	12.5	11.9	12.5	11.9
Dividend per ordinary share A and B, SEK	-	-	-	-
EPRA				
EPRA NRV, SEK/share	13.3	16.8	13.3	16.8
EPRA NTA, SEK/share	12.4	15.5	12.4	15.6
EPRA NDV, SEK/share	12.3	15.4	12.3	15.5
EPRA EPS	0.6	0.6	0.1	0.1
Number of outstanding ordinary shares class A and B, thousands	217,916	121,054	217,916	121,054
Average number of outstanding ordinary shares, thousands	167,413	126,227	211,367	134,891

For definitions of key figures, see pages 25-26. Reconciliation tables for calculating key ratios are available on Logistea's website.

Notes

Not 1. Accounting principles

Accounting principles and calculation methods have remained unchanged compared with the Annual Report for the previous year. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. Disclosures in accordance with IAS 34 Interim Financial Reporting are disclosed in the notes and elsewhere in the report. Comparative figures for income 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 2022-12-31.

Distributed operations

On October 22, 2021, shares in MBRS Group AB were distributed to Logistea's shareholders in a so-called Lex Asea dividend. Minor costs continue to arise for the old subsidiary and its operations, which are reported as profit from distributed operations (Note 4) and cash flow from distributed operations (Note 5).

Valuation of receivables and liabilities

The Group's and the Parent Company's financial receivables and liabilities are reported at amortised cost less loss provision or fair value through profit or loss. For financial assets and liabilities measured at amortised cost, the carrying amount is considered to be a good approximation of the fair value as the receivables and liabilities either run over a shorter period of time or, in the case of a longer period, have a short fixed interest period.

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 57–61 and in Note 18 in the Annual Report 2022. The Annual Report 2022 can be found at www.logistea.se.

Not 2. Net operating income

MSEK	Jan-Dec	
	2023	2022
Rental income	357	257
<i>Whereof supplements</i>	51	40
Other income	14	-
Property costs	-95	-71
Net operating income	276	186
Operating margin	77%	72%
Adj. operating margin	90%	86%

The table above shows how much of the total rental income constitutes rent supplements. The adjusted operating margin is the net operating income through rental income, excluding rent supplements, and shows the operating margin adjusted for property costs that are re-invoiced to the tenants.

Not 3. Net financial income

MSEK	2023	2022
Interest income	2.9	4.7
Interest costs	-132.5	-85.4
Capitalised interest	6.1	12.6
Interest costs IFRS 16	-0.5	-0.7
Bond tender fees	-3.1	-
Arrangement fees	-6.1	-6.1
Net financial income	-133.2	-74.9

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

MSEK	Jan-Dec	
	2023	2022
Net income	-	-
Other operating income	-	-
Total income	-	-
Commodities	-	-
Other external costs	-1	-2
Staff costs	-	-3
Depreciation	-	-
Other operating costs	-	-
Operating profit	-1	-5
Financial costs	-	0
Profit before tax	-1	-5
Tax	-	-
Profit for the period from distributed operations	-1	-5

Not 5. Cash flow statement for the period for spin-off operations

MSEK	Jan-Dec	
	2023	2022
Cash flow from operating activities	-1	-5
Cash flow from investing activities	-	-
Cash flow from financing activities	-	-
Cash flow for the period from distributed operations	-1	-5

More information on distributed operations can be found in Note 1 Accounting principles.

Not 6. Investment properties

Valuation of the property portfolio

Property valuation is based on observable input data such as current leases, market rents, actual outcomes for operating and maintenance costs, planned investments and current vacancy levels, as well as unobservable input data such as yield requirements and future vacancy levels. The calculation period has been adjusted to the remaining term of existing leases and varies between 10 and 20 years. As a rule, the calculation period is 10 years. The cash flow calculations are based on inflation assumptions made by the valuation companies. The level of annual future inflation is estimated at 2.0 percent.

The assessment of future net operating income is based on an analysis of current leases and the current rental market. The lease agreements have been considered individually in the calculation. Normally, the existing leases have been assumed to be valid until the end of the leases. In cases where the lease terms have been deemed to be in line with market conditions, they have then been assumed to be possible to extend on unchanged terms or alternatively have been possible to rent out on similar terms. In cases where the outgoing rent is deemed to deviate from the current market rent, this has been adjusted to market level. The maximum and best use of the properties has been assumed in the property valuations. The cash flow statement considers the market situation, rent level, the tenant's estimated ability to pay, other uses and the long-term vacancy rate for each property. The long-term vacancy rate for each property is assessed based on, among other things, location, micro location, area of use and assessed alternative use.

Investment property is recognised at fair value at level three in the fair value hierarchy with changes in value in the income statement. The Group's properties mainly consist of warehouse and logistics properties, which have a similar risk profile and valuation methodology. The average lease term on all contracts on the balance sheet date was 7.9 years (7.8).

The discount rate, the estimated yield requirement for each property plus inflation, constitutes a nominal return requirement on total capital. The starting point for the discount rate is the nominal interest rate on government bonds with a maturity of five years, with a general risk premium for real estate and an object-specific supplement. The chosen yield requirement for the residual value assessment has been obtained from market information from the relevant submarket and has been adapted regarding the property's phase of the economic life cycle at the end of the calculation period. The discount rate for calculating the present value of cash flows and residual value is in the range of 6.30 - 10.87 percent and is based on analyses of completed transactions and on individual assessments of the level of risk and the market position of each property. On 31 December 2023, the weighted discount rate for discounting cash flows and residual values was 8.4 percent (8.3).

The weighted yield requirement was 6.6 percent (6.2), where all yield requirements were in the range of 5.6 – 8.7 percent. This means that if Logistea's real estate portfolio were theoretically to be regarded as a single property, the market value would correspond to the SEK 5,386 million, a yield requirement of 6.6 percent and a discount rate of 8.4 percent relating to cash flow and discounting of the residual value present value. The table in Note 6 shows the sensitivity of property values to changed assumptions.

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

More information about Logistea's valuations can be found in Note 10 in the Annual Report 2022.

Sensitivity analysis of property value

MSEK	Change	Change in value	
		2023	2022
Yield	+/- 0.25%-units	-195 / +211	-167 / +182
Vacancy	+/- 1.00%	-56 / 56	-48 / +48
Rental income	+/- 5.00%	+280 / -280	+242 / -242
Property costs	+/- 5.00%	-27 / +27	-27 / +27

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

Not 7. Related party transactions

In 2023, the Company entered into a cooperation agreement, which was approved by the annual general meeting on May 5, 2023, with Ra Solar Energy, in which Stefan Hansson, board member of Logistea, is a co-founder.

In April 2023, Logistea entered into an agreement with Hanssongruppen EBJ AB, in which Stefan Hansson was a board member and co-owner, regarding the sale of Logistea Duvedeh 2:51 AB.

At the end of 2020, Logistea acquired Vaggeryd Logistikpark from Hanssongruppen EBJ AB. Since the share purchase agreement contained provisions regarding the obligation to pay an additional purchase price in the event of a legally valid zoning plan, Logistea paid an additional purchase price to the seller of Vaggeryd Logistikpark, of which SEK 15.6 million was paid through newly issued shares in Logistea.

During the month of December, Logistea entered into an agreement regarding the acquisition of two properties in Nybro and Karlstad from Ilija Batljan Invest AB. Due to the fact that Sanja Batljan is a member of both Logistea's board of directors and Ilija Batljans Invest's Board, the transaction is considered a related party transaction. The transaction was approved by the Extraordinary General Meeting on 25 January 2024.

Parent company

Condensed income statement for the Parent Company

MSEK	Jan-Dec		Oct-Dec	
	2023	2022	2023	2022
Intra-group revenue	76	74	23	20
Administration costs	-61	-63	-16	-18
Operating profit (loss)	15	11	7	2
Profit from financial items	-20	-8	-4	3
Year-end appropriations	18	0	18	0
Profit before tax	13	3	21	5
Tax	3	-6	3	-6
Net profit for the period	16	-3	24	-1

The Parent Company has no transactions attributable to other comprehensive income, which is why no statement of comprehensive income has been prepared.

Condensed balance sheet for the Parent Company

MSEK	31/12/2023	31/12/2022
ASSETS		
Non-current assets		
Intangible assets	0	1
Tangible assets	1	2
Shares in group companies	1,141	933
Receivables from group companies	2,466	2,101
Deferred tax assets	3	-
Total non-current assets	3,611	3,037
Current assets		
Receivables from group companies	302	215
Other receivables	8	12
Cash and cash equivalents	4	33
Total current assets	314	260
TOTAL ASSETS	3,925	3,297
EQUITY AND LIABILITIES		
Restricted equity	111	63
Unrestricted equity	1,887	1,093
Total equity	1,998	1,156
Untaxed reserves	1	1
Long-term liabilities		
Interest-bearing liabilities	626	1,827
Liabilities to group companies	21	21
Derivatives	16	-
Total long-term liabilities	663	1,848
Short-term liabilities		
Interest-bearing liabilities	1,004	81
Liabilities to group companies	243	186
Other liabilities	16	25
Total short-term liabilities	1,263	292
TOTAL EQUITY AND LIABILITIES	3,925	3,297

Signature of the report

The Board of Directors and the CEO certify that the year-end report gives a true and fair view of the Parent Company's and the Group's operations, financial position and results and describes the significant risks and uncertainties faced by the Parent Company and the companies included in the Group. The year-end report has not been reviewed by the company's auditor.

Stockholm, 16 February 2023

Logistea AB (publ)

Organization number 556627-6241

Patrik Tillman
Chairperson

Anneli Lindblom
Board member

Erik Dansbo
Board member

Jonas Grandér
Board member

Sanja Batljan
Board member

Stefan Hansson
Board member

Niklas Zuckerman
Chief executive officer

Earnings capacity

MSEK	30/09/2022	31/12/2022	31/03/2023	30/06/2023	30/09/2023	31/12/2023	16/02/2023*
Rental value investment properties	256	304	330	329	327	366	380
Vacancy investment properties	-2	-5	-12	-12	-15	-16	-16
Rental value project properties	26	15	4	-	16	16	16
Non recoverable property costs	-34	-35	-35	-34	-32	-34	-35
Net operating income	246	279	287	283	296	332	345
Central administration	-32	-39	-39	-39	-37	-36	-36
Net finance costs**	-93	-117	-134	-131	-135	-117	-126
Profit from property management	121	123	114	113	124	179	183

The table above presents the Group's earnings capacity on a 12-month basis. Earnings are calculated on the basis of the property portfolio that has taken possession of the property on each balance sheet date. Net financial items are calculated on outstanding interest-bearing liabilities and the current interest rate level on each balance sheet date.

Since the presentation is not to be equated with a forecast, but is intended to reflect a normal year, the actual outcome may differ due to decisions that affect the outcome positively or negatively in relation to normal years as well as unforeseen events. The reported earnings capacity does not include an assessment of changes in rent, vacancy or interest rates and is only intended to make visible the actual conditions on the respective balance sheet date for income and expenses given, for example, the capital structure and organisation at each balance sheet date.

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 on the balance sheet date and normalised, non-recoverable property costs for the current portfolio. In addition, the rental value, property costs and estimated financing costs on an annual basis are included for the ongoing projects planned to be completed in 2023 and 2024, where leases have been signed.

Rental value is reported excluding rent supplements and property costs are reported using the property owner's net costs, see Note 2.

*Includes properties taken possession of and properties that have been agreed but not taken possession of on the reporting date.

**Excludes financing costs for remaining and unutilized credit facilities for project properties.

Other information

Seasonality

Approximately 80 percent of the leases in the company's property portfolio are so-called triple net agreements, which means that the tenant is responsible 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 can 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 15 permanent employees (16) at the end of the period. The average number of employees during the fourth quarter was 15 (14).

Dividend

The Board of Directors' objective is to annually propose to the Annual General Meeting that a dividend corresponding to at least 30 percent of the company's profit be resolved.

In the coming years, the Board of Directors intends to prioritize growth over dividends, which may result in low or no dividends to ordinary shares. The Board of Directors has decided not to propose any dividend to the upcoming Annual General Meeting in May 2024.

Auditor's review

The year-end report has not been reviewed by the company's auditor.

Alternative performance measures and definitions

Alternative performance measures

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

Adjusted surplus ratio

Net operating income as a percentage of rental income, excluding rent supplements.

Average number of ordinary shares outstanding

Number of outstanding shares at the beginning of the period, adjusted by the number of shares issued during the period weighted by the number of days the shares were outstanding in relation to the total number of days during the period.

Debt ratio

Net debt on the balance sheet date in relation to twelve-month forward-looking net operating income minus central administration expenses.

Earnings per ordinary share

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

Economic occupancy rate

Annual contracted rental value divided by rental value excluding project properties.

Equity per ordinary share

Equity¹⁾ on the balance sheet date in relation to the number of ordinary shares outstanding.

EPRA NRV

Equity¹⁾ with reversal of derivatives and deferred tax.

EPRA NTA

EPRA NRV less intangible assets and estimated fair value of deferred tax, 5.15 percent.

EPRA NDV

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

EPRA EPS

Profit from property management less current tax per ordinary share.

Interest-bearing net debt

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

Interest coverage ratio

Net operating income less costs for central administration divided by interest expenses and interest income (excl. site-leasehold and IFRS 16) for the most recent 12-month period.

Loan-to-value ratio

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

Net asset value (NAV) per ordinary share

Equity¹⁾ with reversal of deferred tax liability in relation to the number of ordinary shares outstanding.

Profit from property management per ordinary share

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

Rental income excluding rent supplements

Rental income adjusted for revenue for billed media costs to show fixed rental income plus index surcharges.

Return on equity

Profit after tax on an annual basis divided by the average of opening and closing equity¹⁾. In the interim financial statements, the return has been translated to a full-year basis without taking into account seasonal variations that normally occur in the business.

Solidity

Shareholders' equity as a percentage of total assets.

Surplus ratio

Net operating income as a percentage of rental income.

Yield

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

¹⁾ Equity attributable to shareholders of the Parent Company.

Other definitions

Average fixed interest rate

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

Average Interest Rate

Average borrowing rate for interest-bearing liabilities on the balance sheet date.

Building rights

Estimated buildable GFA, gross area, in square meters.

Central administration

Central administration expenses refer to costs for Group management and Group-wide functions.

Extendable swap

A combination of a customary interest rate swap and a swaption where Logistea bought an interest rate swap and sold or issued a swaption. At the end of the term, the counterparty, the bank, has the option (not the right) to extend the interest rate swap by a predetermined number of years. The counterparty may extend the interest rate swap if the market interest rate is lower than the fixed interest rate at which the interest rate swap has been signed.

Interest rate cap

A ceiling is set for the variable interest rate in the form of a predetermined interest rate level (barrier). If the variable interest rate exceeds the barrier level, Logistea receives the interest rate above the barrier level.

Interest rate swap

A derivative contract in which two parties exchange interest flows over a set period of time. One party may exchange its variable interest rate for a fixed rate, while the other party receives a fixed interest rate in exchange for a variable interest rate. Since Logistea's debt portfolio consists of variable bank and bond loans with a fixed margin, but with a variable component in the form of 3-month Stibor, Logistea has chosen to purchase interest rate swaps in order to pay a fixed interest rate and receive the Stibor 3-month interest rate. In this way, Logistea has fixed the interest rate for part of the loans.

Net lettings

Annual rent for the period's newly signed leases less annual rent for the period's notices of termination for renegotiation and vacating as well as bankruptcies.

Number of investment properties

The number of investment properties in the balance sheet includes properties under current management and project properties.

Number of ordinary shares outstanding

Number of ordinary shares outstanding on the balance sheet date.

Project properties

Properties where ongoing renovation or extension affect the rental value by more than 40 percent.

Performance swap

A combination of an interest rate swap and an interest rate cap where Logistea bought an interest rate swap and sold/issued an interest rate cap. The fixed interest rate in the interest rate swap is paid as long as the 3-month Stibor is below the respective chosen barrier level at any given interest rate setting period. Should the 3-month Stibor be at or above the respective barrier level prior to a new interest rate setting period, then the interest rate hedge for that interest period expires and Logistea pays the 3-month Stibor until the 3-month Stibor falls below the barrier level again, at which point Logistea will once again pay the fixed interest rate in the current performance swap.

Rental value

Annual contract value plus estimated market rent for vacant premises.

Secured loan-to-value ratio

Secured liabilities after deductions for cash and cash equivalents in relation to the fair value of the properties.

Share price per ordinary share

Share price on the balance sheet date.

Unrealised changes in value

Change in fair value excluding acquisitions, disposals and investments for the period.

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 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.

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 of Directors' objective is to annually propose to the Annual General Meeting that a dividend corresponding to at least 30 percent of the company's profit be resolved. In the coming years, the Board of Directors intends to prioritize growth over dividends, which may result in low or no dividends to ordinary shares.

Financial Calendar

Interim Report Q1 2024	2024-05-03
Annual General Meeting 2024	2024-05-03
Interim Report Q2 2024	2024-07-11
Interim Report Q3 2024	2024-10-25



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