

Fullerton Health acquires stake in Intellicare

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Fullerton Healthcare Corporation Limited (Fullerton Health) is looking to create a strong presence in the Philippines by acquiring 60 per cent stake in the Intellicare Group, a managed care provider. The transaction is to be completed by early 2018. Financial terms of the acquisition have not been disclosed.

The Intellicare Group comprises three companies: Asalus, a health maintenance organization (HMO) engaged in the delivery of managed healthcare services via comprehensive, systematic and prevention-oriented health maintenance programmes; Avega, a provider of third-party administration services to corporates as well as small and medium enterprises; and Aventus, a chain of nine outpatient multi-specialty clinics.

This acquisition grants Fullerton Health a presence in eight Asian countries. Fullerton Health sees the Philippines as an important market in the Asia Pacific for the company due to its market being underpinned by attractive underlying growth drivers.

This latest acquisition by Fullerton Health comes amidst broader interest by Chinese investors in the Philippines market across a number of sectors.

Lack of infrastructure and human resources are also straining the healthcare delivery system in the Philippines. The bed-to-population ratio is low, with a shortage in qualified healthcare personnel to cater to the needs of the growing population.

Due to significant gaps in the Philippines' healthcare delivery system, abundant opportunities are available for key private participants to invest in the healthcare sector.

Private hospitals, pharmaceutical producers, and healthcare IT companies are expanding into the Philippines market, partially due to the recently launched ASEAN Economic Community (AEC).