

03 - 19 - 2026

Logistic Properties of the Americas

LPA 4Q25 Conference Call

Logistic Properties of the Americas

LPA 4Q25 Conference Call

CORPORATE SPEAKERS:

Esteban Saldarriaga

Logistic Properties of the Americas; Chief Executive Officer

Paul Smith

Logistic Properties of the Americas; Chief Financial Officer

Camilo Ulloa

Logistic Properties of the Americas; Investor Relations

PARTICIPANTS:

André Chaves Mazini

Citigroup Inc. Exchange Research

PRESENTATION:

Operator

Good morning, and welcome to LPA's Fourth Quarter 2025 Earnings Conference Call. My name is Carly, and I will be the operator for today's call. At this time all participants are in listen-only mode. Please note that this call is being recorded. There will be an opportunity for you to ask questions and the end of today's presentation. Now I would like to turn the call over to Mr. Camilo Ulloa, Investor Relations. Please go ahead, sir.

Camilo Ulloa

Welcome to LPA's fourth quarter and full-year 2025 earnings conference call. My name is Camilo Ulloa, with LPA's investor relations team. Joining me on today's call are Esteban Saldarriaga, our Chief Executive Officer, and Paul Smith, Chief Financial Officer.

Before we proceed with our review of LPA's financial and operating results, please note that the information presented during this call is intended for informational purposes only and does not constitute an offer to buy or sell any securities.

Forward-looking statements made during this call are subject to a number of risks and uncertainties, which are discussed in LPA's filings with the SEC. Our actual results, performance and prospective opportunities may differ materially from those expressed or implied in these statements. We undertake no obligation to update or revise any forward-looking statements after this call. We have prepared supplemental materials that we may reference during the call. We encourage you to visit our website ir.lpamericas.com, to download these materials.

Logistic Properties of the Americas

LPA 4Q25 Conference Call

Please also note that all comparisons that we will discuss during today's call are year-over-year, unless we note otherwise.

Esteban will begin today's review. Esteban, please go ahead.

Esteban Saldarriaga

Good morning, everyone. Thank you for joining our latest earnings call.

Without a doubt, 2025 was a great and transformational year in many respects for LPA. Not only did we make significant inroads into Mexico, our fourth operating geography that is characterized by sizeable and promising submarkets, but also a year in which the increase in the scope and reach of LPA's real estate platform accelerated. Furthermore, our fundamentals are shining bright.

To start off, we increased operating GLA by over 13% while delivering a 23.3% increase in fourth-quarter revenue and 14.3% for the full year. Benefitting from enhanced operating leverage, our earnings power also strengthened. We posted significant bottom-line profitability in 2025, our first full year as a public company.

Particularly noteworthy in demonstrating the growth push that we had conveyed to the market, was that net operating income grew by 29.8% in the quarter and 11.9% in 2025. Let me repeat that: NOI expanded almost 30% in the last quarter of 2025 compared to the same quarter the previous year. This level of growth speaks to the new speed that we envisage in 2026. In other words, LPA's NOI momentum is anticipated to be carried over into 2026, and we intend to continue building on top of it.

By every key measure, we did everything that we said we would accomplish in 2025. The year's impressive results reflect the continued maturation of our international logistics platform, the importance of adding solid talent to our teams, strong tenant demand across our markets, and the rental upside embedded in our portfolio.

More specifically, our strong growth was also supported by achieving full occupancy across our operating portfolio, higher leasing rates, and the addition of the assets we acquired in Mexico last August. And despite having reached a 100% occupancy by quarter-end, which provides clear evidence of the quality of our team, customer relationships and real estate assets, we note that we still see opportunities to capture additional rental upside embedded in pockets of our property portfolio, as leases roll over to higher market rates and as our new development projects come online this year.

Moreover, we're only just getting started in Mexico, a far larger market where we see select opportunities to invest and expand in key logistics submarkets that have similar demand underpinnings and resiliency as our foundational markets.

As announced last week, we took a major step towards visibly increasing our presence in Mexico through a strategic partnership we have forged with Fortem Capital, one of Mexico's leading institutional real estate investors, representing roughly a US\$200 million investment to be deployed over time.

Logistic Properties of the Americas

LPA 4Q25 Conference Call

Under a master forward purchase agreement with Fortem, LPA will progressively acquire stabilized, dollar-denominated, Class A assets within Central Park 57, a modern, large-scale industrial and logistics park that is strategically located along Federal Highway 57, a key logistics corridor in the State of Hidalgo.

The park provides express connectivity to Mexico City, the State of Mexico, Querétaro, and Bajío, all of which are economically vibrant areas of the country that collectively account for approximately 35% of Mexico's population, and potentially even more economically, based on purchasing power. Our high investment conviction is driven by the fact that this particular site offers a power-ready and cost-effective option for companies seeking dual highway connectivity along the greater Mexico City logistics corridor. Once completed, Central Park 57 will have approximately 2.1 million square feet of GLA, in a layout that will consist of eight buildings, which our partners, with our assistance, will endeavor to have fully operational over the next couple of years, with LPA ultimately becoming the beneficial owner of the park. To fund this purchase program, we expect to employ a combination of traditional debt financing, local equity partners, and LPA's proceeds from selective asset recycling initiatives in other geographies.

Importantly, our institutional partnership with Fortem both accelerates and derisks our expansion in Mexico, which will be a new phase of growth for LPA and on a much larger scale. The partnership provides a clear line of sight to a substantive growth pipeline, one representing a 36% increase in GLA in our total operating portfolio as compared to year-end 2025. And because the partnership enables our international platform to sequentially acquire operating and delivered properties over time, this approach meaningfully mitigates construction and commercial risks.

Regarding the overall market picture that we see for Mexico in 2026, we are encouraged by the recent US Supreme Court ruling on tariffs, but remain mindful of shifting tariff policies, the USMCA negotiations, and continue to focus on resilient submarkets in Mexico that are driven by mostly domestic consumption rather than trade. Through that lens, our on-the-ground team, and our growing network of local relationships, we continue identifying existing logistics assets, as well as attractive development opportunities where there are pockets of strong demand for modern logistics facilities in key logistics corridors.

The most recent data for Mexico's real estate market is also encouraging. In the fourth quarter, rents continued to gradually increase, while net absorption improved on still limited new supply as well as high and stable occupancy levels. Furthermore, construction activity was still restrained.

Turning to our other markets, we are also pleased to highlight our stellar performance in them. Starting with Peru, Pepsico has occupied Building 300 in Parque Logístico Callao, which was a significant driver of our fourth quarter growth. The new 254,000 square foot facility is LEED Gold certified and the first and only of its kind in Peru. Strategically located adjacent to Lima's international airport, the park also provides seamless connectivity to the marine Port as well as direct access to the metropolitan area's more than 10 million consumers.

Additionally, construction of a fourth 215,000 square-foot building within the park remains on time and on budget for delivery in the second quarter and will contribute additional revenue and NOI growth in the second half of 2026. Prior to breaking ground recently, the building was 100% pre-leased under a dollar-denominated contract, fully de-risking its development.

Logistic Properties of the Americas

LPA 4Q25 Conference Call

With the addition of this building, Parque Logístico Callao will comprise four state-of-the-art Class A buildings totaling 863,000 square feet of gross leasable area. We now only have one more shovel ready pad at this location for a fifth and final building that would add close to 210,000 square feet, which we believe we can pre-lease this year with development yields at or around 13%. This highlights the strong cycle and positioning LPA has achieved in this constrained market of Peru.

As a reminder, LPA's sites exemplify the high-barrier nature of the markets in which we operate. In many of these locations, land ownership is fragmented, making large-scale logistics development difficult and therefore creating structural scarcity for institutional-quality logistics facilities in mission-critical locations. This is supported by our data. Undersupplied market conditions have given us pricing power and enabled us to achieve an 11% increase in rent per square foot across our aggregate regional portfolio last year.

Another important contributor to our fourth quarter performance was the leasing of the remaining 97,000 square feet in LPA's operating portfolio in Bogota, Colombia. What makes this lease particularly notable is that the tenant, a US-listed warehouse club operator called PriceSmart, became a cross-border customer. Specifically, they were already renting space in one of our facilities in Costa Rica. This illustrates one of the defining advantages of LPA's platform: our unique ability to provide seamless, multi-jurisdiction solutions to leading global and US companies operating across the region.

It is why we added Mexico to our platform last year, beginning with two premium logistics facilities in Puebla with a local equity partner and have now joined forces with Fortem to deepen LPA's presence in Mexico's dynamic market in a disciplined and effective manner. This will enable us to leverage longstanding tenant relationships as well as attract new companies that are also expanding in the country.

We also continue to see growth opportunities in our foundational markets: Costa Rica, Colombia and Peru. In a show of resilience and durability that surprises external observers, but not us, these economies continue benefiting from strong domestic consumption levels, rising commodity prices, especially in the metals and mining sectors, e-commerce penetration, and favorable demographic trends.

Before turning the call over to Paul, we think it is important to address our share price performance. We continue to work tirelessly to ensure the market recognizes what we view as a significant dislocation, one that is disconnected from the fundamentals of our business. As we have noted previously, LPA's shares came under pressure last September following the expiration of the shareholder lockup from our go-public transaction.

Our central mission now, beyond sustaining the strong financial performance that underpins our expansion strategy, is to deepen our dialogue with the market, broaden investor awareness, and highlight the compelling investment opportunity we believe LPA shares represent. As a relevant reference point, our book value per share stood at \$8.12 as of year-end 2025. While book value does not capture the full picture, particularly the intangible value of our international platform's near and long-term growth potential, we remain committed to bringing greater visibility to what we see as a meaningful value opportunity.

Logistic Properties of the Americas

LPA 4Q25 Conference Call

In that same spirit of visibility and relentless drive, we are marking LPA's tenth year in business with the next step in our brand's evolution. We have invested in strengthening our digital presence, and yesterday we launched a renewed brand identity and website, both designed to reflect the company we have become over the past decade and our distinctive and valuable position within the publicly traded logistics sector.

Our refreshed visual and marketing assets will also introduce a new ethos that captures the essence of LPA's value proposition: "Bridging Local Insight with Global Impact". This core message reflects the strength of our platform and the differentiated role we play for multinational customers, partners, and investors across the region.

In short, LPA's vision and values emphasize a more purpose-driven organization as we enter our next decade of growth. We invite you to explore our new commercial website at lpamericas.com, which showcases this evolution and the opportunities ahead.

With that, I'll turn the call over to Paul to discuss our 2025 results in more detail.

Paul Smith

Thank you, Esteban, and good morning, everyone.

Our consolidated 2025 revenue increased 14.3% to \$50.1 million, led by Peru and Colombia, which grew 31.0% and 14.8%, respectively. Costa Rica's revenue increased just under 1.0%, while our new facilities in Mexico contributed incremental revenues.

The revenue growth was primarily driven by additional rents related to the stabilization of buildings in Peru during the year, the latest of which Esteban explained in his remarks, in addition to the stabilization of one building in Colombia. Other key drivers were lease renewals that were marked to market rates; contractual CPI-linked rate increases related to lease rollovers, mainly in Colombia; and the occupancy of previously vacant space in both markets. The new rates and leases increased average rent per square foot by 11.0% to \$8.65, an increase that also benefited from favorable changes in FX rates.

As we advanced our growth strategy during the year, operating GLA increased 13.3% to 5.8 million square feet across 34 properties. Leased GLA increased 6.3% to nearly 6.0 million square feet, while development GLA, which is building 200 in Parque Logístico Callao, was unchanged at approximately 224,000 square feet. It's important to note that 84.1% of our development GLA is pre-leased. As Esteban pointed out, our development pipeline represents significant revenue and NOI growth in 2026, irrespective of any properties that we acquire under our recent purchase agreement with Fortem Capital or any other acquisitions we might make this year.

Our 2025 operating expenses increased 16.8% to \$1.2 million, largely in line with our projections for the year. The increase was mainly due to higher real estate taxes, operating costs such as maintenance repairs, expected increases in credit loss provisions, and higher land lease costs.

Logistic Properties of the Americas

LPA 4Q25 Conference Call

SG&A increased 7.1% to \$16.7 million, well below the 14.3% increase in full-year revenues and effectively increasing LPA's operating leverage. The most significant expenses were those related to hiring and salary increases, Colombia's Alternative Minimum Tax, as well as the rebranding and digital marketing initiative that Esteban highlighted.

Investment property valuation gain decreased by \$11.7 million, or 36.2%, to \$20.6 million in 2025. The decrease was primarily due to an \$11.2 million reduction in valuation gain at Parque Logístico Callao, as the building, the largest in this park, mostly stabilized in 2024.

Our \$20.8 million in financing costs were 7.9% lower in 2025. The decrease was mainly due to securing lower interest rates on LPA's existing debt; more favorable interest rate environments in Costa Rica and Colombia; and the capitalization of interest related to the development of the two buildings within Parque Logístico Callao in Peru. We also maintain a healthy debt profile, with no significant debt maturing in the near term and net debt-to-investment properties improving 150 basis points to 40.2%.

Lastly, Cash NOI increased 12.4% to \$40.3 million in 2025, mainly reflecting the increased GLA as well as higher occupancy and rental rates during the year.

That concludes our review. Operator, please open the call for any questions.

QUESTIONS:

Operator

At this time, we will open the floor for your questions. If you would like to signal a question on your phone, simply press Star and One on your telephone keypad. Also, as a reminder, you may submit your questions online by using the Q&A function of the webcast platform. We'll pause for just a moment to compile the Q&A roster.

Your first question comes from André Mazini with Citigroup.

André Mazini

If you can speak a little bit about the Mexico market - a lot going on there in terms of M&A in that space. So, how you're seeing the market and this whole M&A activity, if it changes your strategy in any sense - the consolidation in the FIBRA space there in Mexico, or not really, your focus on, of course, up until now, acquiring properties in the private market, if it doesn't really change how you're thinking about the Mexico market, all this kind of M&A activity in the public space we're seeing? Thank you.

Esteban Saldarriaga

Thank you, André, for joining the call and your question. Actually, it bolsters our confidence in that market. That interest and that activity level does make us think that consolidation might be

Logistic Properties of the Americas

LPA 4Q25 Conference Call

underway. I do think there's going to be a form of segmentation, for one, such that there's going to be bigger players allowing a platform like LPA to play more in, what I would say, the middle market. So, these are \$1 billion-plus transactions, and we're going to be looking at opportunities between \$100 million and \$200 million, maybe even \$300 million, and that market segmentation is going to be powerful. That's why, to name an example, the Fortem Capital deal that we agreed earlier this year is a reflection of that.

So, that's the first takeaway. One, it bolsters our confidence. Second, I think it starts to segment the market and allows us to play in a mid-market tier.

The last point I would highlight is the fact that some portfolio pruning might be underway after those consolidation moves take place, and then once again, LPA will be on the lookout to grasp additional opportunities. So, I think that is going to be a beautiful setup as we roll into the market and take a bigger presence.

André Mazini

Very clear. Thank you, Esteban.

Operator

Again, if you would like to ask a question, press One of your telephone keypad. It appears that we have no further questions at this time. I will now turn the call back over to Mr. Saldarriaga for any closing remarks.

Esteban Saldarriaga

Thank you, operator. I'd like to end today's call with a few key takeaways.

Number one: It was a transformational year, during which we delivered again on what we had promised our shareholders. The revenue growth and earnings power of LPA's regional platform are accelerating. Our most recent results clearly demonstrate the strength of our unique business model, the substantial pricing power that we command across our underserved markets, and the proven ability of our highly experienced team to effectively execute our long-term growth strategy.

Two, we have a solid development track record, which we extended last year with a 13.3% increase in GLA. Building on top of that, we are establishing a strong foundation in Mexico, where we plan to make additional investments that strategically extend our platform to encompass more of this key market, focusing on select locations that are mission-critical to multi-national companies. As an internally managed real estate company, our fellow shareholders can count on us to continue investing with a sharp focus on capital efficiency and long-term value creation. Moreover, active asset management will remain a strong value driver as well.

Logistic Properties of the Americas

LPA 4Q25 Conference Call

And finally, having entered 2026 with full occupancy, we see significant rental growth ahead, as we rollover leases to market rents and as new, largely pre-leased buildings become occupied in the first half of the year. With the visibility we have going into 2026, we anticipate that it will be another exciting year of high growth and additional strategic investments to substantially scale, further diversify, and augment the optionality and underlying value of LPA's vertically integrated, regional logistics platform.

Thank you again for joining us today. We look forward to seeing you on our next earnings call. Have a good day, everyone.

Operator

This concludes today's conference call. You may now disconnect.