

Lars Schnidrig

Meet nexspace Data Centre's CFO and Interim CEO, a seasoned leader in real estate and private equity, driving financial transformation and sustainable innovation in Germany's digital infrastructure.

“ You have a strong background in finance and investment across various sectors. What led you to real estate, and now, to the data centre industry?

Real estate is one of the largest industries in the world. When I first joined Vonovia SE (formerly Deutsche Annington), the market capitalisation of listed real estate companies was, quite frankly, almost non-existent. At the time, I was drawn to the idea of helping professionalise the sector to make it accessible to investors via the capital markets. Together with our then-private equity investors – Terra Firma Capital Partners and Citi Property Investors –

we set out to make real estate an investable asset class for the world's leading fund managers and retail investors. Today, we see several real estate companies listed on Germany's DAX 40 and MDAX indices, which is a fantastic achievement. Vonovia SE has grown to become the largest listed real estate company in Europe – and as far as I know, the largest listed residential real estate company in the world. Driving transformation in an industry always carries risk for any manager. But if you invest your time and energy with passion, it can be far more rewarding than working in more mature sectors or companies. In this context,



private equity can be a powerful enabler. Now, I see data centres as the 'next big thing'. We are building and operating one of the world's most critical infrastructure assets: the systems that manage and store data. This will have a profound impact on the world in the years to come, and being part of this industry is incredibly motivating. Once again, I have a strong private equity partner at my side – InfraRed Capital Partners – which enables me to act decisively and with agility.

Transformation of businesses runs like a thread through your professional background. Which project are you the most proud of and why?

I've been involved in several exits, both in banking and in real estate companies. But the project that truly stands out was the refinancing of Europe's largest CMBS, G.R.A.N.D. plc., followed by the IPO of what is now Vonovia SE, and the issuance of several billion in bonds across Europe and the US. That was a lot of work of course, but a fantastic learning curve in a initially private equity portfolio company. Many of the people I hired have since gone on to become senior leaders in the industry, and a handful have taken board-level roles in publicly listed or privately held companies.

What do you value most about your work?

I'm very outcome-driven, which means I need the freedom to act entrepreneurially—that's what I enjoy most. You typically

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find this kind of environment in private equity-backed businesses or founder-led companies, where there's often a stronger alignment between shareholders and management. That alignment is key to delivering results.

Having worked in both publicly listed and private equity-backed companies, what are the key differences in financial strategy and decision-making?

In private equity-backed companies, you typically have more direct access to your shareholders who are often very sharp, experienced professionals. This allows for faster decision-making. While the fundamentals of financial strategy are largely the same in both environments, the key difference lies in communication.

Who has been the best mentor to you over the years? Why?

I was fortunate to work with Stefan Kirsten at Vonovia SE - one of Europe's most exceptional CFOs. He was widely recognised as CFO of the Year by various organisations, investors and equity research analysts. On a personal note, he is a great guy, and professionally, I learned a tremendous amount from him - particularly how to scale and to exit a business, all while managing shareholder communication effectively.

Which part of your upbringing has been most valuable to your career?

I believe in staying humble and never taking your career for granted. In leadership roles, especially in fast-growing companies backed by private equity, your performance is under

WORDS OF WISDOM

What advice would you give to your younger self?

Invest in your education. Work hard - harder than the others - and focus on delivering results. It's not about how much you work, but about result driven work. Build your network based on trust, not just opportunity. Many of the relationships I've built have lasted through both good and challenging times. Don't job-hop. Only move on - whether upwards or outwards - once you've accomplished the mission you were hired for, like a successful exit.

If there was one business decision you could change from your career, what would it be and why?

Every day I believe I could have done something better. Self-reflection is key.

If you were advising young professionals looking to build a career in real estate finance today, what key skills or experiences should they prioritise?

Master the fundamentals: processes, people, and IT. That's your foundation. Learning how to formulate a financial strategy is something I gained during my MBA, and it has been invaluable. Once you're aiming for a seat at the boardroom table, stakeholder communication becomes just as important as technical know-how.

constant scrutiny—every supervisory board meeting could be your last if you're not delivering. That's why I live by the five 'Ps': Proper Performance Prevents Poor Performance. Respect is also fundamental—whether you're dealing with a receptionist or a shareholder, everyone deserves it.

If not real estate and finance, what industry would you work in?

I've always been interested in VC-backed tech businesses. It's a space where experienced managers can bring real value to visionary entrepreneurs—helping them scale their businesses and build strong stakeholder communication strategies.

What did you dream of becoming when you were a child?

I knew I wanted to work with interesting people, though I wasn't sure exactly in what field. What I enjoy most is collaborating with individuals from different backgrounds and perspectives—that's something I've always found inspiring.

Is there something you're passionate about outside of your career that people might be surprised to learn?

I've always believed that being an effective manager requires both mental resilience and physical fitness. Sport has played an important role in my life since childhood—I especially enjoy skiing, golf, tennis, and running. I'm also passionate about arts and politics. While time is always limited, I try to stay disciplined and allocate time for these interests whenever I can. ”

DATA CENTRES FOCUS

Your move to nexspace marks a shift into digital infrastructure. What synergies do you see between traditional real estate investment and the data centre sector?

There are a lot of similarities. At nexspace, we're developing and operating colocation data centres, which essentially means leasing space to multiple clients—just like tenants in a traditional building. So thoughtful planning and precise construction are critical. The due diligence process is quite similar to real estate but more technically intensive, which is why our team includes many engineers.

How does financing and structuring investment in data centres differ from traditional real estate asset classes like residential or commercial property?

The fundamentals are quite similar—both are driven by cash flow.

Is the current growth and interest in the data centre space sustainable? What could be the greatest limiting factors?

The market is booming because we don't have enough data centres globally. The rise of AI is driving demand even further. But the main constraint is access to power. Without it, growth simply isn't possible.

Where do you expect to see the most growth in the market over the next years?

The colocation sector is getting a major boost from Germany's new Energy Efficiency Act (EnEfG), which came into effect in November 2023.

Where do you want to take nexspace in the next 3–5 years?

Our goal is to build a high-quality, client-focused data centre platform across the DACH region. There's a major shortfall of local colocation data centres in tier 2 and 3 cities, and we're committed to filling that gap in a way that fully complies with the new energy efficiency (EnEfG) regulations.

Where are you seeing the most innovation within the asset class?

Innovation is constant—particularly around cooling technologies and increasing rack density. AI demand is driving this: its requirements are so demanding that we have to innovate just to keep up with the pace of demand.

What role do you see technology playing in the future of real estate finance, and how can firms better leverage digital transformation?

Technology offers tremendous potential, and much of it is being explored by start-ups. The challenge is often a lack of funding or real estate expertise. That's why partnerships between PropTech companies and seasoned real estate professionals—like developers or asset managers—can be so powerful.

What is nexspace putting in place to meet the EnEfG requirements?

Periodic monitoring of utilisation in relation to air and water temperatures, with adjustments made as necessary. For new constructions, the most efficient technology is employed.

Do you view EnEfG compliance as a competitive advantage in attracting ESG-conscious clients and investors?

Yes! The EnEfG should be seen as an opportunity, not just a challenge. Customers who are aware of this will be more likely to move into more efficient data centers in the future. The pressure from EnEfG has already led to significant advancements in the data center industry (e.g. AI for efficiency monitoring and control).

How important is collaboration with utility providers and local governments in developing new data centre infrastructure?

Collaboration is crucial, yet, it often does not receive much attention. Data centers should be consistently integrated into urban planning strategies and actively promoted. In the future, data centers could play a vital role as energy sources for new development areas. Environmentally friendly backup power systems could help manage peak electricity demand, thereby easing pressure on the grid. The generated heat can be repurposed for use by households, hotels, and industrial facilities. Municipalities should establish new heating distribution networks and adapt existing ones to ensure that the energy feed-in is not only offered but can also be effectively utilised. Urban planning should be open to such projects and actively recruit data center operators in the market. Currently, data center operators are competing for building sites, and they are often seen merely as a burden rather than an opportunity.