

APOLLO HOSPITALS ENTERPRISE LIMITED

CIN : L85110TN1979PLC008035



5th October 2022

The Secretary,
Bombay Stock Exchange Ltd (BSE)
Phiroze Jheejheebhoy Towers,
Dalal Street,
Mumbai - 400 001.
Scrip Code - 508869
ISIN INE437A01024

The Secretary,
National Stock Exchange,
Exchange Plaza, 5th Floor
Plot No.C/1, 'G' Block
Bandra - Kurla Complex
Bandra (E)
Mumbai - 400 051.
Scrip Code- APOLLOHOSP
ISIN INE437A01024

Dear Sir

Subject: Disclosure under Regulation 30 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to inform that the Company has today executed definitive agreements in connection with the acquisition of a 60% equity stake in Kerala First Health Services Private Limited ("KFHSL"), which offers quality systems driven Ayurveda medical care services under the "AyurVAID Hospitals" brand through a combination of primary and secondary equity investment with the overall transaction consideration being ~ Rs 26.40 crs.

The primary investment will be used to upgrade existing centres, set up new centres, strengthen enterprise platforms, and for digital health initiatives.

Consequent to this acquisition, KFHSL would become a subsidiary of the Company.

The requisite details regarding the acquisition is provided in the relevant format forming part of this communication.

A detailed press release which is being released in this regard, is enclosed for your reference.

Kindly take the same on record.

Thanking You,

Yours faithfully,
For APOLLO HOSPITALS ENTERPRISE LIMITED

S.M. KRISHNAN
Sr. VICE PRESIDENT - FINANCE
AND COMPANY SECRETARY



SANKARANAR
AYANAN
MUTHU
KRISHNAN

Digitally signed by
SANKARANARAYANA
N MUTHU KRISHNAN
Date: 2022.10.05
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IS/ISO 9001:2000

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Annexure - I

Sr. No.	Particulars	Details
1.	Name of the target entity, details in brief such as size, turnover etc	<p>Kerala First Health Services Pvt. Ltd. (Brand Name: AyurVAID Hospitals),</p> <p>National Quality Award winning chain of in-patient Ayurveda hospitals with 8 centres across India. Pioneer and leader in quality systems driven precision Ayurveda medical care. Pioneered cashless Ayurveda care through leading insurance companies, CGHS, and institutional tie-ups.</p> <p>Turnover: Rs 9.34 Crs in FY 22.</p>
2.	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length";	No, the acquisition does not fall within the purview of related party transaction.
3.	Industry to which the entity being acquired belongs	Healthcare
4.	objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);	<p>Apollo Hospitals is committed to strengthen its holistic and integrated care offering for patients, and to mainstream Integrated Healthcare offerings in India. Apollo Hospitals' acquisition of stake in AyurVAID is aimed at delivering a unique Co-Managed Care Model, offering appropriate integration between modern medicine and Ayurveda. Treatment stages range from Preventive Care, Acute-on-Chronic Care, Post-Emergency Care, and Promotive Care. The partnership will also strive to build path-breaking research in Integrative Medicine through clear, differentiated research methodology to establish credible evidence for Ayurveda's safety and efficacy.</p>
5.	brief details of any governmental or regulatory approvals required for the acquisition	Not applicable
6.	indicative time period for completion of the acquisition	4 weeks
7.	nature of consideration - whether cash consideration or share swap and details of the same	Cash consideration



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8.	cost of acquisition or the price at which the shares are acquired	INR 26.37 Crs across primary and secondary infusion of funds.								
9.	percentage of shareholding / control acquired and / or number of shares acquired;	60% of common equity								
10.	brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);	<p>AyurVAID, incorporated in 2005, has touched 3,00,000+ lives so far, and is the leader in Precision Ayurveda. It was the first NABH accredited Ayurveda hospital, the first National Quality Award winner from the Ayurveda sector. It currently has 8 In-Patient hospitals spread over Bangalore, Kochi, Gurugram, and Almora, of which 5 are NABH and 1 is JCI accredited, and 4 are Hospital-in-Hospital units. Offers tertiary Ayurveda care for serious NCDs and Chronic Diseases across medical specialties as well as high end rehabilitation and promotive health services. AyurVAID has built a strong foundation in digital therapeutics and digital enabled lifecycle health management.</p> <table border="1" data-bbox="831 958 1145 1149"> <thead> <tr> <th data-bbox="831 958 970 1025">Year</th> <th data-bbox="970 958 1145 1025">Turnover, INR Crs.</th> </tr> </thead> <tbody> <tr> <td data-bbox="831 1025 970 1070">FY 2020</td> <td data-bbox="970 1025 1145 1070">9.35</td> </tr> <tr> <td data-bbox="831 1070 970 1115">FY 2021</td> <td data-bbox="970 1070 1145 1115">5.89</td> </tr> <tr> <td data-bbox="831 1115 970 1149">FY 2022</td> <td data-bbox="970 1115 1145 1149">9.34</td> </tr> </tbody> </table> <p data-bbox="831 1182 1206 1216">Country of presence : India</p>	Year	Turnover, INR Crs.	FY 2020	9.35	FY 2021	5.89	FY 2022	9.34
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Apollo Hospitals executes definitive agreements to acquire a 60% stake in precision Ayurveda hospital chain, AyurVAID; heralds era of Mainstream Integrative Medicine

Oct 5, 2022, National: Apollo Hospitals Enterprise Ltd. (BSE: [508869](#) / NSE: [APOLLOHOSP](#)) (AHEL), pioneers in healthcare and India's first multi-speciality chain of hospitals today announced the execution of definitive agreements to acquire a 60% stake in leading classical Ayurveda hospital chain, AyurVAID, in a combination of primary and secondary capital infusion.

AyurVAID is a classical Ayurveda medical care provider, differentiated by rigorous, professional and contemporary care pathways, with Precision in Protocols, Documentation, Clinical Outcomes and Safety. These values make it the perfect vehicle for Apollo Hospitals' effort to strengthen its holistic and integrated care offering for patients, and to mainstream Integrated Medicine at scale in India.

The collaboration will ensure that tailored treatment pathways and options are available for patients, who will be treated by a multi-disciplinary clinical team, spanning allopathy and Ayurveda. The teams will carry forward the shared belief of Evidence-Based Practice.

AyurVAID, established in 2005, has touched 3,00,000+ lives so far, and is the leader in Precision Ayurveda. It was the first NABH accredited Ayurveda hospital, the first National Quality Award winner from the Ayurveda sector, and currently has 8 In-Patient hospitals, including 4 Hospital-in-Hospital units. Of these 5 are NABH accredited and 1 is JCI accredited. Treatment stages range from Preventive Care, Acute-on-Chronic Care, Post-Emergency Care, and Promotive Care. AyurVAID pioneered cashless Ayurveda treatments through leading insurance companies and institutional tie-ups.

Apollo Hospitals' acquisition of stake in AyurVAID is aimed at delivering a unique Co-Managed Care Model, offering appropriate integration between modern medicine and Ayurveda. It is a recognition of the wisdom and efficacy of ancient Indian medicine, and its appropriateness, to provide a holistic model of healing for the individual, focused on functional health and enhancing quality of life.

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The partnership will also strive to build path-breaking research in Integrative Medicine through clear, differentiated research methodology to establish credible evidence for Ayurveda's safety and efficacy.

Apollo Hospitals has a proven track record of delivering world-class clinical outcomes, at a fraction of the international cost. Its partnership with AyurVAID will help mainstream Precision Ayurveda, create world-class body of evidence for key diseases and provide integrated lifecycle health solutions for acute / chronic conditions.

Commenting on the development, Dr Prathap C Reddy, Chairman, Apollo Hospitals, said "Our acquisition of a majority stake in leading Ayurveda hospital chain AyurVAID is a natural corollary to our mission to bring healthcare of international standards within the reach of every individual. Today, medicine, wellbeing and holistic health are inter-twined, and there is a need to serve individual and community health needs through the most appropriate combination of treatments and lifestyle interventions, across a period of time. We believe there is immense scope to deliver evidence-based integrated medicine, combining allopathic and traditional models, to improve outcomes and quality of life for our patients. This will be a transformational journey, which will lead to the evolution of care models in India and around the world. The Apollo-AyurVAID partnership will be a beacon of hope not just for Indian citizens, but for medical value travellers from around the world. We welcome the AyurVAID team to the Apollo Hospitals family. "

Rajiv Vasudevan, Founder, MD & CEO, AyurVAID Hospitals, said "AyurVAID was conceived with the vision to pioneer and lead the transformation of Ayurveda into a mainstream system of medicine. Over the years we have built a strong protocols & clinical-outcomes-driven precision Ayurveda care model, which is scalable and replicable. By joining hands with Apollo Hospitals, the preeminent healthcare provider in India and the region, we have today taken a decisive step forward. A new generation of discerning healthcare consumers seeks the best of both worlds- Allopathy and Ayurveda. Standalone Ayurveda hospitals and clinics combined with our pioneering hospital-in-hospital model shall make accessible precision Ayurveda across India and, progressively, across the world. The Apollo-AyurVAID partnership shall synergistically deliver on the promise of a new era of appropriately integrative, digitally enabled, patient-centric care across the patient's life cycle. AyurVAID is delighted to become a member of the Apollo Hospitals family."

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The transaction consideration (including primary and secondary investment) is ~ Rs 26 crs. The primary investment will be used to upgrade existing centres, set up new centres, strengthen enterprise platforms, and for digital health initiatives. Beginning with a revenue estimate of over Rs 15 crs. for FY 23, the target is to achieve Rs 100 crs. in the next 3 years.

About Ayurveda and Medical Value Travel

Ayurveda, a natural system of medicine, originated in India more than 3,000 years ago. The term *Ayurveda* is derived from the Sanskrit words *ayur* (life, longevity) and *veda* (science or knowledge). Thus, Ayurveda translates to *knowledge of life-longevity*. A highly structured medical system, Ayurveda encourages personalised diet & lifestyle interventions combined with herbal medicines and spectrum of natural *purvakarma*, *panchakarma*, *brumhana* (preparatory, deep-system cleansing, nourishing respectively) therapies to re-establish homeostasis at a whole person level. Practitioners of Ayurveda in India undergo state-recognized, institutionalized training over a 5½ year undergraduate program and 3 year MD/MS program.

In addition to the strong belief in the system among Indian patients, Ayurveda has a growing influence on holistic healthcare and wellness tourism. The Global Ayurvedic Market has been growing at an average annual rate of 16.2% since 2015, reflecting the rising demand for complementary medicine and therapeutic wellness experiences. The emergence of Ayurveda Centres with international certifications of quality practice is fuelling the growth of medical and wellness tourism in the country with special focus on treatment of serious non-communicable diseases across medical specialties and for rehabilitation. Ayurveda has established India as a genuinely world-class medical and wellness destination. The country is well positioned to benefit from the expected rise in demand for wellbeing in body-mind-spirit dimensions in the post-pandemic era.



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