



paya
lebar
quarter



26th October 2017

Kaer and Lendlease sign transformative S\$50 million deal

Representing a fundamental and transformative business shift, Singapore company Kaer and leading international property and infrastructure group Lendlease have announced the signing of a landmark S\$50 million, 'Air Conditioning as a Service' contract for the Paya Lebar Quarter (PLQ) project.

The running contract, which will be evaluated against tracked progress benchmarks, will be executed in phases over a timeframe of more than a decade. Its Air Conditioning as a Service (ACaaS) operating model will allow Lendlease to pay for the chilled water it uses on a consumption basis. The agreement is a testament to the innovative approach that Lendlease takes in delivering sustainable developments, and also the robustness of the ACaaS model.

Richard Paine, Managing Director of Paya Lebar Quarter for Lendlease, commented on the deal saying, "This ground breaking move decreases operating costs as well as maximises the energy performance of the buildings. The deal with Kaer will help us achieve and set new standards in terms of our metrics for energy savings, sustainability and is fundamental in us achieving Singapore's first Green Mark Platinum 2015 project."

Kaer's new approach is liberating building and facility owners from the unnecessary chore of the ownership and operation of air conditioning assets and the responsibility for climate within their spaces. Traditionally, the business model for air conditioning systems is that the building owner invests in the equipment and the system is then run by the facilities department.

The ACaaS business model, named in a recent report issued by the Business and Sustainable Development Commission as being one of the business models to shape the world in the next 30 years sees Kaer design, install and operate the chilled water plant system within Paya Lebar Quarter. Lendlease pays a single, consumption-based rate on a monthly basis that includes cost for repairs, maintenance and electricity.

The development at Paya Lebar Quarter will be monitored by Kaer's K-Real Time system. This software, which is fed with data from multiple sensors, uses Artificial Intelligence to analyse the huge amount of data and to make system parameter changes automatically. This marriage of a correctly sized and installed air conditioning plant

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and unique software ensures that the Paya Lebar Quarter buildings operate at premium levels of comfort and efficiency at all times.

Paya Lebar Quarter, developed by Lendlease, is at the heart of the Singapore Urban Redevelopment Authority's urban regeneration master plan for Paya Lebar to be transformed into a new city precinct and dynamic business hub. Paya Lebar Quarter is a mixed-used development that consists of three office towers with close to 1 million square feet of space, a retail mall with over 340,000 square feet of shopping, dining and entertainment and three residential towers comprising 429 apartment units. Lendlease is an international developer with a strong track record in urban regeneration projects around the world. Paya Lebar Quarter is due to open in phases starting from the second half of 2018.

Speaking about the announcement, Justin Taylor, CEO of Kaer said, "Paya Lebar Quarter is one of the most progressive developments in Singapore and we are very happy to be part of the project. As one of the early adopters of this transformative business model it's clear that the Paya Lebar Quarter project team recognise that the outsourcing of non-core activities has enormous benefits for them. Kaer's model has a positive impact and allows businesses to maximise sustainability and profitability."

For more information visit www.kaer.com

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