

# Q3 2023

## Share issue has created great opportunities

### Summary of the period January – September 2023

- Income increased by 57 per cent and amounted to SEK 278 million (177).
- Net operating income increased by 67 percent to SEK 210 million (126).
- Profit from property management increased to SEK 82 million (52).
- Profit before tax amounted to SEK 114 million (414), as changes in the value of properties affected earnings by SEK 20 million (351).
- Earnings per share amounted to SEK 0.6 (2.7).
- Net asset value per share decreased to SEK 13.5 (16.9).
- In January, Logistea acquired two properties in Gothenburg at a total property value of SEK 292 million.
- In September, FREYR Battery A/S announced that they had decided to terminate the cooperation agreement regarding the project to establish a new battery factory in Svenljunga Municipality.

### Summary of the quarter July – September 2023

- Income increased by 27 per cent and amounted to SEK 89 million (70).
- Net operating income increased by 33 percent to SEK 72 million (54).
- Profit from property management increased to SEK 30 million (22).
- Profit before tax amounted to SEK 94 million (67), as changes in the value of properties affected earnings by SEK 64 million (37).
- Earnings per share amounted to SEK 0.4 (0.4).
- During the third quarter, a fully guaranteed rights issue of a total of SEK 436 million was completed.
- In August, Logistea signed a new 20-year lease agreement with NKT HV Cables AB in Alingsås, for the construction of a new production and test facility.
- Later in August, Logistea signed a new 7-year lease agreement with 3P Logistic AB for of a 11,100 sqm premises in Karlskoga.

### Significant events after the balance sheet date

- On 2 October, Logistea announced that holders of bonds corresponding to SEK 303.75 million have accepted Logistea's tender offer to repurchase bonds at a price corresponding to 101 percent of the nominal amount. The settlement date for the repurchase was 5 October. In the interim report, the repurchase amount is classified as a non-current liability.
- On 26 October, it was announced that an international logistics company had signed a lease agreement for the property Grundstenen 7 in Trollhättan.

MSEK	Jan-Sep		Jul-Sep		Oct-Sep	Jan-Dec
	2023	2022	2023	2022	2022/2023	2022
Property value	4,996	4,348	4,996	4,348	4,996	4,623
Income	278	177	89	70	358	257
Net operating income	210	126	72	54	270	186
Profit from property management	82	52	30	22	103	73
Result of the period for continuing operations	87	335	72	54	75	323
Earnings per ordinary share A and B, SEK	0.6	2.7	0.4	0.4	0.5	2.9
Occupancy rate, economic, %	96.3	99.0	96.3	99.0	96.3	98.1
Equity ratio, %	46.7	40.9	46.7	40.9	46.7	38.7
Loan to value (LTV), %	42.7	52.9	42.7	52.9	42.7	55.2
NAV per ordinary share A and B, SEK	13.5	16.9	13.5	16.9	13.5	16.9

## CEO's statement

**"Following the completion of the share issue, our loan-to-value ratio will decrease from 52.8 per cent at the end of the previous quarter to 42.7 per cent. Following our latest repurchase of bonds of SEK 304 million at the beginning of October 2023, the company's interest expenses will decrease by around SEK 28 million per year given the current interest rate."**

Logistea reports income for the first three quarters of SEK 278 million (177) and profit from property management of SEK 82 million (52). Profit from property management for the third quarter increased by 36 per cent, from SEK 22 million to SEK 30 million. Profit before tax for the period amounted to SEK 114 million (414), of which changes in value of properties amounted to SEK 20 million. After the share issue was completed, net asset value at the end of the quarter amounted to SEK 13.5 per share, to be compared with SEK 16.9 per share at the beginning of the year. Adjusted for the share issue, the net asset value increased by SEK 0.3 per share.

### Important leasing activities

During the quarter, we have signed a number of major leases. Our largest new lease to date means that we are investing SEK 160 million in a new production and testing facility for NKT in Alingsås. NKT signs a new 20-year lease for the new space and extends the lease agreement for the existing space until 2045. Additional annual rent amounts to SEK 15.75 million and our total weighted average lease length is expected to increase by 0.6 years as a result of the lease. The groundbreaking ceremony for the new construction took place in October and NKT is expected to move in in early 2025.

In Karlskoga, we have signed a new 7-year lease with 3P Logistic for premises of 11,100 square meters. 3P Logistic is an existing customer of Logistea and the new agreement entails an extension and expansion of the existing space.

After the end of the quarter, we also signed an agreement with an international logistics operator to lease our property in Trollhättan. The operator will move in at the end of the year when the previous tenant Gymgrossisten leaves the premises.

Our cooperation agreement with FREYR Battery A/S was terminated in September as FREYR will prioritize other countries for future establishments. Earnings in the third quarter will be negatively affected by SEK 2 million as a result of the termination of the agreement. Logistea and Svenljunga Municipality have an agreement on land reservation until the end of the year. Both parties believe in the area long term.



### Completed share issue and repurchase of bonds

The fully guaranteed share issue announced at the beginning of the quarter was oversubscribed to 147 percent and the proceeds, before transaction costs, amounted to SEK 436 million. In connection with the issue, we offered bondholders the possibility to sell back bond loans at 101 percent of the nominal value. The majority of the bondholders accepted the offer, and today we currently only have SEK 80 million outstanding of bond loans.

Following the completion of the share issue, our loan-to-value ratio will decrease from 52.8 per cent at the end of the previous quarter to 42.7 per cent. Following our latest repurchase of bonds of SEK 304 million at the beginning of October 2023, the company's interest expenses will decrease by around SEK 28 million per year given the current interest rate. Furthermore, our average interest rate is expected to fall from 5.2 per cent to 4.7 per cent. The interest coverage ratio, which amounts to 1.9, is expected to rise in the coming quarters as a result of steady revenues and lower net financial costs.

Logistea is financially strong and we are ready to take the next step in our journey of growth.

### Inflation and interest rate peaks

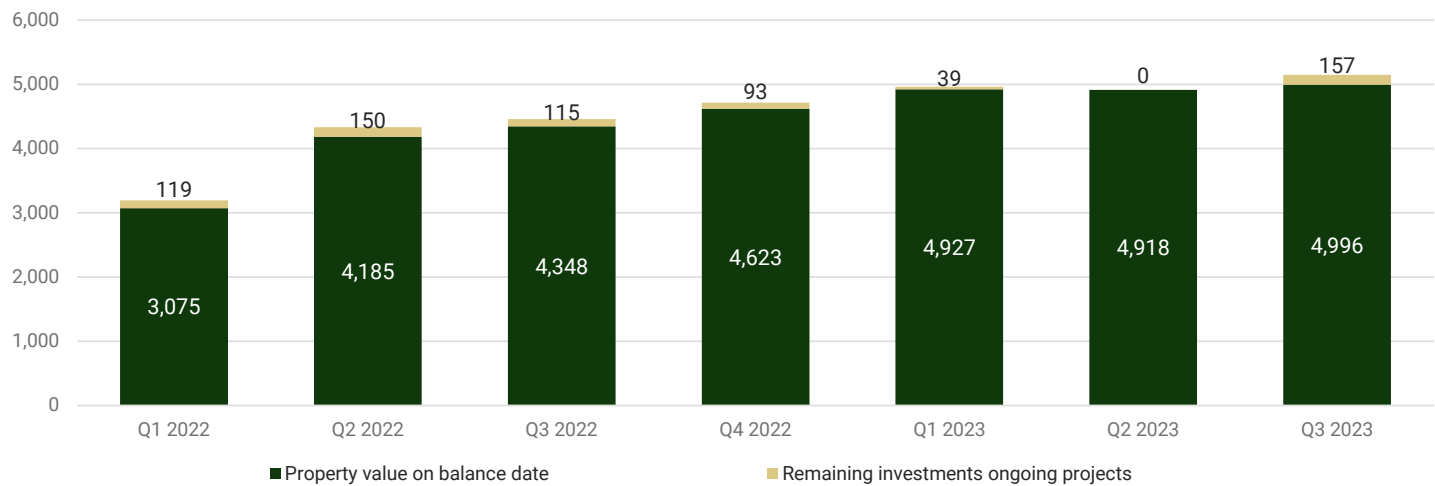
Market interest rates continued to rise during the quarter. The peak in inflation was reached in December 2022 and we are approaching the peak for short-term interest rates – probably as early as Q4 2023. More steady, and eventually declining interest rates, should lead to greater activity in the transaction market. I would not be surprised if we will see much higher activity in the coming quarters, especially in the warehousing, logistics and light industry, which are characterized by higher yields, healthy tenants and longer leases.

In the list of owners, I would like to welcome AP4 (Fourth Swedish National Pension Fund) to Logistea. We are adding yet another financially strong owner to the company, which is beneficial for future growth. At the end of the quarter, AP4 owned 7.8 percent of the capital in Logistea.

Niklas Zuckerman  
Chief executive officer

## Logistea's development

### Property value per quarter, SEKm



### Earnings capacity, SEK m

MSEK	30/06/2022	30/09/2022	31/12/2022	31/03/2023	30/06/2023	30/09/2023	05/10/2023*
Rental value investment properties	249	256	304	330	329	327	327
Vacancy	-2	-2	-5	-12	-12	-15	-15
Rental value project properties	24	26	15	4	-	16	16
Non recoverable property costs	-34	-34	-35	-35	-34	-32	-32
<b>Net operating income</b>	<b>237</b>	<b>246</b>	<b>279</b>	<b>287</b>	<b>283</b>	<b>296</b>	<b>296</b>
Central administration	-30	-32	-39	-39	-39	-37	-37
Net finance costs	-84	-93	-117	-134	-131	-135	-108
<b>Profit before tax</b>	<b>123</b>	<b>121</b>	<b>123</b>	<b>114</b>	<b>113</b>	<b>124</b>	<b>151</b>

\*Following the completion of the communicated buy-back in the company's own outstanding bond loan of SEK 304 million at the prevailing interest rate on the balance sheet date.

A more detailed description of the earning capacity can be found on page 26.

## Consolidated income statement in summary

MSEK	Not	Jan-Sep		Jul-Sep		Oct-Sep	Jan-Dec
		2023	2022	2023	2022	2022/2023	2022
Rental income		265	177	87	70	345	257
Other income		13	-	2	-	13	-
<b>Income</b>		<b>278</b>	<b>177</b>	<b>89</b>	<b>70</b>	<b>358</b>	<b>257</b>
Property expenses		-68	-51	-17	-16	-88	-71
<b>Net operating income</b>	<b>2</b>	<b>210</b>	<b>126</b>	<b>72</b>	<b>54</b>	<b>270</b>	<b>186</b>
Central administration		-26	-27	-8	-11	-37	-38
Net financial income	3	-102	-47	-34	-21	-130	-75
<b>Profit from property management</b>		<b>82</b>	<b>52</b>	<b>30</b>	<b>22</b>	<b>103</b>	<b>73</b>
Changes in value, properties		20	351	64	37	8	339
Changes in value, derivatives		12	11	0	8	9	8
<b>Profit before tax</b>		<b>114</b>	<b>414</b>	<b>94</b>	<b>67</b>	<b>120</b>	<b>420</b>
Actual tax		-5	-4	-2	-2	-4	-3
Deferred tax		-22	-75	-20	-11	-41	-94
<b>Result for the period for continuing operations</b>		<b>87</b>	<b>335</b>	<b>72</b>	<b>54</b>	<b>75</b>	<b>323</b>
Profit for the period from distributed operations	4	-1	-3	-	0	-3	-5
<b>Net profit for the period</b>		<b>86</b>	<b>332</b>	<b>72</b>	<b>54</b>	<b>72</b>	<b>318</b>
Net profit for the period attributable to:							
Parent Company's shareholders, continuing operations		87	335	72	54	75	323
Parent Company's shareholders, distributed operations		-1	-3	-	0	-3	-5
<b>Earnings per share</b>							
Earnings per share, calculated on result for the period for continuing operations attributable Parent Company's shareholders, SEK							
		0.56	2.72	0.43	0.40	0.50	2.57
Earnings per share, calculated on result for the period attributable to Parent Company's shareholders, SEK							
		0.56	2.69	0.43	0.40	0.48	2.53

Earnings per share has been adjusted retroactively by the effect of the difference between the subscription price in the share issue in September 2023 and the share prices on the date before informing the market about the terms for the share issue, according to IAS 33.

## Consolidated statement of comprehensive income

MSEK	Not	Jan-Sep		Jul-Sep		Oct-Sep	Jan-Dec
		2023	2022	2023	2022	2022/2023	2022
<b>Net profit for the period</b>		<b>86</b>	<b>332</b>	<b>72</b>	<b>54</b>	<b>72</b>	<b>318</b>
<i>Items which can be recognised as profit for the period</i>							
Translation difference		-	-1	-	-1	2	1
<b>Comprehensive income for the period</b>		<b>86</b>	<b>331</b>	<b>72</b>	<b>53</b>	<b>74</b>	<b>319</b>
<b>Other comprehensive income for the period attributable to:</b>							
Parent Company's shareholders, continuing operations		87	335	72	54	75	323
Parent Company's shareholders, distributed operations		-1	-4	-	-1	-1	-4

## Performance analysis

### Income

Rental income, including rent supplements, for the first three quarters increased by 49.7 per cent to SEK 265 million (177). Income increased mainly as a result of property acquisitions and index adjustments in existing leases. For the like-for-like property portfolio, rental income excluding rent supplements increased by 9.1 percent, primarily as a result of indexations.

Of the increase in rental income for the interim period, excluding rent supplements, SEK 5 million comes from completed projects, SEK 10 million from the like-for-like portfolio and SEK 66 million from completed property acquisitions.

Other income during the period of SEK 13 million (0) is attributable to Swedish government's electricity grant, rental guarantees and rent compensations.

Income in the third quarter of the year was slightly lower than in the previous quarters, which is explained by the fact that media costs, which are mainly charged to tenants in the form of rent supplements, were lower than in the first and second quarter of the year. A further explanation is that most of the other income in the second quarter was of a non-recurring nature.

The economic occupancy rate on the balance sheet date was 96.3 per cent (99.0). The decrease is largely attributable to two vacancies where the leases have expired, which was communicated during the first quarter of the year. The annual rental value of investment properties amounted to SEK 327 million (254) 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 first three quarters amounted to SEK 68 million (51). Costs have increased mainly as a result of a larger property portfolio. For comparable property holdings, costs increased by 0.5%. Most of the operating costs for the year have been passed on to the tenants in accordance with the lease agreements.

### Net operating income

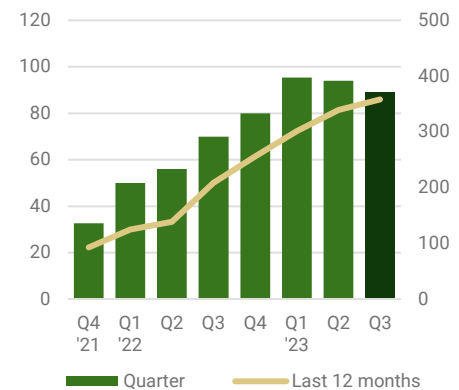
Completed property acquisitions and rent indexations increases in the rental income contributed to an increase in net operating income of 66.7 per cent to SEK 210 million (126) for the period. Despite lower total revenue for the third quarter, the net operating income is unchanged compared with the previous quarter. For comparable property holdings, net operating income increased by 13% compared with the same period previous year, mainly as a result of indexations 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 78.3 per cent (70.3) and the adjusted operating margin was 90.6 per cent (83.6).

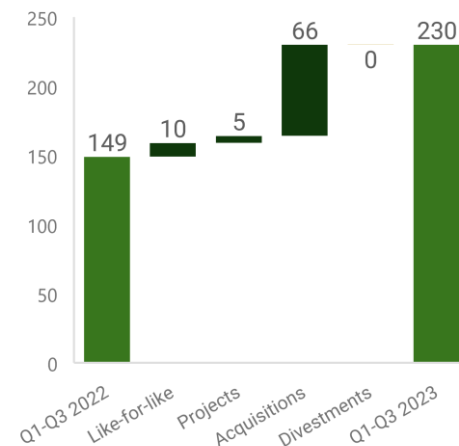
### Central administration

Costs for central administration, which refers to costs for Group management and Group-wide functions, amounted to SEK 26 million (27) for the first three quarters.

### Revenue, SEKm



### Comparison of rental income excluding rent supplements, SEKm



### Net operating income, SEKm



## Net financial income

As a result of a greater loan volume, but also of higher market interest rates, net financial items amounted to SEK -102 million (-47) for the first three quarters. At the end of the period, the average interest rate was 5.2 percent (4.8), which is slightly higher than at the end of the second quarter of 2023 when it was 5.0 percent. During the period, Logistea repurchased bond loans of SEK 116.3 million in its outstanding unsecured bond loan, which amounts to a total of SEK 500 million. After the end of the period, additional bonds of SEK 304 million were repurchased, which is expected to have a positive impact on net financial income of around SEK 28 million given the interest rate at the end of the period. The repurchases, combined with ongoing amortisation, resulted in interest-bearing net debt at the end of the period amounting to SEK 2,131 million (2,553). The loan-to-value ratio decreased to 42.7 per cent (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 period amounted to SEK 82 million (52). The increase is largely due to an increased property portfolio through acquisitions and completed projects, as well as increased net operating income in the like-for-like portfolio. Profit from property management increased from SEK 28 million in the second quarter to SEK 30 million in the third quarter. The increase is attributable to lower costs in central administration and improved net financial items.

## Changes in value

For the period, changes in the value of properties amounted to SEK 20 million (351). Of the changes in value, SEK -8 million (0) is realised changes in value attributable to completed divestments. Of the unrealised changes in value of SEK 28 million (351), SEK -365 million is attributable to changed yield requirements, SEK 298 million in adjusted expected cash flows related to inflation and lettings and finally SEK 90 million from profits from project operations. More information on changes in the value of properties can be found on page 9 and in Note 6.

Logistea's interest rate derivatives are valued at the end of each quarter. At the end of the period, changes in values related to interest rate derivatives amounted to SEK 12 million (11).

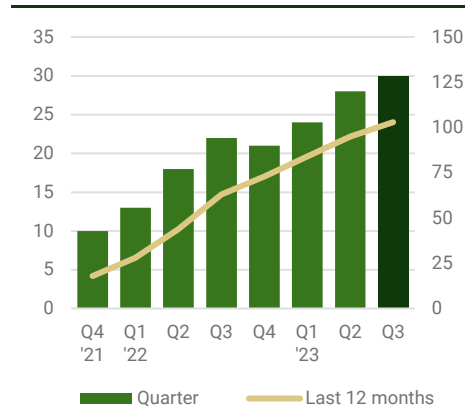
## Tax

Tax for the period amounted to SEK -27 million (-79). The tax consists of current tax of SEK -5 million (-4) on profit for the period and deferred tax of SEK -22 million (-75). The corporate tax rate for the tax year 2023 amounts to 20.6 percent (20.6).

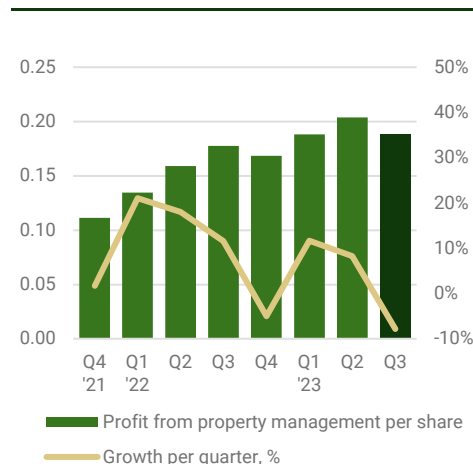
## Profit for the period

Profit for the period amounted to SEK 86 million (332), primarily affected by lower unrealised changes in value and increased profit from property management. Profit from distributed operations amounted to SEK -1 million (-3).

### Profit from property management, SEKm



### Profit from property management per share, SEK



## Consolidated statement of financial position i summary

MSEK	Not	30/09/2023	30/09/2022	31/12/2022
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets		1	2	1
Investment properties	6	4,996	4,348	4,623
Right-of-use assets		10	13	12
Other tangible fixed assets		4	1	5
Other long-term receivables		1	-	1
Derivatives		37	11	10
<b>Total non-current assets</b>		<b>5,049</b>	<b>4,375</b>	<b>4,652</b>
<b>Current assets</b>				
Current receivables		73	88	111
Cash and bank balances		465	130	52
<b>Total current assets</b>		<b>538</b>	<b>218</b>	<b>163</b>
<b>TOTAL ASSETS</b>		<b>5,587</b>	<b>4,593</b>	<b>4,815</b>
<b>EQUITY AND LIABILITIES</b>				
Equity attributable to Parent Company's shareholders		2,608	1,876	1,864
<b>Total equity</b>		<b>2,608</b>	<b>1,876</b>	<b>1,864</b>
<b>Non-current liabilities</b>				
Interest-bearing debt		1,937	2,201	2,505
Leasing liabilities		8	10	10
Derivatives		-	2	-
Deferred tax		206	167	185
<b>Total non-current liabilities</b>		<b>2,151</b>	<b>2,378</b>	<b>2,700</b>
<b>Current liabilities</b>				
Interest-bearing debt		660	227	100
Leasing liabilities		2	2	2
Other liabilities		166	110	149
<b>Total current liabilities</b>		<b>828</b>	<b>339</b>	<b>251</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>5,587</b>	<b>4,593</b>	<b>4,815</b>

## Consolidated statement of changes in equity in summary

MSEK	30/09/2023	30/09/2022	31/12/2022
Equity at beginning of period	1,864	1,049	1,049
Comprehensive income for the period	86	331	319
Emissions, net after issuance costs	653	494	494
Tax effect issuance costs	3	2	2
Staff option program	2	0	0
<b>Equity at end of period</b>	<b>2,608</b>	<b>1,876</b>	<b>1,864</b>



## Group cash flow statement in summary

MSEK	Not	Jan-Sep		Jul-Sep		Oct-Sep	Jan-Dec
		2023	2022	2023	2022	2022/2023	2022
<b>Cash flow from operations</b>							
Net operating income continuing operations		210	126	72	54	270	186
Central administration continuing operations		-26	-27	-8	-11	-37	-38
Operating income from distributed operations	4,5	-1	-3	-	0	-3	-5
Adjustments for non-cash items		1	0	0	0	2	1
Interest received		41	1	28	1	44	4
Interest paid		-113	-40	-34	-19	-140	-67
Tax paid		-9	-7	-5	-4	-8	-6
<b>Cash flow before changes in working capital</b>		<b>103</b>	<b>50</b>	<b>53</b>	<b>21</b>	<b>128</b>	<b>75</b>
<b>Cash flow from changes in working capital</b>							
Increase (-)/decrease (+) of current assets		46	11	34	13	28	-7
Increase (+)/decrease (-) of current liabilities		-12	-21	-20	-8	17	8
<b>Cash flow from operations</b>		<b>137</b>	<b>40</b>	<b>67</b>	<b>26</b>	<b>173</b>	<b>76</b>
<b>Cash flow from investing activities</b>							
Investments in current properties		-60	-232	-15	-54	-24	-196
Acquisition of assets via subsidiaries		-89	-219	-	-58	-354	-484
Divestment of assets via subsidiaries		30	-	0	-	34	4
Other intangible and tangible assets, net		0	-2	0	0	-4	-6
<b>Cash flow from investing activities</b>		<b>-119</b>	<b>-453</b>	<b>-15</b>	<b>-112</b>	<b>-348</b>	<b>-682</b>
<b>Cash flow from financing activities</b>							
Emissions, net after issuance costs		421	338	422	0	421	338
Staff option program		2	0	0	-	2	0
New loans		160	830	-	165	402	1,072
Repayment of loans		-188	-843	-38	-79	-315	-970
<b>Cash flow from financing activities</b>		<b>395</b>	<b>325</b>	<b>384</b>	<b>86</b>	<b>510</b>	<b>440</b>
<b>Increase/decrease of cash and cash equivalents</b>							
Cash flow for the period		413	-88	436	0	335	-166
Cash and cash equivalents at beginning of period		52	218	29	130	130	218
Cash and cash equivalents at end of period		465	130	465	130	465	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 through subsidiaries. Amortized loans include the Group's amortization of existing debt and refinancing of acquired debt.

The Group's cash and cash equivalents increased from SEK 52 million to SEK 465 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 188 million.

After the end of the period, a repurchase of Logistea's own outstanding bonds was carried out in the amount of SEK 304 million.



## Property portfolio

During the quarter, Logistea signed a new 20-year lease agreement with NKT HV Cables AB for the construction of a new production and test facility and extended the existing lease by 22 years on the property Bulten 1 in Alingsås. In addition, a new 7-year lease agreement was signed with 3P Logistic AB for a total area of 11,100 sqm in the property Bofors 1:47 in Karlskoga.

### Property portfolio

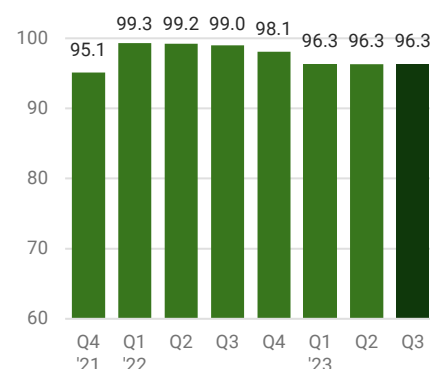
As of September 30, 2023, Logistea owned 68 properties (68) in 40 locations (40) in Sweden. Total rental income for the first three quarters amounted to SEK 265 million (177) and for the last 12 months to SEK 345 million. Total lettable area amounted to 563,524 square meters (540,870), excluding ongoing and planned new construction and extensions. The average rent in the portfolio was SEK 547 per square metre (486). The economic occupancy rate for investment properties was 96.3 percent (98.1) at the end of the period. The change is due to two vacancies that have arisen in Vaggeryd Logistikpark, where the tenant Azelio has been declared bankrupt at the same time as the lease agreement with PDL was forfeited by Logistea. Also two vacancies that have arisen in Borås, where the previous contracts expired in the first quarter of this year. The leasing work is ongoing and dialogue is being held with a number of interested parties regarding the leasing of the premises.

The total value of the property portfolio on the balance sheet date amounted to SEK 4,996 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 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 for Globen Lighting and Camfil Power Systems AB with an estimated investment of SEK 18 million with an estimated occupancy in Q1 2024.

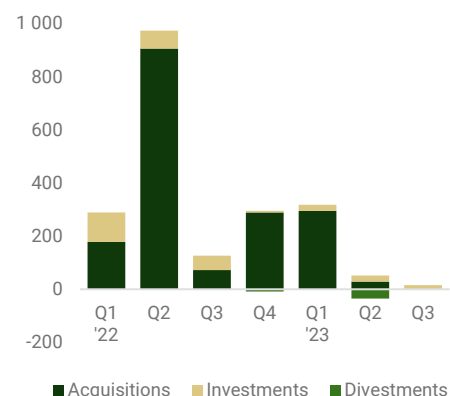
For the period, the unrealised change in value amounted to SEK 28 million (351) and the realised change in value to SEK -8 million (0). Of the unrealised change in value, SEK 298 million is based on rising net operating income, mainly as a result of adjusted inflation assumptions for 2023 (from 2.0–4.0 per cent as of 31 December 2022 to 6.0 per cent as of 30 September 2023), SEK -365 million is due to changed assumptions regarding the yield requirement where the yield requirement has been adjusted upwards by an average of 0.6 percentage points during the period. SEK 90 million relates to project profit and deferred tax rebate on acquisitions amounted to SEK 4 million.

For the third quarter, the unrealised change in value amounted to SEK 64 million (37) and the realised change in value was zero (0). Of the unrealised change in value, SEK 75 million is based on rising net operating income, mainly as a result of adjusted inflation assumptions for 2023 (from an average of 5.3 per cent as of 30 June 2023 to 6.0 per cent as of 30 September 2023), SEK -82 million is due to changed assumptions regarding the yield requirement where the yield requirement has been adjusted upwards by an average of 0.2 percentage points during the quarter. SEK 75 million pertains to project profits.

### Occupancy rate, %



### Acquisitions, investments and divestments, SEKm



### Change in property value, SEKm

MSEK	2023	2022
<b>Property value 1 January</b>	<b>4,623</b>	<b>2,607</b>
Investments in existing properties	60	232
Acquisitions	324	1,158
Divestments	-39	-
Unrealised changes in value	28	351
<b>Property value 30 September</b>	<b>4,996</b>	<b>4,348</b>

## Yield on the property portfolio

The property yield for Logistea's cash flow-generating properties at the end of the period was 6.0 percent (6.2) and the average valuation yield was 6.6 percent (6.2). More information can be found in Note 6.

## Valuation method

At the end of the third quarter, 24 per cent of the cash-flow generating properties, corresponding to 23 per cent of the total portfolio, were valued by external authorised and independent valuation institutes. Other properties were valued internally. During the second and first quarters, 26 and 54 per cent of the cash-flow generating properties were valued by external valuation agencies. To assess the market value of the properties during the year, Logistea have used Newsec and Savills as independent valuation companies.

As a general rule, cash flow calculations are used in value assessments, in which net operating income, investments and residual value are calculated to present value. The calculation period is adjusted based on the remaining term of each property's existing leases. More information about valuations can be found in Note 10 in Logistea's Annual and Sustainability Report 2022.

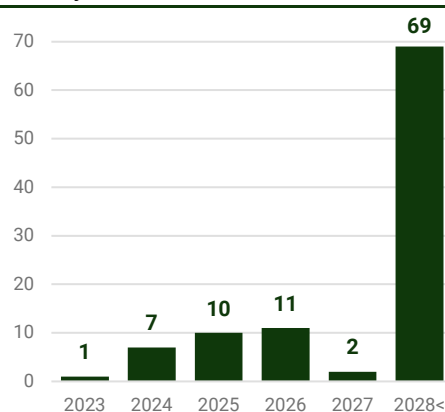
## Customers and rental agreements

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.

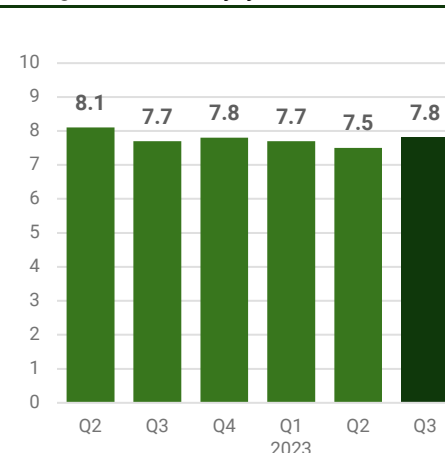
Logistea's acquisition strategy focuses on and prioritizes properties in good locations with financially stable tenants and long-term leases. As of September 30, 2023, the average remaining lease length for Logistea's tenants was 7.8 years (7.8). Logistea prioritizes a well-diversified customer base 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 CPI 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.

## Maturity structure contracted rental value, %



## Average lease maturity, years



## Key figures valuation

	Q3 2023	Q4 2022
Valuation yield, %	6.60	6.20
Valuation yield L-F-L portfolio, %	6.60	6.20
Property yield, %	6.0	6.15
Inflation assumption 2023, %	6.0	2.0 – 4.0

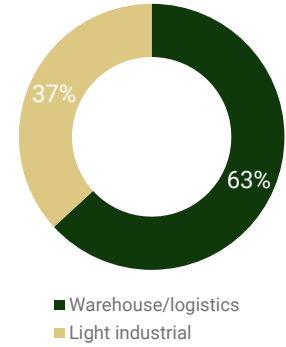
**Property portfolio as of balance date 30 September 2023**

Region	Lettable area, sq.m.	Property value, MSEK	Contracted rental value, MSEK	NOI*, MSEK	Building rights, sq.m.
West	319,369	3,086	191	173	61,500
Mid	108,382	623	52	42	58,000
South	91,151	646	45	42	17,000
East	22,599	160	12	11	2,000
North	22,023	166	12	12	-
<b>Total</b>	<b>563,524</b>	<b>4,681</b>	<b>312</b>	<b>280</b>	<b>138,500</b>
Project properties	3,500	315	16	16	204,000
<b>Total</b>	<b>567,024</b>	<b>4,996</b>	<b>328</b>	<b>296</b>	<b>342,500</b>

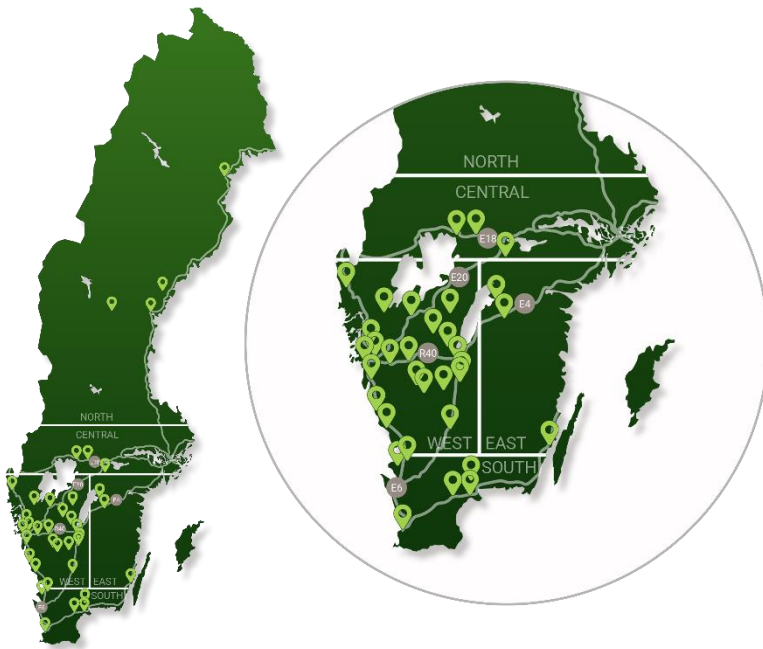
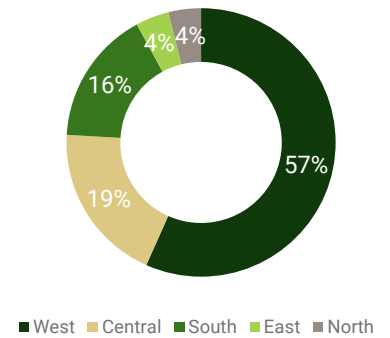
\*Refers to net operating income from earnings capacity.

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

**Lettable area by category  
30 September 2023, sqm**



**Leasable area by region  
30 September 2023, sqm**



Logistea's property portfolio as of 30 September by region.

## Projects

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 SEK 160 million and the building is expected to be completed in the first half of 2025. The lease is a green triple-net lease. The project is financed through the local bank 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 30/04/2045. 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. The construction of a new warehouse and logistics building of 4,900 square meters was completed on the property in March 2023, according to plan. The tenant moved in at the end of the first quarter of 2023 and the rent amounts to 10.0 per cent of the contract cost. In addition, the building will be environmentally certified according to BREEAM In-Use Very Good or Excellent, which is expected to take place during the fourth quarter. The sole tenant

is Nordic Netstores, which operates the websites Jakt.se, Hund.se and Fiske.se.

### Future projects

#### Vaggeryd Logistikpark

Vaggeryd Logistikpark is an extensive development area located south of Jönköping. In addition to an excellent logistics location, there is a railway connection in the area. The logistics park covers a total land area of 380,000 square meters. Following the adoption of a new zoning plan and its legal force during the third quarter, the area is expected to comprise approximately 150,000 square metres 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.

#### Fåglabäck in Vaggeryd

With its proximity to the Båramo Terminal, a dry port linked by rail to the Port of Gothenburg, the area is one of the largest inland nodes in the shuttle system with rail to and from the Port of Gothenburg. Here, Logistea is planning the construction of modern, purpose-built 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 Båramo intermodal terminal is part of the European railway corridor ScandMed, established by the EU.

#### Battery cell factory in Lockryd, Svenljunga

During the third quarter, Logistea's partner Freyr Battery A/S announced that they were cancelling the plans to establish a battery cell factory in Svenljunga. Logistea, which still holds an option on the land in Svenljunga, has been in dialogue with other parties regarding establishment on the land.

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	157	2025
<b>Total</b>	<b>3 500</b>	<b>16</b>	<b>16</b>	<b>160</b>	<b>157</b>	



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



Outline of the new test and production hall in Alingsås

## Market – Warehousing, logistics and light industry

### Summary

The interest in investing in properties within the warehousing, logistics and light industry segments remains high, driven by high underlying demand from tenants for premises and positive rental growth during the year. Rent growth has been driven partly by demand from tenants and partly by growth in the CPI. The CPI is expected to develop further during the year and the CPI was 6.5 per cent in September. The underlying trends driving demand in the segment remain the same, i.e. inshoring where tenants choose to secure the logistics flow by moving production and warehousing to their home markets.

Despite the strong underlying interest in investing in warehousing, logistics and light industrial properties, the transaction market has been cautious during the first nine months of the year, with a total decline in transaction value in the segment of 65 percent. However, JLL has noted a break in the trend during the third quarter of 2023 with an increased transaction volume of 21 per cent compared to the same period last year.

### Rental market

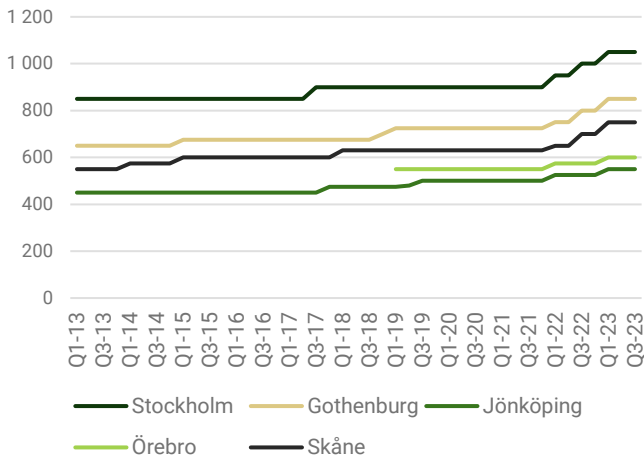
Demand from tenants remains high, with rent levels rising during the year. During the third quarter, JLL noted unchanged rent levels.

JLL estimates that vacancies in selected markets as described below are approximately 5.2 per cent, which is a decrease of just over 0.25 percentage points since Q2 2023. Vacancies are generally very low, which, combined with high demand, provides support for declining vacancies and structural rent growth.

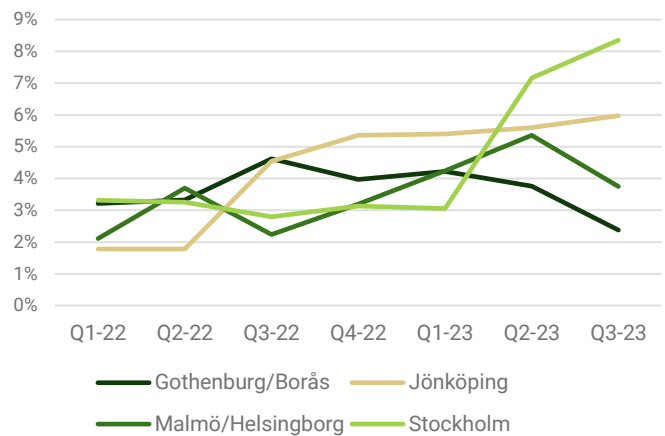
### Transaction market

During the first nine months of 2023, the transaction volume for warehouse, logistics and industrial properties amounted to approximately SEK 9.3 billion, of which pure logistics properties accounted for approximately SEK 6.9 billion. Transaction volumes in the entire segment decreased by 65 per cent compared to the same period last year. The transaction volume for the past 12 months amounted to approximately SEK 19.7 billion for industrial and logistics properties.

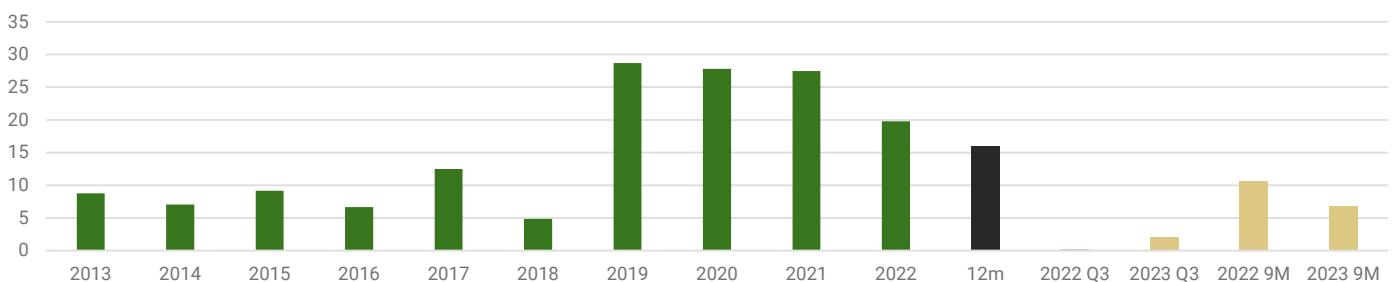
### Average rents prime logistics



### Vacancies



### Logistics/industry transaction volume on a full-year basis, SEK billion



## Sustainability

### Goals and strategy in accordance 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's Sustainable Development Goals (SDGs) 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
- 13 Fighting climate change

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

### Sustainability goals

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

- BREEAM Very Good or better, or equivalent certification standard
- Energy Performance Certificate (EPC) A or B
- Energy consumption of less than 20 percent of the applicable national building ordinance
- Reduce energy consumption by at least 30 percent during major renovations

### Solar energy and battery storage

During the year, Logistea has held several discussions with tenants about the demand and support for solar cell energy. At the end of the third quarter, the construction of solar cells, which are estimated to produce around 500 kWp on the Vindan 1 property in Viared, Borås, was ongoing. The solar cells are expected to be in operation during the fourth quarter of 2023.

Logistea, together with its partner RA Solar Energy, is investigating the establishment of energy storage with the aim of offering support services in energy storage to balance and support the Swedish power grid. Furthermore, the possibility of being able to offer tenants the opportunity to limit and cut the highest cost peaks with the help of energy storage is also being investigated. Larger battery packs are installed adjacent to existing substations and can be used to charge during the most energy-efficient hours of the day and then deliver energy at the most energy-intensive hours of the day. In this way, Logistea helps both tenants to keep their energy costs down while Logistea helps to support and balance the Swedish power grid.

After the building permit has been granted, which is expected to take place in the fourth quarter of 2023, Logistea will install and connect the first battery storage units in Vaggeryd Logistikpark. The batteries are expected to be operational in the first quarter of 2024 and are expected to deliver energy equivalent to 6 mW to the Swedish power grid.

### Sustainability framework

**WE SUPPORT**



### Goal fulfillment

**100%**

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

**12%**

Of the property portfolio is certified according to BREEAM In-Use with a rating of Very Good or better.

**19%**

Of the loan portfolio is green financing.



## Social responsibility

Since 2021, Logitea has been the main sponsor of the Gothenburg-based sports club Grunden Bois. The association welcomes everyone with intellectual disabilities who want to participate in sports in football, floorball and gymnastics. With the sponsorship, Logitea 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).

Logitea also sponsors and contributes to a handful of other socially important and beneficial organizations being able to conduct their operations. Examples of these are the organizations Missing People and Music for Cancer.

## Green financing

In 2021, Logitea 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 has been established in accordance with the Green Bond Principles, developed by ICMA (International Capital Markets Association) and Green Loan Principles, developed by LMA (Loan Market Association). The framework is audited by ISS ESG, an independent third party. In 2021, Logitea 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 amounted to approximately SEK 860 million on the balance sheet date. Logitea'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, 19 per cent of the loan portfolio consisted of green financing.

During the third quarter, Logitea's first bank loan was sustainability certified. The loan is linked to the property Vindan 1 in Borås, which is certified according to BREEAM.

## Social responsibility



Solar panels on the property Lockryd 2:73 in Svenljunga



Installation of solar cells on the property Vindan 1 in Borås



# Financing

## Market outlook

During the year, the fixed income market has been characterised by large fluctuations, rising interest rates and a continued focus on inflation. The third quarter was characterised by rising long-term interest rates and, to some extent, a stronger Swedish Krona. Swedish inflation has fallen back from its peaks, and opinions differ as to whether the Swedish central bank will take a breather this autumn or whether they will continue to deliver more interest rate hikes.

The capital market remains cautious, although there are some signs that the bond market is beginning to open up to more and more actors. However, the vast majority of real estate companies are forced to continue to rely on bank financing. In addition, several of the larger real estate companies, in particular, continue to divest assets with the aim of refinancing or redeeming all or part of their bond maturities. Despite the fact that many companies have dealt with maturities in 2023, 2024 is approaching with further major maturities for many.

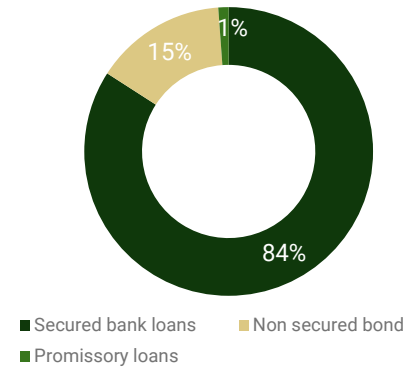
## Interest-bearing liabilities

Logistea has primarily used bank financing and to some extent the capital market to finance investments such as acquisitions, new constructions and refinement of the existing portfolio, like tenant adaptations but also investments in energy efficiency measures. Of the total interest-bearing debt, bank financing accounted for 84 per cent (66), bond loans for 15 per cent (27) and promissory notes for 1 per cent (7). During the third quarter, Logistea announced a voluntary tender offer for its outstanding senior unsecured green bonds. After the end of the period, Logistea announced that it will repurchase bonds in the tender offer for a total nominal amount of SEK 304 million as of 5 October. Following the repurchase in the beginning of October 2023, Logistea has outstanding bonds (which the company does not own) corresponding to SEK 80 million. Based on today's interest rates, the repurchase will contribute to a total reduction in annual interest expenses of approximately SEK 28 million. The bond loan is variable and has a margin of 5.15 per cent, a tenor of 3 years and matures in October 2024.

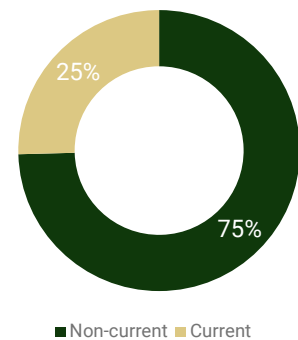
On the balance sheet date, Logistea's interest-bearing net debt, interest-bearing liabilities less cash and cash equivalents, amounted to SEK 2,131 million (2,553), corresponding to a net loan-to-value ratio of 42.7 per cent (55.2) of the properties' market value. The interest coverage ratio was 1.9 (2.2). Of the interest-bearing gross debt, secured bank financing accounted for SEK 2,189 million (2,056), SEK 384 million (500) consisted of unsecured bonds and SEK 30 million (59) consisted of promissory notes. The secured net loan-to-value ratio at the end of the period was 34.5 per cent (43.3). Of the interest-bearing liabilities, SEK 1,936 million (2,505) consisted of non-current liabilities and SEK 660 million (100) of current liabilities.

The average fixed interest and capital maturity period was 2.1 years (2.1) and 2.0 years (2.7) respectively at the end of the period. The average interest rate on the balance sheet date was 5.2 per cent (4.8), including the effect of interest rate derivatives. Following the repurchase of the bonds in October 2023, the average borrowing rate is expected to decrease to 4.7 per cent. On the balance sheet date, the nominal amount of the company's derivatives amounted to SEK 1,981 million with an average interest rate of 2.6 per cent. The company held interest rate swaps with a nominal value of SEK 561 million with an average interest rate of 2.5 per cent, performance swaps with a total nominal amount of SEK 1,200 million, where the barrier in performance swaps with a nominal amount of SEK 1,100 million has been adjusted to 4.50 per cent during the third quarter. Performance swaps with a nominal amount of SEK 100 million continue to have a barrier of 4.25 percent. The average interest rate, the fixed interest rate, for the performance swaps was 2.6 percent, which is paid as long as the floating interest rate (Stibor 3-months) is below the corresponding barrier level. Furthermore, Logistea held extendable swaps at a nominal amount of SEK 200 million with an average interest rate of 2.6 percent and an interest rate cap with a nominal amount of SEK 20 million and an interest rate (cap) of 1.5 percent.

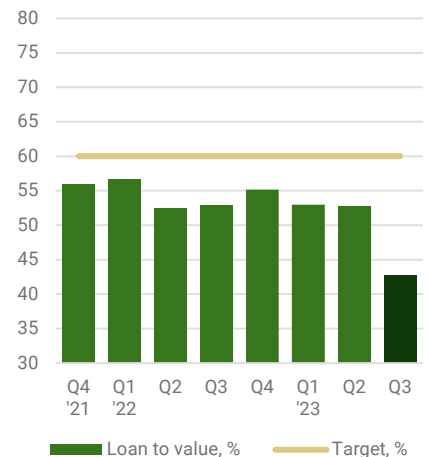
Distribution of interest-bearing liabilities, %



Distribution of long-term and current liabilities, %



Loan-to-value ratio, %



Net borrowing during the period totalled SEK -28 million (-13). During the period, the Group raised SEK 160 million (830) in new loans and amortised bank loans and repurchased bonds of SEK 188 million (843). At the end of the period, Logistea had cash and cash equivalents amounting to SEK 465 million (52).

### Interest rate risk management

During the period, Logistea has continued to improve and strengthen its financial position by strengthening its protection against an increase in Stibor. During the third quarter, Logistea has, as described on the previous page, adjusted the barrier level in the majority of the performance swaps. At the end of the period, the nominal value of Logistea's derivative portfolio amounted to SEK 1,981 million (1,168) and consisted of performance swaps, interest rate swaps, interest rate caps and extendable interest rate swaps maturing during the period 2024–2029. The market value of derivatives at the end of the quarter was SEK 37 million (2). The change in market value for the period amounted to SEK 12 million (11) and is attributable to rising market interest rates and restructurings in the derivatives portfolio.

### Derivative instruments

As part of Logistea's interest rate risk work, the company uses various derivative instruments. The purpose of these is to reduce interest rate risk. Below is a description of how the instruments Logistea has chosen to use work.

**An interest rate swap** is an agreement 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.

**Interest rate cap** means that 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.

**Performance swap** is a combination of an interest rate swap and an interest rate cap where Logistea has purchased an interest rate swap and sold/issued an interest rate swap.

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.

**An extendable interest rate swap** is a combination of a customary interest rate swap, see previous section Interest rate swap, and a swaption where Logistea has purchased an interest rate swap and sold or issued a swaption. Thus, 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.

### Outstanding derivative contracts as of 30 September 2023

Derivative	Nominal amount, SEK m	Strike	Interest	Maturity, years
Interest rate swap	100	-	2.0%	1.1
Interest rate cap	20	1.5%	-	1.5
Performance swap	500	4.5%	3.3%	1.5
Extendable swap	100	-	2.6%	1.6
Extendable swap	100	-	2.6%	1.6
Interest rate swap	10	-	2.3%	1.7
Interest rate swap	200	-	2.9%	1.7
Interest rate swap	112	-	2.8%	2.4
Interest rate swap	50	-	2.4%	2.7
Interest rate swap	39	-	2.0%	3.5
Interest rate swap	50	-	2.4%	3.6
Performance swap	250	4.5%	2.4%	4.1
Performance swap	250	4.5%	2.2%	4.4
Performance swap	100	4.3%	2.2%	5.2
Performance swap	100	4.5%	2.3%	5.4
	<b>1,981</b>	<b>-</b>	<b>2.6%</b>	<b>2.8</b>

Maturity date	Credit maturity			Total debt, MSEK	Share, %	Interest rate maturity		
	Bank loans, MSEK	Bond loans, MSEK	Other interest bearing debt, MSEK			Volume, MSEK	Share, %	Average fixed interest rate term, years
0-1 years	587	-	30	617	24	622	24	0,0
1-2 years	1 133	384	-	1 517	58	1 030	40	0,6
2-3 years	220	-	-	220	8	162	6	0,2
3-4 years	-	-	-	-	-	89	3	0,1
>4 years	249	-	-	249	10	700	27	1,2
<b>Total</b>	<b>2 189</b>	<b>384</b>	<b>30</b>	<b>2 603</b>	<b>100</b>	<b>2 603</b>	<b>100</b>	<b>2,1</b>

## Share

Logistea's shares are listed on Nasdaq Stockholm Mid Cap and had more than 11,896 shareholders (13,266) at the end of the period. The ten largest shareholders as of 30 September 2023 are shown in the table below.

### Shareholders as of 30 September 2023

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	4,347,168	36,597,165	19.6	22.4
Dragfast AB	4,958,074	4,154,485	4.4	15.0
Nordika	2,183,464	25,440,568	13.2	13.2
Rutger Arnhult with related parties	1,407,513	17,237,976	8.9	8.7
Stefan Hansson with related parties	935,261	6,995,921	3.8	4.6
Fourth Swedish National Pension Fund	-	16,295,751	7.8	4.6
Phoenix Insurance Ltd.	-	11,681,557	5.6	3.3
Karlskoga Industrifastighets AB	40,000	8,200,000	3.9	2.4
Patrik Tillman with related parties	78,966	6,120,967	3.0	1.9
Avanza Pension	247,086	3,262,710	1.7	1.6
<b>Subtotal 10 largest shareholders</b>	<b>14,197,532</b>	<b>135,987,100</b>	<b>71.8</b>	<b>77.6</b>
Personnel	1,440	2,134,200	1.0	0.6
Other	2,337,080	54,547,766	27.2	21.8
<b>Total all shareholders</b>	<b>16,536,052</b>	<b>192,669,066</b>	<b>100.0</b>	<b>100.0</b>

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 its 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.

The subscription price in the issue was set to SEK 6.25 per share. Existing shareholders were allocated one subscription right per owned share per share class. Two subscription rights were required to subscribe for one new share at the determined subscription price. As a result of the share issue, the number of shares increased by 69,735,039, which resulted in an increase in the share capital of SEK 34.9 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 warrant 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, does not the company report any dilution effect regarding the options.

### Issue after the balance sheet date

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

### Share information, 30 September 2023

Market cap	1.6 BSEK
Marketplace	Nasdaq Stockholm Mid Cap
LEI No	549300ZSB0ZCKM1SL747
Number of shareholders	11,896

#### Ordinary share Class A

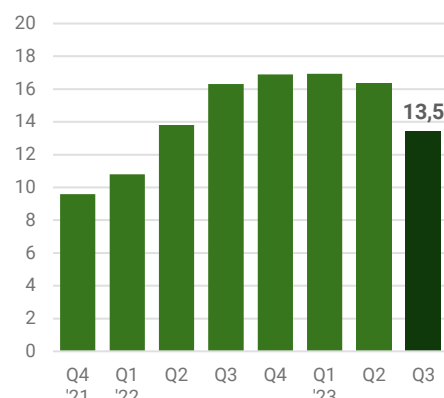
Number of shares	16,536,052
Closing price	7.62 SEK
ISIN	SE0017131329

#### Ordinary shares Class B

Number of shares	192,669,066
Closing price	7.90 SEK
ISIN	SE0017131337

The total number of outstanding shares on the balance sheet date amounts to 209,205,118 shares.

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



### EPRA key figures

	MSEK	SEK/share
Equity according to IFRS	2,608	12.5
<b>EPRA NAV</b>	<b>2,608</b>	<b>12.5</b>
Deferred tax properties and derivatives	206	1.0
Fair value derivatives	-37	-0.2
<b>EPRA NRV</b>	<b>2,778</b>	<b>13.3</b>
Estimated real tax liability, 5.15%	-172	-0.8
Intangible assets	-1	0.0
<b>EPRA NTV</b>	<b>2,605</b>	<b>12.4</b>
Derivatives as above	37	0.2
Deferred tax in full	-34	-0.2
Intangible assets	1	0.0
<b>EPRA NDV</b>	<b>2,608</b>	<b>12.5</b>

## Key figures

	Jan-Sep		Oct-Sep	Jan-Dec
	2023	2022	2022/2023	2022
<b>Property related</b>				
Fair value investment properties, MSEK	4,996	4,348	4,996	4,623
Income, MSEK	278	177	358	257
Rental value, MSEK	327	254	327	304
Net operating income, MSEK	210	126	270	186
Economic occupancy rate, %	96.3	99.0	96.3	98.1
Wault, years	7.8	7.7	7.8	7.8
Yield, %	6.0	5.8	6.0	6.2
Operating margin, 12 months average, %	78.3	70.3	78.3	72.4
Adjusted operating margin, 12 months average, %	90.6	83.6	90.6	85.7
Number of investment properties	68	68	68	68
<b>Financial</b>				
Return on equity, %	5.2	30.5	3.2	22.2
Equity ratio, %	46.7	40.9	46.7	38.7
Interest-bearing net debt, MSEK	2,131	2,299	2,131	2,553
Loan to value, %	42.7	52.9	42.7	55.2
Secured loan to value, %	34.5	41.4	34.5	43.3
Net debt to EBITDA ratio, times	8.2	10.7	8.2	9.9
Interest cover ratio, 12 month average, times	1.9	2.4	1.9	2.2
Average interest, %	5.2	4.3	5.2	4.8
Average fixed-interest period, years	2.1	0.8	2.1	2.1
Average tied-up capital, years	2.0	2.3	2.0	2.7
<b>Share-related</b>				
Profit from property mgmt per ordinary share A and B, SEK	0.5	0.5	0.7	0.6
Earnings per ordinary share A and B, SEK	0.6	2.7	0.5	2.6
NAV per ordinary share A and B, SEK	13.5	16.9	13.5	16.9
Equity per ordinary share A and B, SEK	12.5	15.5	12.5	15.4
Share price per ordinary share A, SEK	7.6	11.5	7.6	12.5
Share price per ordinary share B, SEK	7.9	11.3	7.9	11.9
Dividend per ordinary share A and B, SEK	-	-	-	-
<b>EPRA</b>				
EPRA NRV, SEK/share	13.3	16.8	13.3	16.8
EPRA NTA, SEK/share	12.4	15.6	12.4	15.6
EPRA NDV, SEK/share	12.5	15.5	12.5	15.5
EPRA EPS	0.5	0.4	0.7	0.6
Number of outstanding ordinary shares class A and B, thousands	209,205	120,854	209,205	121,054
Average number of outstanding ordinary shares, thousands	154,640	110,482	150,066	112,922

For definitions of key ratios, see page 27. 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 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 rates, 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 to 6.0% for 2023 and then at 2.0%.

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 taken into account 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 takes into account 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, microlocation, 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 for all contracts on the balance sheet date was 7.8 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 with regard to 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 7.75 - 10.24 per cent 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 30 September 2023, the weighted discount rate for discounting cash flows and residual values was 8.6 per cent (8.3). The weighted yield requirement was 6.6 per cent (5.9), where all yield requirements were in the range of 5.75 - 8.00 per cent. This means that if Logistea's property portfolio theoretically were to be regarded as a single property, the market value of SEK 4,996 million corresponds to a yield requirement of 6.6 percent, a discount rate of 8.6 percent regarding cash flow and present value discounting of the residual 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.

### Valuation of receivables and liabilities

The Group's and the Parent company's financial receivables and liabilities are reported at accrued acquisition value with deductions for loss reserve or fair value via profit. For financial assets and liabilities valued at accrued acquisition value, the reported value is deemed 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 that it extends longer, run with a shorter fixed interest rate.

### 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](http://www.logistea.se).

**Not 2. Net operating income**

MSEK	Jan-Sep		Oct-Sep	Jan-Dec
	2023	2022	2022/2023	2022
Rental income	265	177	345	257
Whereof supplements	35	28	47	40
Other income	13	-	13	-
Property costs	-68	-51	-88	-71
<b>Net operating income</b>	<b>210</b>	<b>126</b>	<b>270</b>	<b>186</b>
Operating margin	79%	71%	78%	72%
Adj. operating margin	91%	85%	91%	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 tenants.

**Not 3. Net financial income**

MSEK	Jan-Sep		Oct-Sep	Jan-Dec
	2023	2022	2022/2023	2022
Interest income	44.9	1.1	48.5	4.7
Interest costs	-146.2	-53.7	-177.9	-85.4
Capitalised interest	4.1	10.9	5.8	12.6
Interest costs IFRS 16	-0.2	-0.1	-0.8	-0.7
Arrangement fees	-4.6	-4.8	-5.9	-6.1
<b>Net financial income</b>	<b>-102.0</b>	<b>-46.6</b>	<b>-130.3</b>	<b>-74.9</b>

**Not 4. Profit and loss for distributed operations**

MSEK	Jan-Sep	
	2023	2022
Net income	-	-
Other operating income	-	-
<b>Total income</b>	<b>-</b>	<b>-</b>
Commodities	-	-
Other external costs	-1	0
Staff costs	-	-3
Depreciation	-	-
Other operating costs	-	-
<b>Operating profit</b>	<b>-1</b>	<b>-3</b>
Financial costs	-	0
<b>Profit before tax</b>	<b>-1</b>	<b>-3</b>
Tax	-	-
<b>Profit for the period from distributed operations</b>	<b>-1</b>	<b>-3</b>

**Not 5. Cash flow statement for distributed operations**

MSEK	Jan-Sep	
	2023	2022
Cash flow from operating activities	-1	-3
Cash flow from investing activities	-	-
Cash flow from financing activities	-	-
<b>Cash flow for the period from distributed operations</b>	<b>-1</b>	<b>-3</b>

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

**Not 6. Investment properties**

For the period, the unrealised change in value amounted to SEK 28 million (351) 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 as a result of adjusted inflation assumptions for 2023 (from 2.0–4.0 per cent as of 31 December 2022 to 6.0 per cent as of 30 September 2023), SEK -365 million is due to changed assumptions regarding the yield requirement where the yield requirement has been adjusted upwards by an average of 0.6 percentage points during the period. SEK 90 million pertains to project profit and deferred tax rebate on acquisitions amounted to SEK 4 million.

See more information on valuation assumptions in Note 1.

**Change in property value**

MSEK	2023	2022
<b>Opening balance 1 January</b>	<b>4,623</b>	<b>2,607</b>
Investment in existing properties	60	232
Acquisitions	324	1,158
Divestments	-39	-
Unrealised changes in value	28	351
<b>Closing balance 30 September</b>	<b>4,996</b>	<b>4,348</b>

The property yield for Logistea's cash flow-generating properties at the end of the period was 6.0 per cent (6.2). The valuation yield at the end of the period was 6.5 per cent (6.2).

**Sensitivity analysis of property value**

MSEK	Change	Change in value	
		Q3 2023	Q3 2022
Yield	+/- 0.25%-units	-191 / +207	-156 / +170
Rental income	+/- 5.00%	+261 / -261	+217 / -217
Property costs	+/- 5.00%	-27 / +27	-27 / +27

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



## Parent company

### Condensed income statement for the Parent Company

MSEK	Jan-Sep		Jul-Sep		Oct-Sep	Jan-Dec
	2023	2022	2023	2022	2022/2023	2022
Intra-group revenue	53	54	13	19	73	74
Administration costs	-45	-45	-11	-17	-62	-63
<b>Operating profit (loss)</b>	<b>8</b>	<b>9</b>	<b>2</b>	<b>2</b>	<b>11</b>	<b>11</b>
Profit from financial items	-16	-11	-9	-1	-13	-8
Year-end appropriations	-	-	-	-	0	0
<b>Profit before tax</b>	<b>-8</b>	<b>-2</b>	<b>-6</b>	<b>1</b>	<b>-3</b>	<b>3</b>
Tax	-	-	-	-	-6	-6
<b>Net profit for the period</b>	<b>-8</b>	<b>-2</b>	<b>-6</b>	<b>1</b>	<b>-9</b>	<b>-3</b>
Items which can be recognised as profit for the period						
Translation difference etc.	-	-	-	-	-	-
<b>Comprehensive income for the period</b>	<b>-8</b>	<b>-2</b>	<b>-6</b>	<b>1</b>	<b>-9</b>	<b>-3</b>

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	30/09/2023	30/09/2022	31/12/2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	1	1	1
Tangible assets	1	1	2
Shares in group companies	950	921	933
Receivables from group companies	2,233	2,563	2,101
Deferred tax assets	-	6	-
<b>Total non-current assets</b>	<b>3,185</b>	<b>3,492</b>	<b>3,037</b>
<b>Current assets</b>			
Receivables from group companies	235	172	215
Other receivables	12	24	12
Cash and cash equivalents	438	90	33
<b>Total current assets</b>	<b>685</b>	<b>286</b>	<b>260</b>
<b>TOTAL ASSETS</b>	<b>3,870</b>	<b>3,778</b>	<b>3,297</b>
<b>EQUITY AND LIABILITIES</b>			
Restricted equity	106	62	63
Unrestricted equity	1,698	1,095	1,093
<b>Total equity</b>	<b>1,804</b>	<b>1,157</b>	<b>1,156</b>
<b>Untaxed reserves</b>	<b>1</b>	<b>-</b>	<b>1</b>
<b>Long-term liabilities</b>			
Interest-bearing liabilities	1,117	1,858	1,827
Liabilities to group companies	21	470	21
<b>Total long-term liabilities</b>	<b>1,138</b>	<b>2,328</b>	<b>1,848</b>
<b>Short-term liabilities</b>			
Interest-bearing liabilities	636	111	81
Liabilities to group companies	236	162	186
Other liabilities	55	20	25
<b>Total short-term liabilities</b>	<b>927</b>	<b>293</b>	<b>292</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,870</b>	<b>3,778</b>	<b>3,297</b>

## Signature of the report

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The Board of Directors and the CEO certify that the interim 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 interim report has been reviewed by the company's auditor.

Stockholm, 27 October 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

# Auditor's review report

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Logistea AB, org.nr 556627-6241

## Introduction

We have reviewed the interim financial information (interim report) for Logistea AB as of September 30, 2023 and the nine-month period ended as of this date. The Board of Directors and the Managing Director are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of the review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Entity's Selected Auditor*. A review consists of making inquiries, primarily to persons responsible for financial and accounting matters, performing analytical procedures and performing other review procedures. A review has a different focus and a significantly smaller scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing standards.

The audit procedures performed in a review do not enable us to obtain assurance that we are aware of all material matters that could have been identified if an audit had been performed. Therefore, the conclusion based on a review does not have the assurance that an explicit conclusion based on an audit has.

## Conclusion

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

Stockholm, 27 October 2023

Ernst & Young AB

Gabriel Novella  
Authorized Public Accountant

## Earning capacity

MSEK	30/06/2022	30/09/2022	31/12/2022	31/03/2023	30/06/2023	30/09/2023	05/10/2023*
Rental value investment properties	249	256	304	330	329	327	327
Vacancy	-2	-2	-5	-12	-12	-15	-15
Rental value project properties	24	26	15	4	-	16	16
Non recoverable property costs	-34	-34	-35	-35	-34	-32	-32
<b>Net operating income</b>	<b>237</b>	<b>246</b>	<b>279</b>	<b>287</b>	<b>283</b>	<b>296</b>	<b>296</b>
Central administration	-30	-32	-39	-39	-39	-37	-37
Net finance costs	-84	-93	-117	-134	-131	-135	-108
<b>Profit before tax</b>	<b>123</b>	<b>121</b>	<b>123</b>	<b>114</b>	<b>113</b>	<b>124</b>	<b>151</b>

The table above presents the Group's earnings capacity on a 12-month basis. Earnings are calculated on the basis of the owned property portfolio 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.

\*Following the completion of the communicated buy-back in the company's own outstanding bond loan of SEK 304 million at the prevailing interest rate on the balance sheet date.

## Other information

### Seasonality

Approximately 80 per cent 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.

### Collaborator

The Group had a total of 15 permanent employees (16) at the end of the period. The average number of employees during the third quarter was 16 (14).

### Auditor's review

The interim report has been reviewed by the company's auditor.

### 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.

### Related party transactions

During the second quarter of 2023, Logistea once again sold a project property in the Gothenburg area to a company partly owned by Logistea's board member Stefan Hansson. The purchase price amounted to SEK 15 million, which is SEK 1 million more in purchase price than what Logistea acquired the property for.

## Alternative performance measures and 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 on balance sheet day.

### Average number of ordinary shares outstanding

Average number of shares outstanding during the period.

### Building rights

Assessed buildable gross area, in square metres.

### 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 retrieval 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 land lease and IFRS 16).

### 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.

### Net debt to EBITDA ratio

Interest-bearing net debt on balance sheet day in relation to twelve months of forward net operating income less central administration costs.

### 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 per cent.

### 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 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.

<sup>1</sup> Equity attributable to shareholders of the Parent Company.

## 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 per cent of the property portfolio's operations will be digitalized by the end of 2026.
- 50 per cent 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 per cent per year on average over a five-year period.
- Net asset value per ordinary share shall increase by at least 12 per cent per year on average over a five-year period.
- The loan-to-value ratio shall amount to a maximum of 60 per cent 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 per cent 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 2023	16/02/2024
Interim Report Q1 2024	03/05/2024
Annual General Meeting 2024	03/05/2024
Interim Report Q2 2024	11/07/2024



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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 CEST on 27 October 2023.