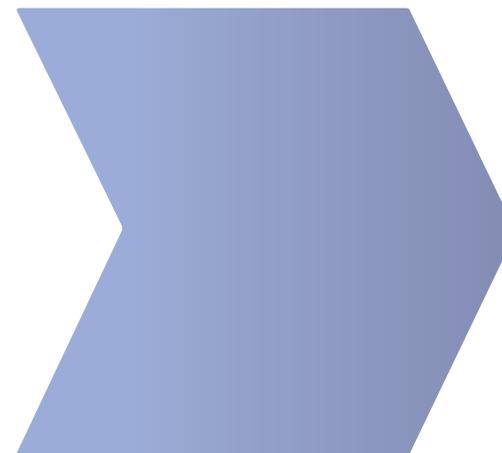
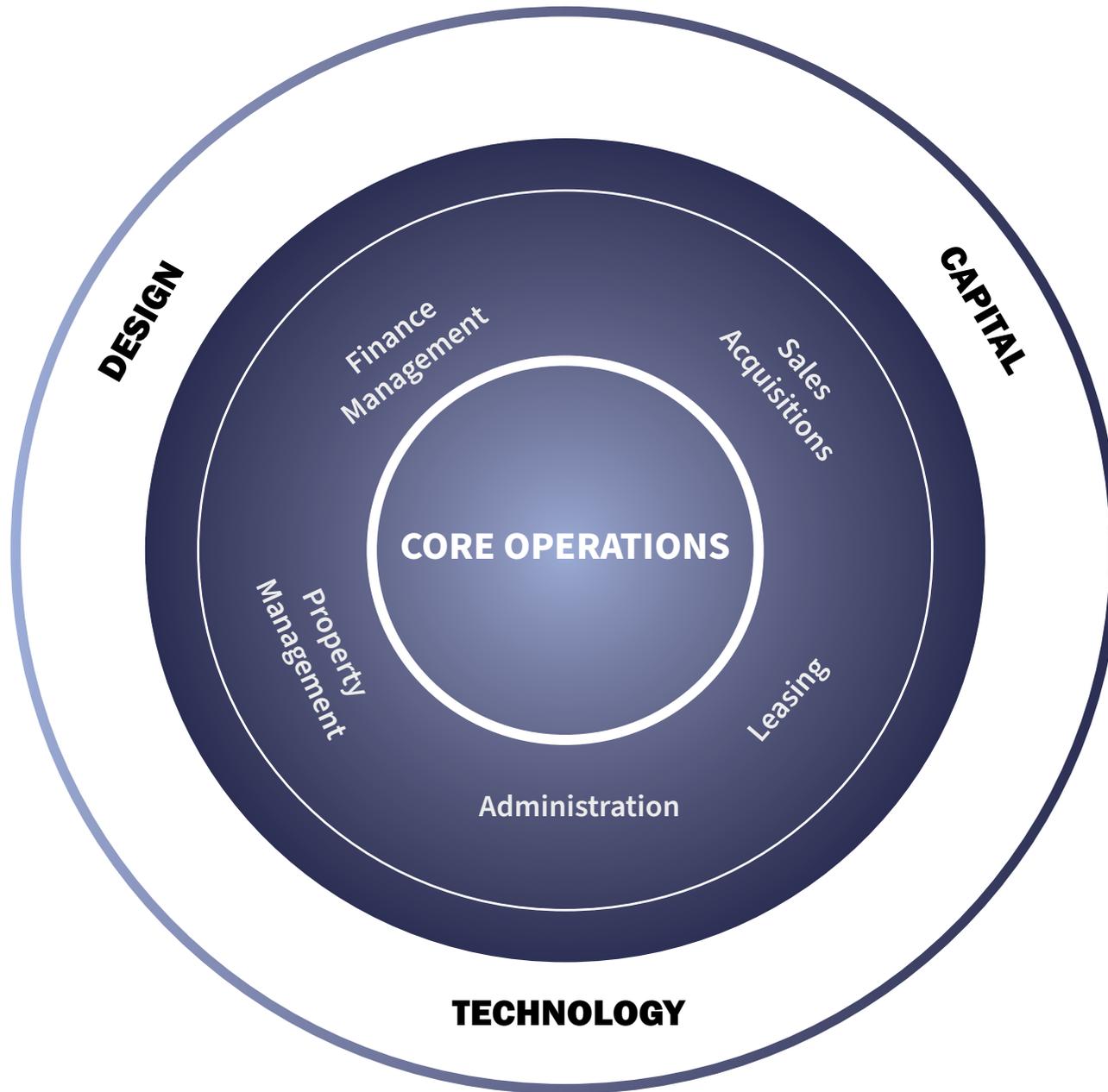


PARK STREET NORDICOM

STRATEGY

2020





CONTENT



PARK STREET NORDICOM

OVERVIEW

Park Street Nordicom owns and manages over 60 properties with more than 250,000 SQM built up area across Denmark.

The company has a deep history of over 2 decades acquiring properties with significant development potential.

Around 90% of the assets are stable, with around 90% of occupancy level.

In 2019, Park Street Nordicom took significant steps towards the following objectives of:

- Building a Real Estate Platform with core pillars:
 - Technology
 - Design
 - Value Enhancement
 - Responsible Ownership
- Digitising and standardising processes towards creating a scalable platform.
- Deepening design and development skills towards creating a long term Asset Management impact on our portfolio.

FOR THE YEAR

2020 ...

WE CONTINUE TO SEEK TO MEASURE OUR PERFORMANCE AGAINST THE FOLLOWING TARGETS:

- Design and technology driven streamline of Core operations ensuring best in class asset management, administration, property management and leasing.
- Acquisition of assets with high value creation potential and disposal of non-core assets.
- Optimize Capital Management through refinancing of existing assets, external capital partnerships for future acquisitions and large redevelopment opportunities.
- Redevelopment of selected projects with significant value increase.



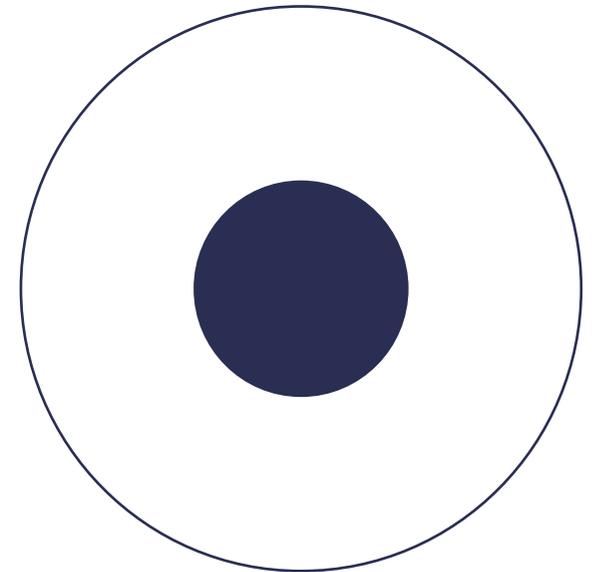
CORE OPERATIONS

ADMINISTRATION

PROPERTY MANAGEMENT

FINANCE

LEASING



CORE OPERATIONS

ADMINISTRATION - PROPERTY MANAGEMENT - FINANCE



- Digitally mapped assets and leases.
- Well defined & established operational processes, based on accurate real time data, across the business functions of Property Administration, Property Management and Finance management leading to more responsive operations.
- Digital reporting and be-spoke analytical tools for the financial data analysis.
- Focus on further automation of rent collection and reconciliation, insurance claims, vendor management, tenant engagement & management.
- Initiatives to optimize utilities and common costs: Further cost optimization by 5% (Core operating cost reduction).

CORE OPERATIONS

LEASING - VACANCY REDUCTION AND LEASING ENHANCEMENTS

- **ZERO VACANCY TARGET**
From this year we are incorporating Zero Vacancy ambition across our core portfolio. This will influence our daily work approach - to be dynamic about pricing, about the design and refurbishment decisions towards achieving full occupancy.
- **VALUE ADD MARKETING**
We are taking next step in the marketing strategy by enhancing visualisation content, targeted ads, direct marketing and increased use of social media. Along with those we are working close with select external brokers for proactive lettings of vacant areas.
- **SPECIALIST RESOURCES**
Hire further specialists for leasing into our team, who will focus on leasing and tenant management to wards better services and mutually beneficial terms. We will seek to actively use external specialists for optimal positioning of our properties.
- **STANDARDISATION AND DIGITISATION**
We will seek to standardise all processes, documents and steps in leasing which creates long term administration benefits for tenants. It will lead to digitalization of all procedures within leasing, which is no doubt one of the key future trends in real estate market.
- **FULLY SUPPORTED**
Leasing department needs to be fully supported by administration, finance and design. We find it feasible in Park Street Nordicom as all aspects of support are in house, which helps smooth communication, quick response and full support to the leasing process.



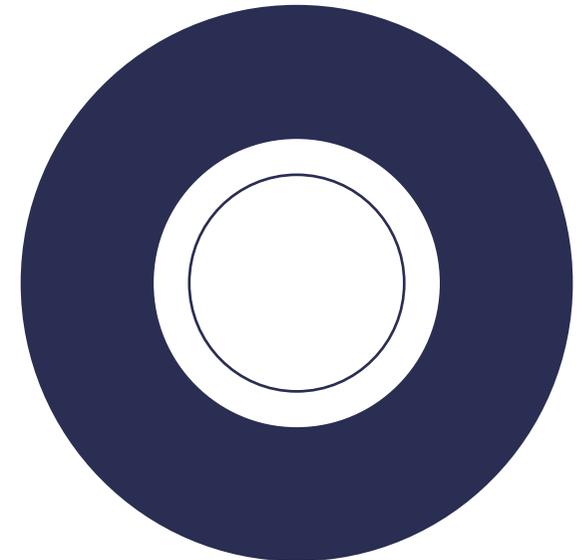
STRATEGIC OPERATIONS

DESIGN AND REDEVELOPMENT

ACQUISITIONS & DISPOSALS

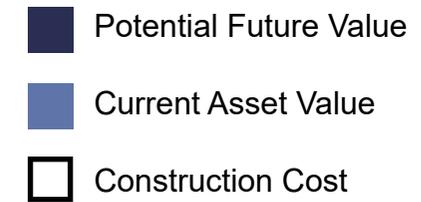
CAPITAL

STRATEGIC TECHNOLOGY

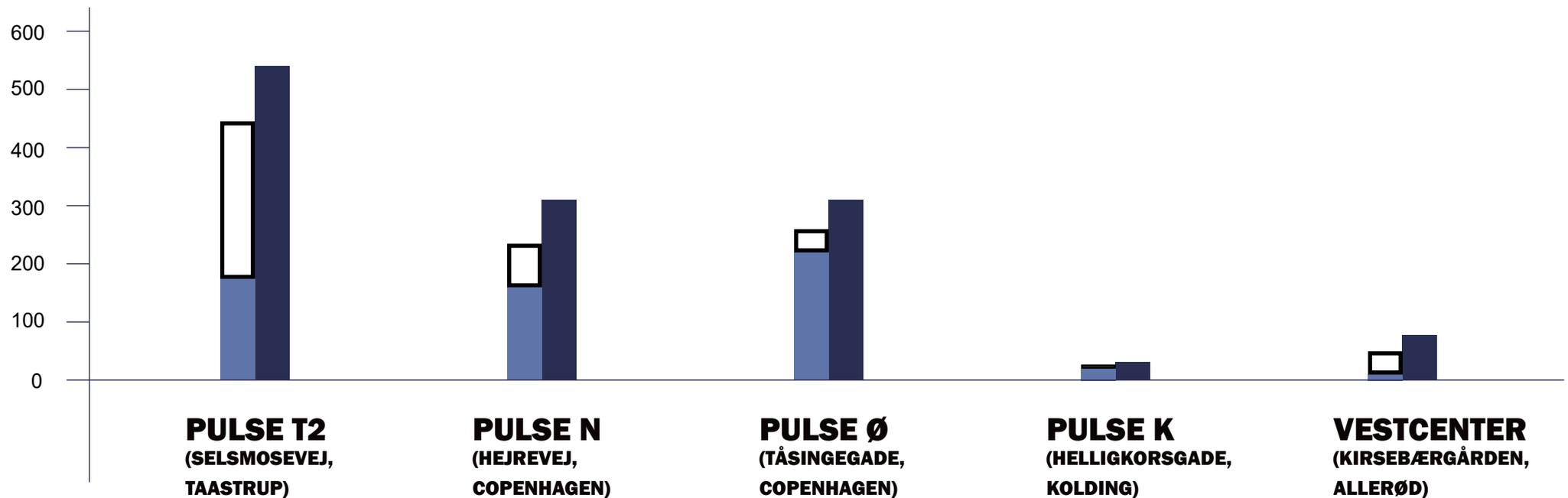


DESIGN AND REDEVELOPMENT

REDEVELOPMENT PROJECTS 2020-2023



Million DKK



PULSE T2, TAASTRUP

Revitalization and development of Tåstrup Station Center. By adding three brand new floors, with room-sized modular elements in steel and the transformation of the existing three floors, 440 modern youth housing are created centrally between the educational institutions in Roskilde and Copenhagen.

Construction has started and is expected to be completed by 2021.

PULSE N, COPENHAGEN NV

In the middle of the charming northwest quarter, which over the past several years has developed into a coveted residential area with plenty of life and experience such as shopping, restaurants, café's, etc., lies the property formerly occupied by Copenhagen's municipality. As a natural part of the development in the area, we are planning to convert the 7-storey property into youth housing with the concept of Pulse. With a sustainable approach to the project, maintaining the building's exterior, and refurbishing the interior into 149 youth apartments and 8 larger family apartments. The building permit is in process and construction is expected to be completed by the end of 2020 / 2021.

PULSE Ø, COPENHAGEN Ø

The centrally located property in Tåsingegade, Østerbro with mixed residential and retail usage, is planned to go through a modernization in order to adapt them to the Pulse concept. There will be a mix of more than 200 units including large and small youth housing and apartments. Continuous transformation is expected over the next few years.

PULSE K, HELLIKORSGADE, KOLDING

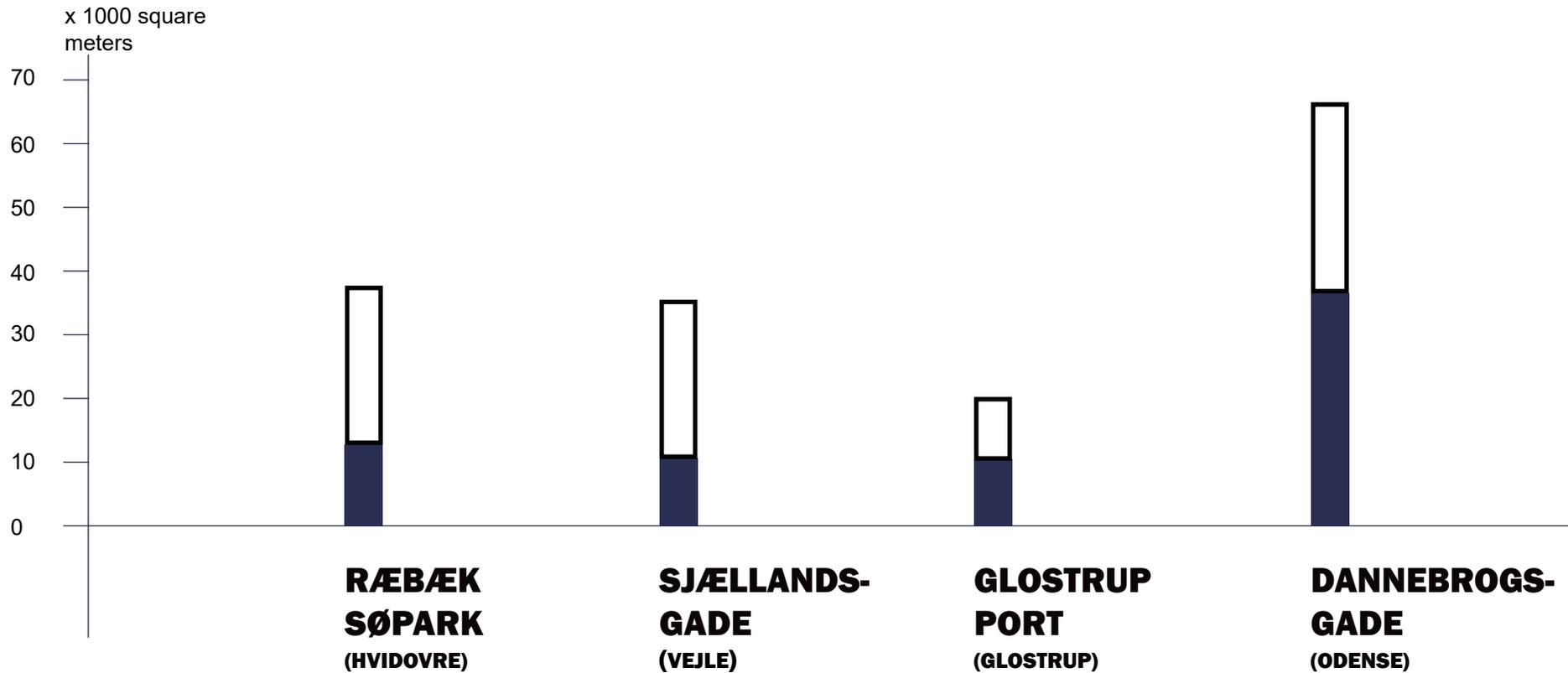
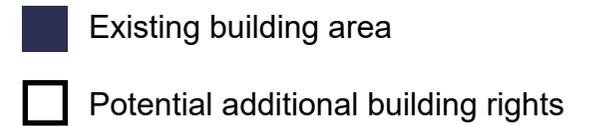
It is expected to convert the existing property, centrally located in Kolding, to 37 modern youth housing according to the Pulse concept. A positive dialogue has already been initiated with the municipality and the project is expected to be completed in the next few years.

TRANSFORMATION OF VESTCENTER, ALLERØD

The current Allerød Vestcenter is the story of a well-functioning grocery store on the ground floor and a less functioning 1 floor consisting of small offices and an empty bowling center. In order to increase the value of the property a plan has initiated to transform the center into new modern family apartments. The positive development of the area with a new upcoming super hospital and rising house prices, due to more newcomers to the region, as well as a greater housing demand in the area make the property perfectly suitable for a combined housing and retail project. There has been a positive and welcoming dialogue and process regarding the project, and it is expected that during 2020/2021 approximately 21 apartments with a size between 58 and 112 square meters will be erected.

DESIGN AND REDEVELOPMENT

LOCAL PLANNING BUILDING RIGHTS



REBÆK SØPARK, HVIDOVRE

The very central location in the northern part of Hvidovre in the greater Copenhagen area and close to public transport, makes the area extremely attractive for new functions including housing, sports facilities and business. Hvidovre Municipality is in continuation of the new development project - Rødovre Port- positive on the possibility of adding a new identity-building project combining housing, sport and business complex for the entire area, that can leverage the high ambitions and create synergy in the local area.

SJÆLLANDSGADE, VEJLE

Located in the heart of Vejle and close to the train station, we are planning to initiate a new local planning process in order to create a new sustainable district consisting of approximately additional 20,000 square meters of new housing types including family and senior housing.

The first initiatives for a new local planning process have been launched and are expected to run over the next 1-2 years.

GLOSTRUP PORT, GLOSTRUP

The shopping center 2G, centrally located in Glostrup, and next to the train station connecting in 20 minutes to the Copenhagen city center is going through a plan to attract new tenants and revitalize the center. At the same time, in line with the municipality's desire to create a new central space, new functions, including additional floors, are planned to be added on top of the existing property, including housing and business.

The project and upcoming local planning process will run over the next few years.

TRANSFORMATION OF THE OLD POST TERMINAL, ODENSE

The old postal terminal located right next to the main train and bus station, is going through a significant transformation adding new functions and renovating existing units. A vibrant mix of innovative tech companies, hotel, leisure center, housing and offices are expected to occupy the building in the near future.

The future project revitalizes the area aiming to restore the old connection and tunnel to the city center. In addition, the building opens up to the surroundings and the public, consisting of additional multilevel green urban spaces.

Local planning process has already started, as well as development of the property will run over the next 3-4 years starting in summer 2020.

ACQUISITIONS & DISPOSALS

EXPLORE OPPORTUNITIES FOR EXPANDING PORTFOLIO ACROSS EUROPE

- Acquisition of assets in the greater Copenhagen area with special focus in the Nørrebro area where the company already owns more than 25,000 sqm in assets.
- Possibility to acquire portfolio or companies in order to create synergies either by acquiring distressed assets or operations that can provide significantly value and returns.
- Acquisition plan subject to establishment of capital partnerships where Park Street Nordicom performs the Asset Management of the properties as a consequence of optimized Core operations and technology.
- Targeted disposal of assets post conclusion of asset management optimization of non core assets with a value between 800 to 1,000 million DKK.

CAPITAL

OPTIMAL CAPITAL MANAGEMENT

- Maintain LTV (Loan to Value) of 60% to 70% on a Portfolio level with Long Term Mortgage Debt financing.
- Long term target to generate Asset level Return on Equity of over 15%, with Company level Return of Equity of over 12%.
- Refinance selected Assets in terms of existing financing:
 - 13 assets with of DKK 200 million value have No Mortgage debt.
 - 6 assets with DKK 750 million value have low LTV Mortgage debt.
 - Reduce Bank Debt with Term Mortgage Debt.
- External capital partnerships with long term institutional capital partners for future acquisitions and large redevelopment opportunities.
- Initiate steps for buy back of shares in accordance to provisions in articles of association of Park Street Nordicom, which corresponds to a maximum of 10% of the Company's class A share capital.
- Last dividend declared by the Company took place in 2008. The Management intend to propose recommencing dividend payments in view of the strong balance sheet and sustainable performance of the Company.

STRATEGIC TECHNOLOGY

DIGITISED TECHNICAL PROPERTY MANAGEMENT

TECHNICAL ASSETS BLUEPRINT

REAL TIME TECHNICAL PERFORMANCE

PREDICTIVE MAINTENANCE

FORWARD MAINTENANCE PLANS

CAPEX & BUDGETING

Create technical asset register and tag the asset location

Capture required technical data

Capture and review technical asset performance

Actionable tasks for property management

Asset - Forward Maintenance Plans
OPEX & CAPEX – impact assessment

Data based CAPEX and OPEX for future

STRATEGIC TECHNOLOGY

SMART BUILDINGS - INITIATE STEPS

DEPLOY AND CAPTURE REAL TIME DATA FROM THE WIRELESS SENSORS

(TEMPERATURE, HUMIDITY, LIGHTING, UTILITIES)

REMOTELY MONITOR AND MANAGE ASSETS UTILITY CONSUMPTION

ANALYSE THE DATA AND GENERATE PREVENTIVE MAINTENANCE ACTIONS



FINANCIALS

FINANCIAL SUMMARY

PORTFOLIO STRATEGY

VACANCY

TARGETS

FINANCIAL SUMMARY

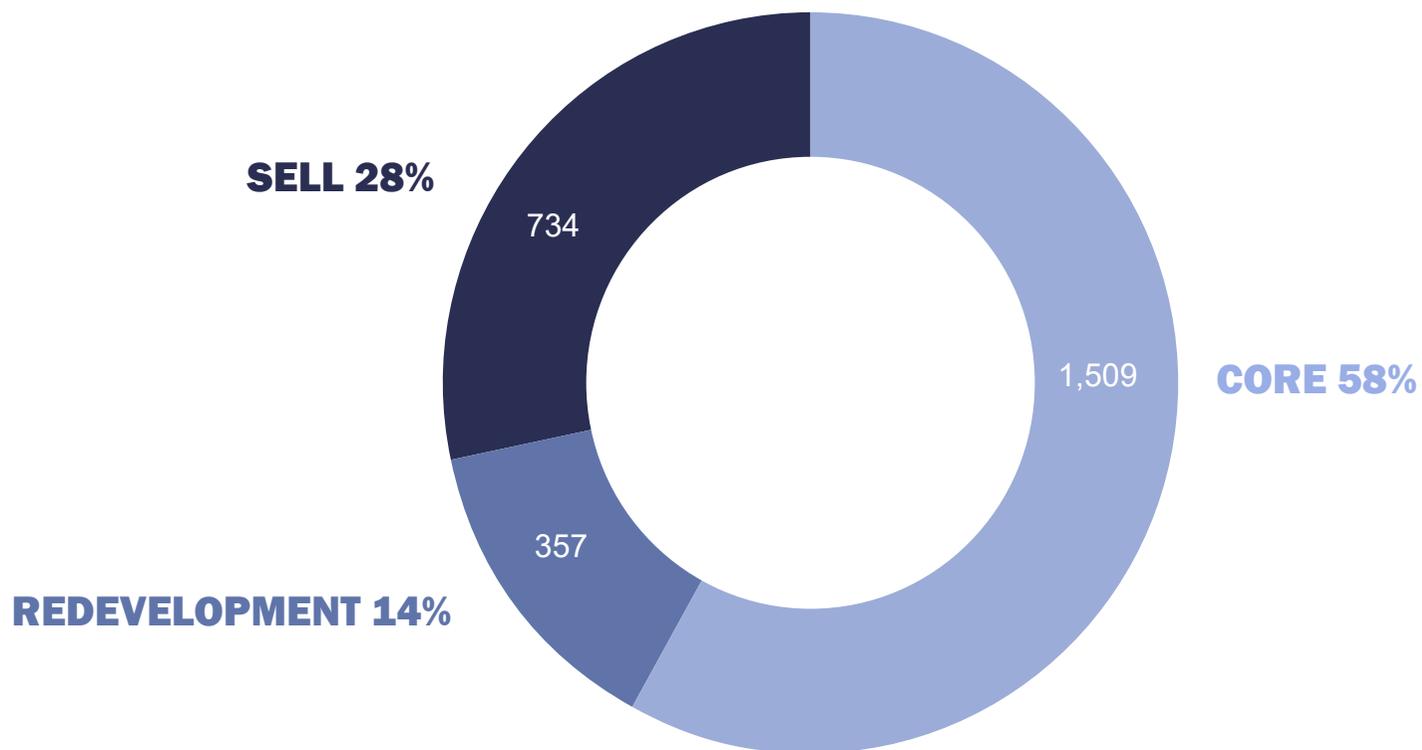
PROJECTIONS

Amounts in DKK 1000s	Estimates - not audited				
	2019	2020	2021	2022	2023
Rental Income	167,907	165,184	181,702	199,872	219,860
Redevelopment and sale of assets (*)	950	20,000	40,000	68,000	115,600
Total Income	168,857	185,184	221,702	267,872	335,460
Operating expenses and Central Costs	-51,851	-53,702	-59,072	-64,979	-71,477
Depreciation	-2,138	-2,181	-2,399	-2,639	-2,903
Total Cost	-53,989	-55,883	-61,471	-67,619	-74,380
Total Operating Profit (EBIT)	114,868	129,301	160,231	200,254	261,079
Financial items	-29,336	-22,954	-25,249	-27,774	-30,552
Earning before value adjustments and tax (EBVAT) (*)	85,532	106,347	134,981	172,479	230,527
Corporation Tax (expected 10%)	-8,553	-10,635	-13,498	-17,248	-23,053
Profit and Loss after TAX	76,978	95,712	121,483	155,232	207,475
Total Equity	894,671	990,383	1,111,866	1,267,097	1,474,572
Total Equity and Liabilities	2,720,165	2,815,877	2,937,360	3,092,591	3,300,066
Equity Ratio	32.89%	35.17%	37.85%	40.97%	44.68%

(*) Redevelopment Value generation considered as Operational Income for presentation purposes

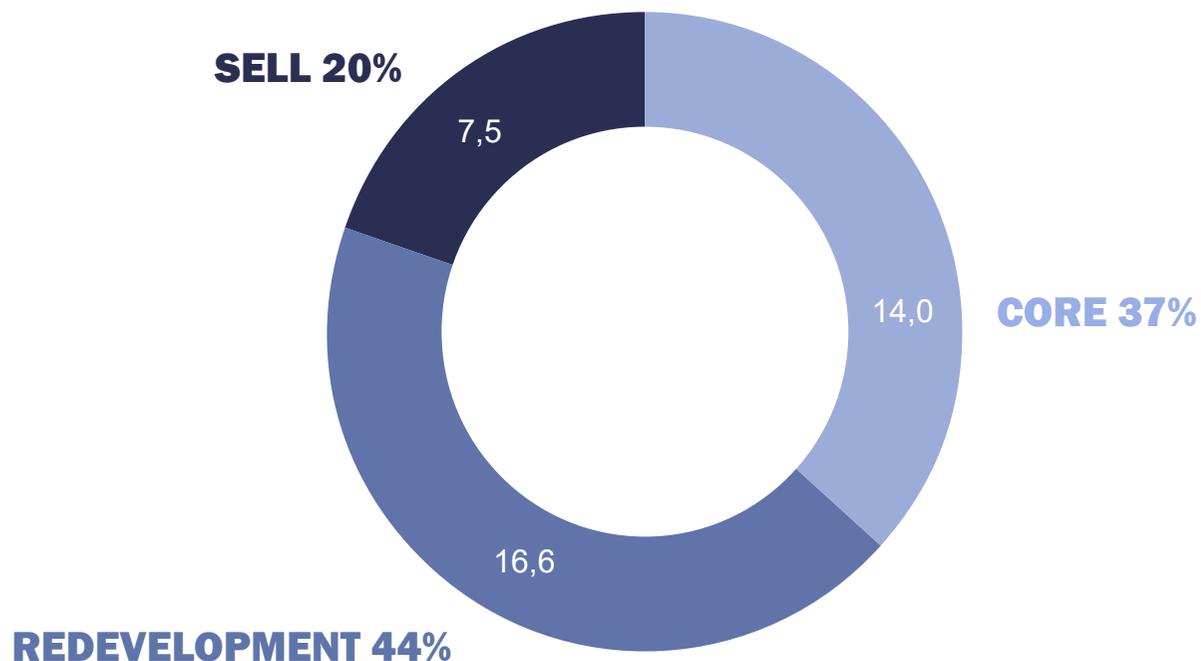
PORTFOLIO STRATEGY

BY ASSET VALUE (MILLION DKK)



VACANCY

ESTIMATED RENTAL VALUE (MILLION DKK)



TARGETS

- Target to reduce Core Vacancy to 0.
- Reduce Operating costs (55 million DKK in 2019) by 5% as a consequence of cost optimization with focus on optimising energy performance of our portfolio.



SELECTED PROJECTS

TRANSFORMATION & CHANGE

We strive to explore the existing... To observe, analyze and identify qualities - and to maintain these qualities in various forms of representations. What already exists forms the basis for developing our future architectural projects across our portfolio.

CONCEPTS & SCALABILITY

We develop scalable usage across our building mass to connect and optimize management. Our concepts aim to enhance tenants experience, and closes the gap between users and the building.

PULSE TAASTRUP T2

SOUTH FACADE



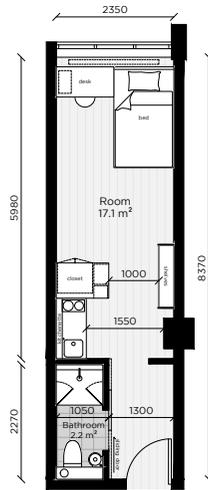
PULSE N

NORDVEST

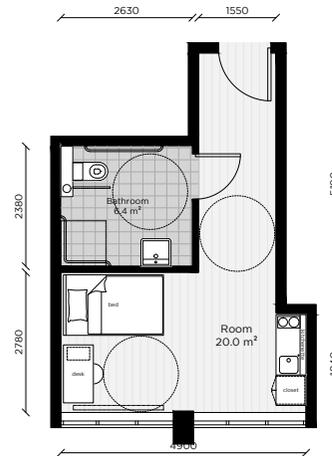


PULSE N

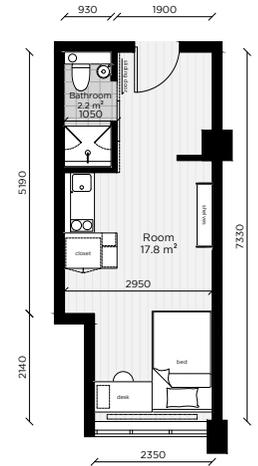
ROOM EXAMPLES



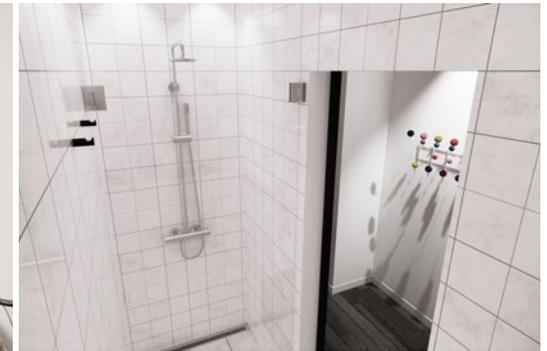
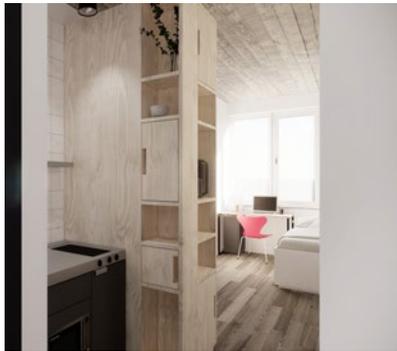
Room Type B
net area 19.3 m²



Room Type C
net area 26.4 m²

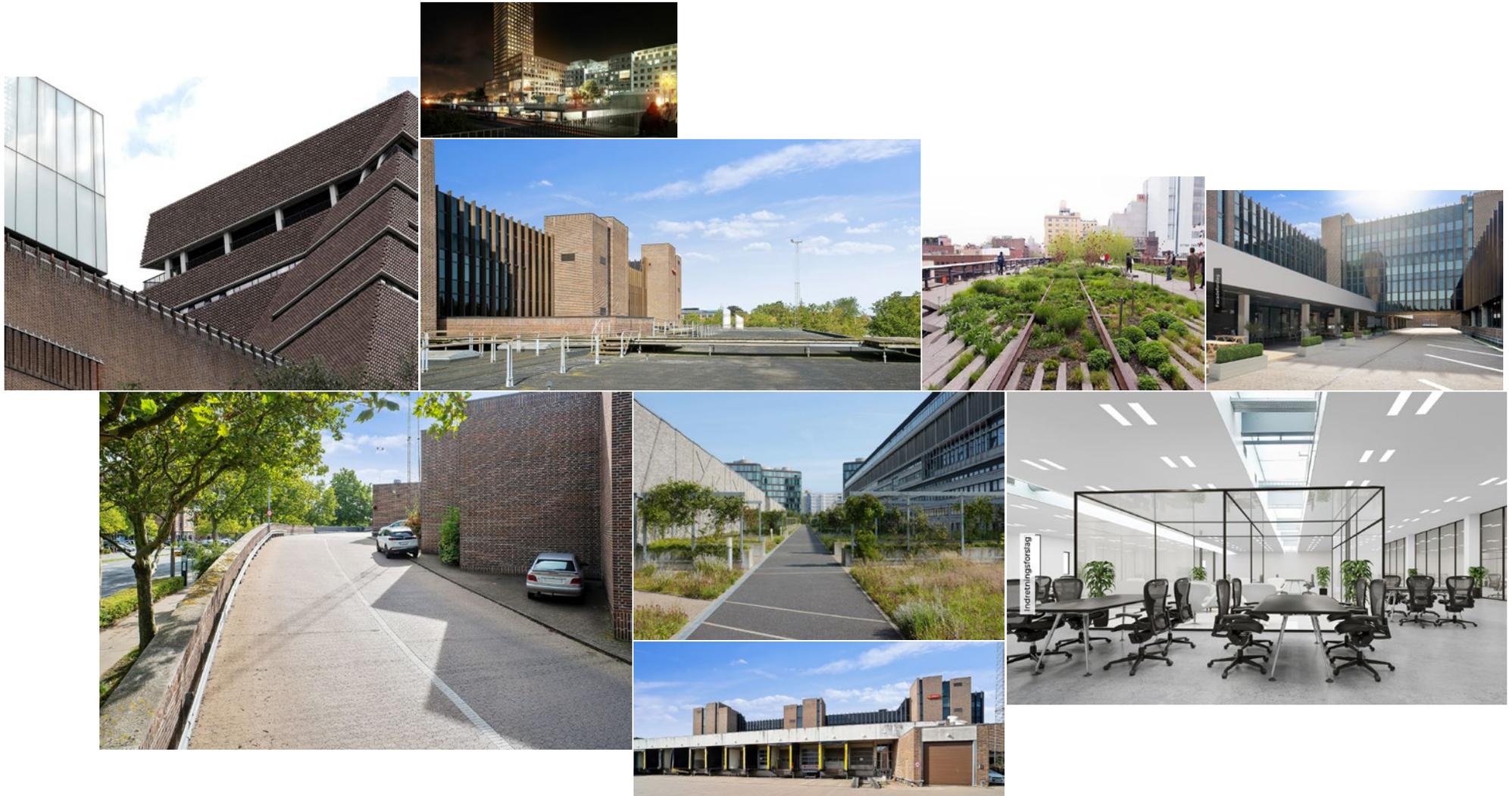


Room Type D1
net area 20 m²



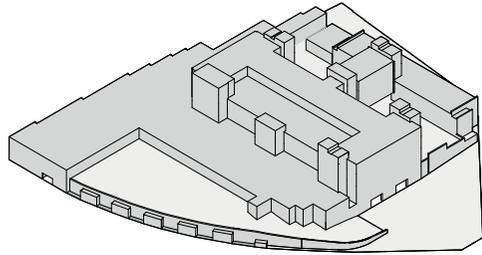
ODENSE POST TERMINAL

SITE PHOTOS AND REFERENCES

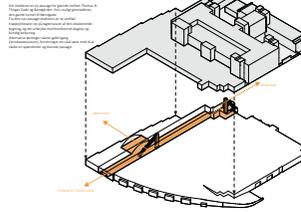


ODENSE POST TERMINAL

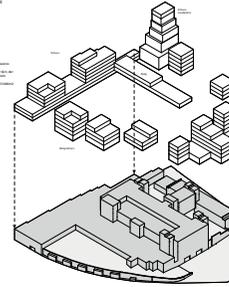
SITE OVERVIEW



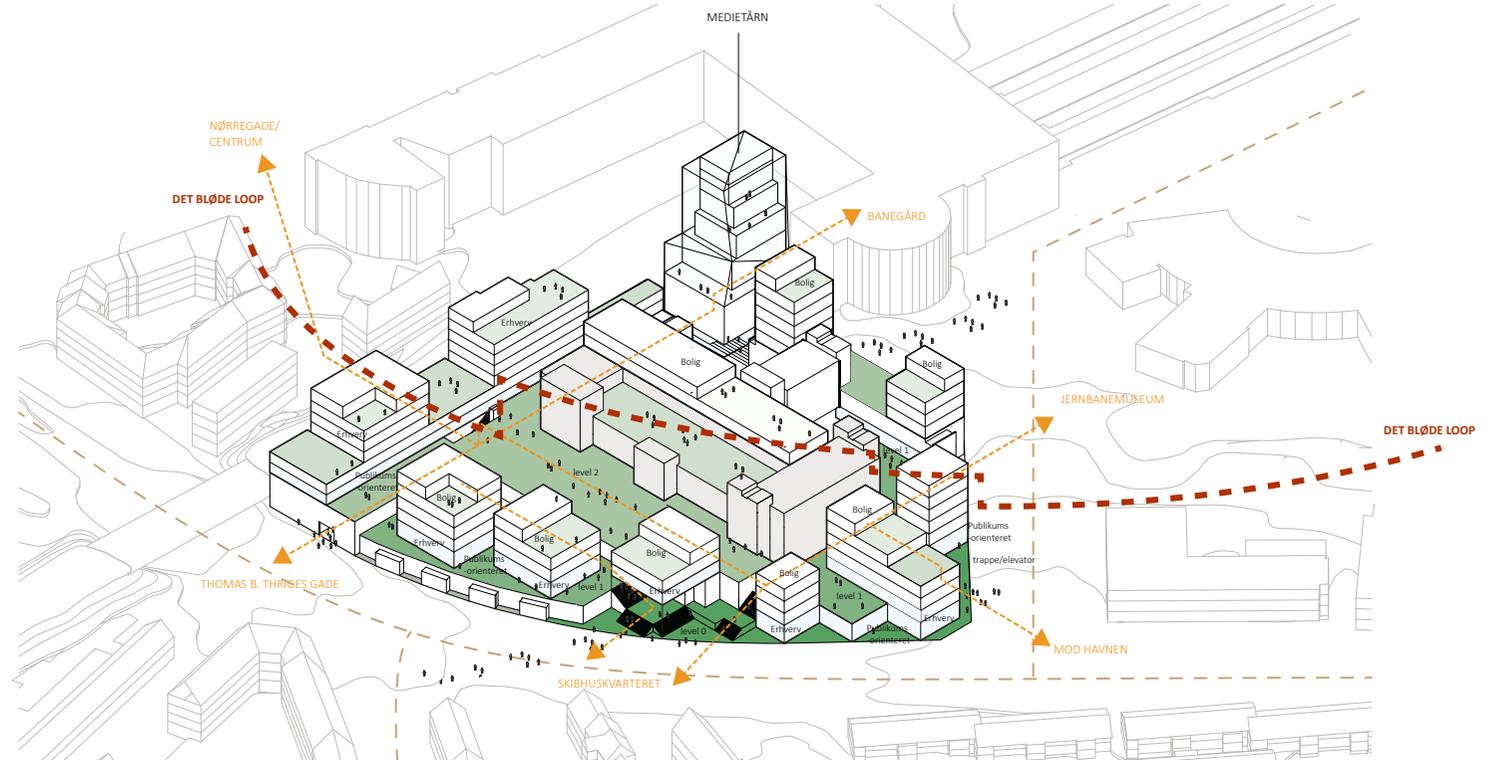
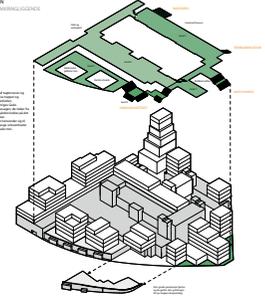
TRANSFORMATION AF POSTTERMINALEN
GÅRDANDEL OG NY CENTRAL TORV



TRANSFORMATION AF POSTTERMINALEN
NYE VOLGEMÅLE



TRANSFORMATION AF POSTTERMINALEN
EN NY UDRYK PÅVINDSRETNING TIL DET DÅRREDE GÅRDARE



PARK STREET NORDICOM

STRATEGY

2020

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