Deal Announcement

Spark Capital advises Arete Institute of Medical Sciences ("Arete Hospitals") on sale of its business to KIMS operated Aurevia Hospitals ("Aurevia")

Spark Capital acted as the exclusive financial advisor to Arete on the transaction.

Spark Capital is pleased to announce that Arete Hospitals has entered into definitive agreement for the sale of its hospital business to Aurevia. Aurevia has further entered into a long-term Operations & Management agreement with Krishna Institute of Medical Sciences Limited ("KIMS"), under which KIMS will manage and operate the hospital. This partnership will further strengthen KIMS's position in the Hyderabad / Gachibowli micro-market.

The acquisition marks a significant milestone in Arete's journey and provides a solid springboard platform for accelerating its next phase of growth, through KIMS's proven clinical excellence and strong operating model.

Founded with a vision to provide world-class tertiary and quaternary healthcare services, Arete has established itself as a well-renowned healthcare provider in Hyderabad with a strong reputation for clinical excellence, patient-centric care, and advanced medical infrastructure. Through this transaction, the hospital is expected to further strengthen its position within one of India's fastest-growing healthcare markets.

With this transaction, Spark has successfully closed over 27 transactions in Healthcare and Lifesciences sector, aggregating USD 1.05 Bn, demonstrating its deep domain expertise in the sector.

Mr. Kishore Reddy, Director In-charge, KIMS remarked, *"The partnership underscores KIMS's continued leadership in broader Telangana & AP market, especially in Hyderabad, marking another milestone in our micro-market strategy. Arete brings a well-established brand, a strong clinical team, and solid medical infrastructure to the table. With the addition of KIMS's operational expertise, clinical programs, and patient-first approach, Arete will successfully transition into a leader in the high-value Gachibowli micro-market."*

Dr. Vijender Reddy Teegala, Chairman, Arete remarked, *"This transaction represents an important milestone in the evolution of Arete Hospitals. Over the years, we have built a trusted institution focused on delivering high-quality clinical outcomes. We believe KIMS, with its proven operating capabilities, is best positioned to lead Arete into its next phase of growth. We would like to thank the Spark team for their unwavering support, strategic guidance, and hands-on involvement throughout the process. Their ability to navigate complex deal dynamics and align all stakeholders' expectations was instrumental in achieving a successful outcome."*

Mr. Karthik Krishnan, Executive Director, Spark Capital remarked, *"We are pleased to have acted as a transaction banker on this landmark transaction. The deal delivers a strong strategic outcome for all stakeholders by combining Arete's strong clinical and medical infrastructure and KIMS' leadership position and operating scale. The transaction reflects the continuing evolution and consolidation of India's healthcare sector, where regional healthcare plays are increasingly partnering with leading healthcare platforms to unlock their next phase of growth. We sincerely thank all the stakeholders on both sides for their trust and partnership throughout the process and wish them continued success."*

About Arete Hospitals:

Incorporated in 2023, Arete is a 250-bed super-specialty hospital providing high-quality care with advanced infrastructure. It has developed a strong regional reputation for delivering clinical excellence and patient-centric care at their world class quaternary care facility in Gachibowli, Hyderabad. The hospital spans over 3 lakh sq ft across 14 floors.

For more information about the Company, please visit: aretehospitals.com

About Krishna Institute of Medical Sciences (KIMS):

KIMS is one of India’s leading multi-specialty healthcare providers, with a strong presence across Telangana, Andhra Pradesh, Maharashtra, and Kerala. Headquartered in Hyderabad, the network is recognized for delivering high-quality, affordable tertiary and quaternary care.

KIMS was founded by Dr. Bhaskar Rao Bollineni, a renowned cardiothoracic surgeon, and is supported by the next-generation leadership of Dr. Abhinay Bollineni. The promoter group has been instrumental in scaling KIMS into a leading regional hospital platform.

KIMS operates a robust network of hospitals with a significant capacity of 9,100+ beds, supported by advanced medical infrastructure and a wide spectrum of specialties including cardiac sciences, oncology, neurosciences, orthopaedics, and organ transplantation.

For more information about KIMS, please visit: kimshospitals.com

About Spark Financial Holdings:

Spark Capital Group sparkcapital.in is a two-decade old mid-market financial services franchise offering investment banking, asset management and private wealth management solutions. Spark Capital Group entities are registered with Securities and Exchange Board of India.

Our Investment Banking practice has a track record of having consummated transactions aggregating to USD 13 billion, across capital raising and M&A advisory, with industry-leading transaction closure rates. Focused on industry verticals Healthcare & Pharma, Technology & Business Services, Industrials & Logistics, BFSI, Digital & Consumer and Infrastructure & Real Assets - it caters to the diverse needs of businesses through their lifecycle.

We manage and invest, through discretionary and non-discretionary PMS, ~INR 2,850 crores (or ~USD 331 million), in public equities and performing high yield credit in our Asset Management business. Spark Capital’s Private Wealth Management business has ~INR 51,000 crores (or ~USD 5.3 billion) of assets under advice, invested across a suite of financial products tailored to needs and requirements of a diverse client base.

Independent, professionally owned & managed, we bring to bear entrepreneurial energy that blends the extensive experience of our founding leadership with contemporary outlook & dynamism of our young business leadership teams. Knowledge & research oriented in approach, we cherish & strive to practice our core values of objectivity, intellectual integrity, and client-centricity.

The goodwill and endorsement of long-standing & deep-rooted client relationships spanning entrepreneurs, corporates, business groups, family offices, and high net worth individuals serve as an eloquent testimony to our work. With over 500 employees across India and head quartered in Chennai, we have now offices in key Indian cities Mumbai, Delhi, Bengaluru, Hyderabad, Pune, Kolkata, Ahmedabad, Kochi, Thiruvananthapuram, Lucknow and Kanpur.

Best Regards,
Team Spark

Spark Financial Holdings Private Limited

Chennai, Mumbai, Delhi, Bengaluru, Hyderabad, Pune, Kolkata, Ahmedabad, Kochi, Thiruvananthapuram, Lucknow and Kanpur

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