



## **Sport Singapore takes over the Singapore Sports Hub to unlock full potential for Singapore**

**Singapore, 10 June** – Sport Singapore (SportSG) has initiated the termination of the Sports Hub Public-Private Partnership (“PPP”) project agreement and will take over the ownership and management of the Singapore Sports Hub. It has reached a mutual agreement with SportsHub Pte Ltd (SHPL) over the termination and the process of handover, and will officially take over the Sports Hub on 9 December 2022.

### **New structure to support Singapore’s aspirations**

2. SHPL was engaged under the PPP in 2010 to design, build, finance and operate the Sports Hub. The PPP expires in 2035. The cost of this project was borne by SHPL, and SportSG has paid an annual fee from 2014, to finance and operate the Sports Hub. The terms of the project agreement allowed for SportSG to decide if and when the project should be terminated, and thereafter, for SportSG to take over the ownership and management of the Sports Hub.

3. The Sports Hub has been operating for eight years since its completion in 2014. The aspirations and needs of Singapore, as well as the wider operating environment for sports and entertainment, have changed considerably since then. Ownership and direct management of the Sports Hub will thus enable SportSG to have greater control and flexibility over the Sports Hub. With this move, SportSG will drive stronger social, sporting and economic outcomes through the Sports Hub, maximise its potential, and also take advantage of the synergies with the Kallang Alive precinct development.

## **Greater access and activities for the community**

4. SportSG intends to make the Sports Hub more accessible to the broader community in Singapore, in terms of sports, lifestyle, entertainment and social uses, whilst maintaining its commercial sustainability. The Sports Hub should be a community icon for all to enjoy – from children and youth taking part in the National School Games, community competitions and grassroots events, junior and elite athletes training and competing, to everyday Singaporeans exercising and enjoying the facilities in and around the Sports Hub.

5. We will strengthen Singapore's affinity with the Sports Hub through programmes, participation, and accessibility.

## **Stronger integration with Kallang Alive**

6. In addition, with increasing regional competition from other world class venues on the horizon, there is a need to strengthen the Sports Hub's position and coherence in the context of the larger Kallang Alive precinct. Taking ownership of the Sports Hub will enable closer integration of the Sports Hub with upcoming Kallang Alive facilities such as the Kallang Football Hub, Kallang Tennis Centre, and Youth Hub to deliver a more cohesive sporting and lifestyle precinct experience and more seamless event and programming offerings.

## **Termination of Project Agreement**

7. The terms of the project agreement give SportSG the right to conclude the partnership and take ownership of the Sports Hub, at such time it sees fit. SportSG has decided for the termination to be effective on 9 December 2022.

8. There is no penalty for the termination, which can be done at any time SportSG chooses.

9. Upon termination, SportSG will pay SHPL a sum assessed in accordance with the Project Agreement that is substantially comprising:

- (i) The amount of the outstanding loan that was taken in respect of the construction of the Sports Hub. This is an expenditure that would have been incurred by SportSG had it financed the Sports Hub from the start, without the PPP; and
- (ii) A fair open market value of the Sports Hub.

10. The cost of terminating the PPP arrangement and taking over the operations of the Sports Hub is estimated to be comparable to the cost of continuing with the PPP arrangement until 2035.

### **Next steps**

11. Both SportSG and SHPL are committed to working closely together to ensure that the handover will be smooth and will not affect the day-to-day operations and programming of the Sports Hub.

12. SportSG will continue to work with partners from the private sector to deliver the highest quality service for the Sports Hub.

13. SportSG, with SHPL, will engage SHPL employees individually to discuss employment opportunities. We intend to retain the expertise and experience of SHPL employees, who will be given the opportunity to transit to the new corporate entity.

14. Chairman of SportSG Kon Yin Tong said, “We have a longer-term vision for the Sports Hub and the wider Kallang area, through which we can achieve our national sporting, social and economic aspirations. Taking back ownership and management of the Sports Hub will enable us to turn it into the heart of sports in Singapore and ride on synergies to develop the Kallang Alive precinct. I believe that the new entity will deliver greater community access and vibrancy in sports, entertainment, lifestyle and

major event offerings to Singaporeans. I would like to thank the team at SHPL for their contribution of expertise in the design and construction of the Sports Hub, and for their role in this project since its opening in 2014. We look forward to building on these foundations to expand the impact and value of the Sports Hub and the broader Kallang Alive precinct for all of Singapore.”

15. Chairman of SHPL Bryn Jones said, “It has been an honour to play a role in the rich history of the iconic National Stadium and to build the Singapore Sports Hub ecosystem into the region’s premier sports, entertainment, and lifestyle destination. We have delighted in the moments and experiences shared with Singaporeans who have come to Sports Hub to play, compete, participate, and spectate over the years, and we thank them, together with our wonderful staff, partners and sponsors, who have made it all possible. We support the Government’s ambitions in promoting sport among the population and harnessing Sports Hub’s potential to transform the Kallang Alive precinct and we will work collaboratively and constructively to ensure a smooth transition over the next six months. We wish Sport Singapore all the best as they take the project and the vibrant calendar of events forward to realise the Nation’s aspirations.”

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### **About Sport Singapore (SportSG)**

A statutory board of the Ministry of Culture, Community and Youth, SportSG's core purpose is to inspire the Singapore spirit and transform Singapore through sport. Through innovative, fun and meaningful sporting experiences, our mission is to reach out and serve communities across Singapore with passion and pride. With Vision 2030 – Singapore's sports master plan, our mandate goes beyond winning medals. Sport Singapore uses sport to create greater sporting opportunities and access, more inclusivity and integration as well as broader development of capabilities.

### **About SportsHub Pte Ltd**

SportsHub Pte Ltd (SHPL) is a consortium consisting of InfraRed Capital Partners, Cushman & Wakefield and Spectra. SHPL manages the Singapore Sports Hub under a Public-Private Partnership (PPP) with Sport Singapore.

### **About Sports Hub PPP**

Under the Project Agreement signed by SportSG and SHPL in 2010, SHPL would design, build, finance and operate the Singapore Sports Hub over a 25-year period, and SportSG would provide SHPL an annual payment until the end of the concession period in 2035.

Since the opening in 2014, Sports Hub has hosted over 1,100 diverse events for more than 9 million attendees comprising sports events, concerts, community and family days, as well as religious and corporate seminars.

Highlights include the 28<sup>th</sup> Southeast Asian Games, International Champions Cup, HSBC Singapore Rugby Sevens, international football friendlies, as well as performances by internationally acclaimed artistes like U2, BTS, Coldplay, Taylor Swift, Ed Sheeran, Bruno Mars, J J Lin and Jay Chou, among others.

As Sports Hub developed into the region's premier destination of choice for sports, entertainment, and lifestyle activities, over 86 million visits have been recorded to the vibrant precinct, including the community facilities and Kallang Wave Mall.

In addition, Sports Hub played its role in the nation's fight against the pandemic, accommodating over 3,000 migrant workers for five months in 2020 and preparing half a million meals on-site in support of this effort.

### **About Kallang Alive**

Kallang Alive was announced by SportSG in 2019 as a 89-ha mixed-use lifestyle destination where Singaporeans can participate in community sports activities and enjoy world-class entertainment and sporting action. The two upcoming major developments that Singaporeans can look forward to in Kallang Alive are the Kallang Football Hub (2022) and the Kallang Tennis Centre (2023). Developments in the pipeline include the Kallang Theatre Integrated Development, Youth Hub and the Banaan Kapal Green.