Brooks
LABORATORIES LIMITED

Corp. Off.:- 201, "The Summit Business Bay"
Behind Guru Nanak Petrol Pump,
Off Andheri Kurla Road, Andheri (E),
Mumbai - 400 093 (India)
Ph. : +91 22 69073100

REPORT OF THE MEETING OF INDEPENDENT DIRECTORS OF BROOKS LABORATORIES LIMITED FOR RECOMMENDING THE DRAFT SCHEME OF ARRANGEMENT BETWEEN BROOKS LABORATORIES LIMITED AND ABRIDGE SPECIALITY LIMITED AND THEIR RESPECTIVE SHAREHOLDERS UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AT ITS MEETING HELD ON WEDNESDAY OCTOBER 14, 2026

The following Independent Directors were present in the meeting:

Mrs. Usha Singh	Chairperson
Mr. Lalit Mahajan	Member
Mr. Manav Mahajan	Member

In attendance:

Mr. Prashant Rathi – Chief Executive Officer and Chief Financial Officer.
The Company Secretary and Compliance Officer position was vacant at the time of the meeting.

1. Background

1.1. A meeting of Independent Directors of the Company was held on Wednesday, October 14, 2026 to consider and, if thought fit, recommend to the Board of the Directors of the Company, the proposed Scheme of Arrangement ("Scheme") between **Brooks Laboratories** Limited (**"Company"** or **"Demerged Company") and Abridge Speciality** Limited (**"Resulting Company"**) and their respective shareholders pursuant to Section 230 to 232 read with Section 66 and other applicable provisions of the Companies Act, 2013 (**"Act"**).

1.2. The Company is a listed public limited Company within the meaning of the Act. The equity shares of the Company are listed on the BSE Limited (**"BSE"**), the National Stock Exchange of India Limited (**"NSE"**), (BSE and NSE are collectively referred to as the **"Stock Exchanges"**)

1.3. Resulting Company is a public limited company incorporated under the Companies Act, 2013 as wholly owned subsidiary of the Company.

1.4. The capitalised terms not defined in this report shall have the same meaning as ascribed to them in the draft Scheme.

1.5. This Report of the Independent Directors is made to comply with the requirements of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,

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2015 ("SEBI LODR Regulations"), read with the SEBI Master Circular on Scheme of Arrangement bearing reference no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time, consolidating the circulars issued by SEBI in relation to schemes of arrangement, including the circulars issued pursuant to Regulations 11, 37 and 94 of the SEBI LODR Regulations (the "SEBI Scheme Circular") considering following:

i. Draft Scheme of Arrangement, duly initialled by the Director of the Company for the purpose of identification;

ii. Fair Share Entitlement Ratio Report dated October 14, 2026 issued by CA Aman Bansal, an independent registered valuer (Registration No. IBBI/RV/06/2025/15829) ("**Registered Valuer**") appointed for recommending the fair share entitlement ratio for the purpose of the draft Scheme;

iii. Fairness Opinion Report dated October 14, 2026 issued by 3Dimension Capital Private Limited, Independent SEBI Registered Merchant Banker (Registration No. INM000012528) providing opinion ("**Fairness Opinion**") on the share entitlement ratio recommended in the Fair Share Entitlement Ratio Report issued by the Registered Valuer; and

iv. Draft certificate to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Companies Act, 2013, from the Statutory Auditors of the Demerged Company i.e., DMKH & Co. (ICAI Firm's Registration No. 116886W).

v. Undertaking dated October 14, 2026 confirming the non-applicability for the requirements under Para A(10)(b) of Part I of the SEBI Scheme Circular relating to obtaining approval from majority of public shareholders.

vi. The Statutory Auditors certificate from DMKH & Co. , chartered accountants dated October 14 certifying the company's undertaking under clause above pursuant to paragraph A(10)(c) of Part I of the SEBI Scheme Circular.

2. Proposed Scheme

2.1. The Scheme, inter-alia, provides the following:

a. Demerger, transfer and vesting of Manufacturing Business of the Demerged Company into Resulting Company on a going concern basis, while the businesses, assets, liabilities, activities and obligations not forming part of the Manufacturing Business shall continue to remain with the Demerged Company as the Retained Business.
b. Cancellation of existing share capital of the Resulting Company;

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c. Upon the Scheme becoming effective, the authorised share capital of the Resulting Company shall stand increased in the manner provided under the Scheme;
d. Inter-se transfer of the equity shares of the Resulting Company held by the RM Group to the AR Group, as contemplated under the Scheme and subject to Applicable Laws, and matters consequential and incidental thereto, including the reclassification of the promoter status of the RM Group in the Resulting Company under Regulation 31A of the SEBI LODR Regulations;
e. Upon the Scheme becoming effective, the names of the Demerged Company and the Resulting Company shall stand changed in the manner provided under the Scheme.
f. Various other matters consequential or otherwise integrally connected herewith.

2.2. Appointed Date of the draft Scheme is October 1, 2026, or such other date as the Tribunal may direct or approve, being the date with effect from which the Scheme, and in particular the transfer and vesting of the Manufacturing Business, shall be deemed to operate.

2.3. The Effective Date for the draft Scheme means the date on which certified copies of the order of the Tribunal sanctioning the Scheme are filed by the Company and the Resulting Company with the RoC.

2.4. The draft Scheme would be subject to the sanction or approval of the National Company Law Tribunal, SEBI, Stock Exchanges, Shareholders, Creditors, if applicable, and other Governmental Authorities (as defined in the draft Scheme).

3. Salient features of the Scheme:

3.1. The Scheme provides for the demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company (elaborated in Section I) in compliance with Section 2(35) of the Income-tax Act, 2025, such that:

a. all the property of the Demerged Undertaking, being transferred by the Demerged Company immediately before the demerger, becomes the property of the Resulting Company by virtue of the demerger;
b. all the liabilities relatable to the Demerged Undertaking, being transferred by the Demerged Company immediately before the demerger, become the liabilities of the Resulting Company by virtue of the demerger;
c. the properties and the liabilities of the Demerged Undertaking being transferred by the Demerged Company are transferred at the values appearing in its books of account immediately before the demerger;
d. the Resulting Company shall, in consideration of the demerger, issue and allot its equity shares to the shareholders of the Demerged Company on a proportionate basis, in accordance with the Share Entitlement Ratio;
e. the transfer of the Demerged Undertaking is on a going concern basis; and

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f. the demerger is in accordance with the conditions, if any, notified by the Central Government in this behalf under the Income-tax Act, 2025.

Upon this Scheme becoming effective on the Effective Date (as defined in the Scheme), and with effect from the Appointed Date (as defined in the Scheme), the Demerged Undertaking shall stand transferred to and vested in the Resulting Company, and the Resulting Company shall, on the Record Date (as defined in the Scheme), Resulting Company will issue shares to the shareholders of the Demerged Company in the ratio of 1 (One) fully paid-up equity share of the Resulting Company having face value of INR 10 (Indian Rupee Ten) each for every 1 (one) fully paid-up equity share of INR 10 (Indian Rupee Ten) each of the Demerged Company.

3.2. The demerger of the Demerged Undertaking and its transfer to and vesting in the Resulting Company shall be effective from the Appointed Date but shall be operative from the Effective Date.

3.3. If any of the terms or provisions of the Scheme are found inconsistent with the provisions of Section 2(35) of the IT Act at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(35) of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with the provisions of Section 2(35) of the IT Act. Such modifications however, will not affect other parts of the Scheme.

3.4. The Scheme is in accordance with the provisions of Memorandum of Association and Article of Association of Companies.

3.5. Simultaneously with, and as an integral part of the Scheme, immediately upon the issue and allotment of equity shares by the Resulting Company to the shareholders of the Demerged Company, the entire pre-Scheme issued and paid-up equity share capital of the Resulting Company (including the equity shares held by the Demerged Company or by the nominee shareholders) shall stand cancelled and extinguished without any further act, instrument or deed, in the manner set out in the Scheme.

3.6. Upon the Scheme becoming effective, and as an integral part thereof, the authorised share capital of the Resulting Company shall stand increased in the manner set out in the Scheme.

3.7. Following the issue and allotment of equity shares as consideration and the listing of the equity shares of the Resulting Company, and as part of the overall arrangement contemplated under the Scheme, the AR Group and the RM Group shall undertake the transfer of equity shares of the Resulting Company as described in Section II of the Scheme, such that, upon completion of such transfer, the AR Group shall hold the entire promoter shareholding in the Resulting Company and the RM Group shall cease to hold any equity shares in the Resulting Company. Thereafter, the RM Group shall seek reclassification of its

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status as promoter of the Resulting Company, subject to satisfaction of all conditions prescribed under Regulation 31A of the SEBI LODR Regulations and receipt of the requisite approvals of the Stock Exchanges and/or SEBI, as applicable.

3.8. Upon the Scheme becoming effective, the name of the Demerged Company and the name of the Resulting Company shall each stand changed in the manner set out in the Scheme.

4. Rationale of Scheme

4.1. The Demerged Company was incorporated on January 23, 2002, and has, since its establishment, been engaged in the pharmaceutical business, including the manufacturing, importing, exporting, trading and dealing in pharmaceutical products, bulk drugs, medical and chemical preparations and allied products. Over the years, the Demerged Company has developed and expanded its pharmaceutical operations, including the Manufacturing Business carried on from its facility situated at Village Kishanpura, Nalagarh Road, Baddi, Himachal Pradesh. The Manufacturing Business has developed its own operational requirements, regulatory framework, asset base, personnel requirements, capital needs and growth opportunities.

4.2. In view of the evolution of the Manufacturing Business and its distinct operational, regulatory, capital and growth requirements, it is considered appropriate to segregate the Manufacturing Business from the other businesses and activities of the Demerged Company and vest the same in a separate corporate vehicle. Accordingly, the Scheme provides for the demerger of the Manufacturing Business, together with all assets, liabilities, employees, licences, approvals, contracts and other rights and obligations relating thereto, into the Resulting Company on a going concern basis. The assets, liabilities, businesses, activities and obligations not forming part of the Manufacturing Business shall remain with the Demerged Company as the Retained Business.

4.3. The proposed demerger will enable the Manufacturing Business to operate through a dedicated corporate platform with focused management and governance, while the Demerged Company will continue to carry on its Retained Business. The separation is expected to provide greater operational focus, clarity in accountability, efficient deployment of resources and flexibility to pursue the respective strategic objectives and growth opportunities of the two businesses.

4.4. The Scheme is, inter alia, intended to achieve the following objectives:

a. **Focused management and accountability**: To enable the Manufacturing Business and the residual undertaking of the Demerged Company to be managed independently, with dedicated management teams, clear accountability and greater agility in decision-making;

b. **Operational and financial clarity:** To facilitate the clear identification and allocation of the assets, liabilities, cash flows, personnel and resources attributable to the Manufacturing Business and enable their efficient management and deployment;

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c. **Strategic flexibility:** To provide the Manufacturing Business with an independent corporate platform to pursue its growth strategy, capital requirements, financing arrangements, collaborations and other strategic opportunities, having regard to its operational and regulatory requirements; and

d. **Stakeholder value:** To enable the Manufacturing Business to be evaluated and managed on a standalone basis, while preserving the interests of the shareholders, creditors, employees and other stakeholders of the Demerged Company and the Resulting Company in accordance with the Scheme.

4.5. Ownership restructuring: As on the date of this Scheme, the AR Group and the RM Group hold 77,63,018 equity shares (26.35%) and 77,37,274 equity shares (26.27%), respectively, of the paid-up equity share capital of the Demerged Company. Immediately upon the allotment under Clause 13.1, each Promoter Group shall hold equity shares in the Resulting Company in the same proportion as its shareholding in the Demerged Company.

Pursuant to the Share Transfer contemplated under Section II of the Scheme, the RM Group shall transfer its entire shareholding in the Resulting Company to the AR Group. Consequently, upon completion of the Share Transfer, the AR Group shall hold the entire promoter shareholding in the Resulting Company. The Share Transfer is proposed to be undertaken inter se between the Promoter Groups and shall not result in any dilution of the economic interest of the public shareholders in either the Demerged Company or the Resulting Company.

4.6. The proposed reorganisation is intended to facilitate focused management, appropriate governance and efficient pursuit of the respective business objectives of the Demerged Company and the Resulting Company. The Scheme is in the interest of the shareholders, creditors, employees and other stakeholders of the Demerged Company and the Resulting Company and is not expected to adversely affect the interests of any of them.

5. Synergies of business of the entities involved in the Scheme

5.1. The Independent Directors reviewed the draft Scheme and noted the following:

a. Demerger of the Demerged Undertaking of the Company into the Resulting Company would place the Manufacturing Business in a separate corporate vehicle, with a dedicated management team and an independent corporate platform to pursue its growth strategy, capital requirements, financing arrangements and other strategic opportunities, while the Demerged Company continues with the Retained Business. The said demerger would facilitate focused management and accountability, and the clear identification and allocation of the assets, liabilities, cash flows, personnel and resources attributable to the Manufacturing Business and their efficient management and deployment.

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b. Thus, the re-structuring is proposed to result into enhanced development and growth of the business of the Demerged Company with independent focus on each business segment and more productive utilization of such resources which would be beneficial for all stakeholders. Further, pursuant to the proposed Scheme, the benefits as stated in paragraph 4 above are proposed to be derived.

6. **Valuation methods evaluated for the share entitlement ratio**

The Independent Directors noted that the Share Entitlement Ratio Report issued by the Registered Valuer, inter-alia recommended the share entitlement ratio for the proposed demerger of the Demerged Undertaking into the Resulting Company.

The Independent Directors reviewed the Share Entitlement Ratio Report and noted that it states that the share entitlement ratio and the number of shares to be allotted pursuant to Demerger, under the draft Scheme, is of no material relevance since there will be no loss of economic interest in the hands of shareholders of the Demerged Company. Accordingly, for the purpose of recommending a share entitlement ratio the Registered Valuer has not attempted to arrive at the absolute value of shares of each of the Demerged Company and Resulting Company.

The Independent Directors then noted the share entitlement ratio as proposed under the Share Entitlement Ratio Report as under:

"For every 1 (One) equity share of Rs. 10 (Rupees Ten) each, fully paid-up, held in Brooks Laboratories Limited, 1 (One) equity share of Rs. 10 (Rupees Ten) each, fully paid-up, shall be issued and allotted by Abridge Speciality Limited."

7. Impact of the Scheme on the Shareholders and Non-detrimental Nature of the Scheme

7.1. The Independent Directors discussed and deliberated upon the rationale, salient features and the impact of the Scheme on the shareholders of the Demerged Company and the Resulting Company. The Independent Directors noted that the Scheme provides for the segregation of businesses and is expected to facilitate the unlocking of value of each of the manufacturing units, thereby creating strong and distinct platforms for the independent management of each business. The Scheme is also expected to facilitate long-term stability, preserve goodwill and harmony, and enable orderly and strategic succession planning, thereby mitigating the risk of potential value erosion.

7.2. As regards the Demerger, all the equity shareholders of the Demerged Company, whether promoters or non-promoters, whose names appear in the register of members or records of the depository as on the Record Date (as defined in the Scheme), shall be issued and allotted

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equity shares of the Resulting Company in the following ratio, in consideration for the transfer of the Demerged Undertaking pursuant to the Scheme:

"For every 1 (One) equity share of Rs. 10 (Rupees Ten) each, fully paid-up, held in Brooks Laboratories Limited, 1 (One) equity share of Rs. 10 (Rupees Ten) each, fully paid-up, shall be issued and allotted by Abridge Speciality Limited."

The aforesaid share entitlement ratio has been recommended by CA Aman Bansal, Registered Valuer (Registration No. IBBI/RV/06/2025/15829), and 3Dimension Capital Private Limited, Category I Merchant Banker (Registration No. INM000012528). The Independent Directors noted that the proportionate shareholding of the promoters and non-promoters in the Resulting Company is expected to remain aligned with their respective shareholding in the Demerged Company immediately prior to the Demerger, thereby maintaining their proportionate economic interest in the Demerged Undertaking. Further, subject to receipt of the requisite regulatory approvals and compliance with applicable laws, the equity shares of the Resulting Company issued pursuant to the Scheme are proposed to be listed on BSE Limited and the National Stock Exchange of India Limited, thereby facilitating their marketability and tradability.

7.3. The Independent Directors further noted that, immediately upon the issuance and allotment of equity shares of the Resulting Company to the shareholders of the Demerged Company, the 10,000 (Ten Thousand) equity shares of Rs. 10 (Rupees Ten) each, fully paid-up, held by the Demerged Company in the Resulting Company, constituting 100% (One Hundred per cent) of the issued and paid-up equity share capital of the Resulting Company immediately prior to such issuance and allotment, shall stand cancelled without any further act or deed on the part of the Resulting Company. Such cancellation and consequent reduction of the share capital of the Resulting Company shall be effected as an integral part of the Scheme in accordance with Section 66 and/or other applicable provisions of the Companies Act, 2013.

7.4. The Independent Directors observed that the Scheme is expected to facilitate potential long-term value creation while preserving the proportionate economic interests of the shareholders, subject to the terms of the Scheme and applicable law. Although implementation of the Scheme may entail certain costs, the Independent Directors are of the view that the anticipated long-term benefits, including focused management, operational efficiencies and the unlocking of value of the respective businesses, are expected to outweigh such costs for the stakeholders of the Demerged Company and the Resulting Company.

7.5. Accordingly, having considered the aforesaid factors, the Independent Directors are of the view that the Scheme is not expected to have an adverse or detrimental impact on the shareholders of the Demerged Company. The Independent Directors further noted that the Scheme is subject to the requisite approvals of the shareholders of the Demerged Company and other applicable regulatory authorities and shall be implemented in compliance with

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applicable laws, including the requirements set out in paragraphs 10(a) and 10(b) of Part I of the SEBI Scheme Circular, as applicable**.**

8. Cost benefit analysis of the Scheme

Although the Scheme would lead to incurring of some cost towards its implementation, however, the benefits of the Scheme over a longer period would far outweigh such costs for the stakeholders of the Demerged Company/Transferee Company and the Resulting Company respectively.

9. Recommendations of the Independent Directors

The Independent Directors after due deliberations and due consideration of all the terms of the draft Scheme, Fair Share Entitlement Ratio Report, Fairness Opinion Report, certificate(s) issued by the Statutory Auditors of the Company and in view of above stated factors including the need and rationale of the Scheme, benefits and impact of the Scheme on the shareholders and in particular the fact that the Scheme is not detrimental to the interests of the shareholders of the Demerged Company, recommends the draft Scheme for favourable consideration and approval by the Board, Stock Exchanges, SEBI and other appropriate authorities for its consideration and approval.

By Order of the Independent Directors

For and on behalf of Brooks Laboratories Limited

Usha Singh

Brooks Laboratories Ltd. Baddi

Usha Singh
Chairperson of the Meeting
DIN: 10706734
Place: Baddi
Date: 14.10.2026

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