MANDATEWIRE
Institutional Business Intelligence

FT 125 YEARS
Guiding the way
for the last 125 years
and into the next

Singapore-based Conglomerate Seeks PE Partners for Health Village Development

By Louisa Burwood-Taylor

The $2bn Spice Global, a Singapore-based multinational, is looking for private equity partners in the healthcare industry as the conglomerate plans to continue developing a piece of land in New Delhi, India for healthcare facilities. The move is just one way in which the firm is diversifying its assets away from real estate — it is also seeking added exposure to Indian and Singaporean equities. The firm does not use a consultant.

The Indian conglomerate headquartered in Singapore recently invested $50m in building Saket City Hospital on two acres of the $427m plot in the middle of New Delhi. The company now wants to continue developing the remaining 13 acres with co-investors, according to Ozi Amanat, chief investment officer at Spice Global.

“We welcome partners that want land and opportunity in the healthcare sector and we are open to incubating start-ups,” he told MandateWire. “We are trying to be innovative with our approach and want to build out an entire Global Health Village on this land.”

The company is also planning to increase its exposure to Indian and Singaporean equities and is open to third party mutual funds to gain the exposure “as long as they offer a holistic approach to the sector”, said Amanat. The fund could also approach custodian banks to create a basket of stocks in the countries, he added.

“Both Singapore and India’s stock markets are attracting new capital at the moment,” said Amanat. “Indian institutions are starting to cash in on gold and real estate investments, which are creating more liquidity domestically. Singapore’s transparent equity market is also a natural business climate for the growing middle classes in the region,” he added.

Selecting individual stocks and deciding whether to long or short them is a great idea in theory but in practice it makes much more sense to outsource these expertise, said Amanat. “It is just not always realistic,” he said.

Spice Global currently invests nearly half of its assets under management in real estate but Amanat wants to bring more of “a fund approach” to the company’s portfolio.

“I actively want to diversify away from real estate — it is not an active use of capital,” he said. “We have some buildings just sitting in Singapore doing nothing so this is an opportunity to deploy some capital elsewhere and diversify.”

The firm also increased its US dollar holdings to $250m in March, representing around a quarter of its total assets as it expects the currency to rally against other developed market currencies, according to Amanat.

The company’s asset allocation is as follows: 45 per cent real estate, 30 per cent equities, 10 per cent cash and fixed income, 15 per cent alternatives.