NEWNISION Friday, November 8, 2024

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QUALITY CHEMICAL INDUSTRIES LIMITED **UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024**

CONDENSED STATEMENT OF CHANGES IN EQUITY

The Directors of Quality Chemical Industries Limited ("Qcil" or "the Company") present the summary unaudited interim financial statements for the six months ended 30 September 2024.

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	6 months ended	6 months ended
	30 Sep 2024 (unaudited)	30 Sep 2023 (unaudited)
	UShs 000	UShs 000
Revenue	152,240,313	121,192,767
Cost of sales	(93,512,877)	(94,920,363)
Gross profit	58,727,436	26,272,404
Other income	62,936	32,944
General and administrative expenses	(26,940,914)	(20,153,766)
Reversal of impairment/(impairment allowance)	78,719	(334,151)
Operating profit	31,928,177	5,817,431
Finance income	2,059,251	2,534,320
Finance costs	(2,103,673)	(1,183,698)
Profit before tax	31,883,755	7,168,053
Taxation	(9,830,249)	(3,608,379)
Profit for the period	22,053,506	3,559,674
Other comprehensive income	-	-
Total comprehensive income for the period	22,053,506	3,559,674
Basic and diluted earnings per share (UShs)	6.04	0.97

CONDENSED STATEMENT OF FINANCIAL POSITION

ASSETS Non-current cssets 56,675,121 61,317,371 Property, plant, equipment and right-of-use assets 56,675,121 61,317,371 Capital work-in-progress 3,749,645 3,059,294 Intrangible assets 61,129,493 64,827,683 Current assets 80,917,994 86,319,714 Inventories 80,917,994 86,319,714 Trade and other receivables 42,777,877 27,098,634 Income tax recoverable 287,392 23,451,182 Cash in hand and at bank 48,030,477 53,451,182 TOTAL ASSETS 232,855,843 231,984,605 EQUITY AND LIABILITIES 2275,000 2,275,000 Share capital 45,648,865 45,648,865 Capital reserve 2,275,000 2,275,000 Proposed dividend 12,781,682 14,972,828 Retained earnings 134,575,093 125,303,269 UABILITIES 96,701 168,398 Non-current liabilities 661,102 155,083 Lease liabilities 104,129 109,328		At 30 Sep 2024 (Unaudited) UShs 000	At 31 Mar 2024 (Audited) UShs 000
Non-current assets 56.675,121 61.317.371 Capital work-in-progress 3,749,645 3.059,294 Intragible assets 61,129,493 64,827,683 Current assets 80,917,994 86,319,714 Inventories 80,917,994 86,319,714 Inventories 42,777,879 27,096,634 Income tax recoverable - 287,392 Cash in hand and at bank 48,030,477 53,451,182 TOTAL ASSETS 232,855,843 231,984,605 EQUITY AND LIABILITIES 232,855,843 231,984,605 EQUITY AND LIABILITIES 227,5000 2,275,000 2,275,000 Proposed dividend 12,781,682 44,972,828 14,972,828 Retained earnings 134,575,093 125,303,269 195,280,640 186,199,962 LABILITIES 50,670,11 155,083 125,083,269 195,280,640 186,199,962 LABILITIES 50,670,11 155,083,1834 36,817,400 143,346,1162 Non-current liabilities 50,701 165,083 323,481 <td< td=""><td>ASSETS</td><td></td><td></td></td<>	ASSETS		
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Capital work-in-progress 3,749,645 3,059,294 Intangible assets 704,727 451,018 Current assets 61,129,493 64,827,683 Inventories 80,917,994 86,319,714 Trade and other receivables 42,777,879 27,098,634 Income fax recoverable 287,392 287,392 Cash in hand and at bank 48,030,477 53,451,182 TOTAL ASSETS 232,855,643 231,984,605 EQUITY AND LIABILITIES 287,392 167,156,922 Share capital 45,648,865 45,648,865 Capital work-ind 2,275,000 2,275,000 Proposed dividend 12,781,682 14,972,828 Retained earnings 195,280,640 188,199,962 LIABILITIES 661,102 155,083 Deferred tax liability 661,102 155,083 Lease liabilities 96,701 168,398 Current liabilities 104,129 109,328 Lass liabilities 36,713,2271 433,451,162 Detarend and other payables 36,713,271		56,675,121	61,317,371
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Current assets 61,129,493 64,827,683 Inventories 80,917,994 86,319,714 Trade and other receivables 42,777,879 27,098,634 Income tax recoverable 287,392 287,392 Cash in hand and at bank 287,392 232,855,843 231,984,605 TOTAL ASSETS 232,855,843 231,984,605 232,855,843 231,984,605 EQUITY AND LIABILITIES 245,648,865 45,648,865 45,648,865 2,275,000 Proposed dividend 2,275,000 2,275,000 2,275,000 2,275,000 Proposed dividend 125,303,269 125,303,269 125,303,269 125,303,269 LABILITIES Non-current liabilities 26,1102 155,083 126,303,269 Deferred tax liabilities 26,1102 155,083 128,398 Current liabilities 26,71,120 156,083 128,398 Lease liabilities 104,129 109,328 128,331,834 Tade and other payables 36,713,271 43,351,834 36,817,400 43,461,162 TOTAL LIABILITIES		704,727	451,018
Current assets 80,917,994 86,319,714 Inventories 42,777,879 27,098,634 Income tax recoverable - 287,392 Cash in hand and at bank 48,030,477 53,451,182 TOTAL ASSETS 232,855,843 231,984,605 EQUITY AND LIABILITIES 232,855,843 231,984,605 EQUITY 45,648,865 45,648,865 45,648,865 Capital reserve 2,275,000 2,275,000 Proposed dividend 12,781,682 14,972,828 Retained earnings 134,575,093 125,303,269 IABILITIES 96,701 168,398 Deferred tax liabilities 96,701 168,398 Deferred tax liabilities 104,129 109,328 Irade and other payables 36,617,400 43,3461,162 Total LIABILITIES 36,617,400 43,464,364	C C		
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Trade and other receivables 42,777,879 27,098,634 Income tax recoverable 287,392 Cash in hand and at bank 48,030,477 53,451,182 TOTAL ASSETS 232,855,843 231,984,605 EQUITY AND LIABILITIES 232,855,843 231,984,605 EQUITY AND LIABILITIES 232,855,843 231,984,605 EQUITY 45,648,865 45,648,865 45,648,865 Capital reserve 2,275,000 2,275,000 Proposed dividend 134,575,093 125,303,269 Retained earnings 134,575,093 125,303,269 UABILITIES 661,102 155,083 Non-current liabilities 661,102 155,083 Deferred tax liabilities 96,701 168,398 Current liabilities 104,129 109,328 Tade and other payables 36,817,400 43,461,162 TOTAL LIABILITIES 37,575,203 43,784,643	Current assets		· · ·
Income fax recoverable 287,392 Cash in hand and at bank 48,030,477 53,451,182 TOTAL ASSETS 232,855,843 231,984,605 EQUITY AND LIABILITIES EQUITY 232,855,843 231,984,605 Share capital 45,648,865 45,648,865 Capital reserve 2,275,000 2,275,000 Proposed dividend 12,781,682 14,972,828 Retained earnings 134,575,093 125,303,269 UABILITIES 195,280,640 188,199,962 LIABILITIES 661,102 155,083 Deferred tax liabilities 96,701 168,398 Current liabilities 104,129 109,328 Irade and other payables 36,817,400 43,461,162 TOTAL LIABILITIES 37,575,203 43,784,643	Inventories	80,917,994	86,319,714
Cash in hand and at bank 48.030,477 53,451,182 TOTAL ASSETS 171,726,350 167,156,922 EQUITY AND LIABILITIES 232,855,843 231,984,605 EQUITY 45,648,865 45,648,865 232,75,000 Share capital 45,648,865 45,648,865 2,275,000 Capital reserve 2,275,000 2,275,000 2,275,000 Proposed dividend 12,781,682 14,972,828 Retained earnings 134,575,093 125,303,269 IABILITIES 195,280,640 188,199,962 LABILITIES 661,102 155,083 Deferred tax liability 661,102 155,083 Lease liabilities 96,701 168,398 Current liabilities 104,129 109,328 Trade and other payables 36,713,271 43,351,834 36,817,400 43,461,162 37,575,203 43,784,643	Trade and other receivables	42,777,879	27,098,634
TOTAL ASSETS 171,726,350 167,156,922 EQUITY AND LIABILITIES 232,855,843 231,984,605 EQUITY 45,648,865 45,648,865 Share capital 45,648,865 45,648,865 Capital reserve 2,275,000 2,275,000 Proposed dividend 12,781,682 14,972,828 Retained earnings 134,575,093 125,303,269 IP5,280,640 188,199,962 188,199,962 LIABILITIES 661,102 155,083 Deferred tax liabilities 96,701 168,398 Current liabilities 96,701 168,398 Lease liabilities 104,129 109,328 Trade and other payables 36,713,271 43,351,834 36,817,400 43,461,162 37,575,203 43,784,643	Income tax recoverable	-	287,392
TOTAL ASSETS 232,855,843 231,984,605 EQUITY AND LIABILITIES 45,648,865 45,648,865 45,648,865 Capital reserve 2,275,000 2,275,000 2,275,000 Proposed dividend 12,781,682 14,972,828 14,972,828 Retained earnings 134,575,093 125,303,269 195,280,640 188,199,962 LIABILITIES Non-current liabilities 661,102 155,083 168,398 Deferred tax liability 661,102 155,083 168,398 Current liabilities 96,701 168,398 Lease liabilities 104,129 109,328 Trade and other payables 36,817,400 43,461,162 TOTAL LIABILITIES 37,575,203 43,784,643	Cash in hand and at bank	48,030,477	53,451,182
TOTAL ASSETS 232,855,843 231,984,605 EQUITY AND LIABILITIES 45,648,865 45,648,865 45,648,865 Capital reserve 2,275,000 2,275,000 2,275,000 Proposed dividend 12,781,682 14,972,828 14,972,828 Retained earnings 134,575,093 125,303,269 195,280,640 188,199,962 LIABILITIES Non-current liabilities 661,102 155,083 168,398 Deferred tax liability 661,102 155,083 168,398 Current liabilities 96,701 168,398 Lease liabilities 104,129 109,328 Trade and other payables 36,817,400 43,461,162 TOTAL LIABILITIES 37,575,203 43,784,643			
EQUITY AND LIABILITIES EQUITY Share capital Capital reserve Proposed dividend Retained earnings 134,575,093 125,303,269 195,280,640 188,199,962 LIABILITIES Non-current liabilities Deferred tax liability Lease liabilities Current liabilities Lease liabilities 104,129 109,328 Trade and other payables 36,817,400 43,461,162 37,575,203 43,784,643		171,726,350	167,156,922
EQUITY 45,648,865 45,648,865 Capital reserve 2,275,000 2,275,000 Proposed dividend 12,781,682 14,972,828 Retained earnings 134,575,093 125,303,269 195,280,640 188,199,962 188,199,962 LIABILITIES 661,102 155,083 Deferred tax liabilities 96,701 168,398 Current liabilities 96,701 168,398 Lease liabilities 104,129 109,328 Trade and other payables 36,713,2271 43,351,834 36,817,400 43,461,162 104,162 TOTAL LIABILITIES 37,575,203 43,784,643	TOTAL ASSETS	232,855,843	231,984,605
Proposed dividend 12,781,682 14,972,828 Retained earnings 134,575,093 125,303,269 IJABILITIES 195,280,640 188,199,962 LIABILITIES 661,102 155,083 Deferred tax liability 661,102 155,083 Lease liabilities 96,701 168,398 Current liabilities 96,701 109,328 Lease liabilities 104,129 109,328 Trade and other payables 36,817,400 43,351,834 TOTAL LIABILITIES 37,575,203 43,784,643	EQUITY Share capital		
Retained earnings 134,575,093 125,303,269 LIABILITIES 195,280,640 188,199,962 Deferred tax liabilities 661,102 155,083 Deferred tax liability 661,102 155,083 Lease liabilities 96,701 168,398 Current liabilities 104,129 109,328 Trade and other payables 36,817,400 43,351,834 TOTAL LIABILITIES 37,575,203 43,784,643			
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LIABILITIES 661,102 155,083 Deferred tax liability 661,102 155,083 Lease liabilities 96,701 168,398 Current liabilities 96,701 108,398 Lease liabilities 104,129 109,328 Trade and other payables 36,713,271 43,351,834 36,817,400 43,461,162 TOTAL LIABILITIES 37,575,203 43,784,643			
Current liabilities 104,129 109,328 Lease liabilities 104,129 109,328 Trade and other payables 36,713,271 43,351,834 36,817,400 43,461,162 TOTAL LIABILITIES 37,575,203 43,784,643	Non-current liabilities Deferred tax liability	661,102	155,083
Current liabilities 104,129 109,328 Lease liabilities 104,129 109,328 Trade and other payables 36,713,271 43,351,834 36,817,400 43,461,162 TOTAL LIABILITIES 37,575,203 43,784,643			
Lease liabilities 104,129 109,328 Trade and other payables 36,713,271 43,351,834 36,817,400 43,461,162 TOTAL LIABILITIES 37,575,203 43,784,643		757,803	323,481
Trade and other payables 36,713,271 43,351,834 36,817,400 43,461,162 TOTAL LIABILITIES 37,575,203 43,784,643	Current liabilities		
36,817,400 43,461,162 TOTAL LIABILITIES 37,575,203 43,784,643	Lease liabilities	104,129	109,328
TOTAL LIABILITIES 37,575,203 43,784,643	Trade and other payables	36,713,271	43,351,834
		36,817,400	43,461,162
TOTAL EQUITY AND LIABILITIES 232.855.843 231.984.605	TOTAL LIABILITIES	37,575,203	43,784,643
	TOTAL EQUITY AND LIABILITIES	232,855,843	231,984,605

	Share capital UShs 000	Capital reserve UShs 000	Proposed dividend UShs 000	Retained earnings UShs 000	Total equity UShs 000
Balance as at 1 April 2023 (Audited)	45,648,865	2,275,000	14,972,828	114,358,827	177,255,520
Profit for the period	-	-	-	3,559,674	3,559,674
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	45,648,865	2,275,000	14,972,828	117,918,501	180,815,194
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Dividend paid	-	-	(14,972,828)	-	(14,972,828)
Transaction with owners of the Company	-	-	(14,972,828)	-	(14,972,828)
Balance as at 30 September 2023 (Unaudited)	45,648,865	2,275,000	-	117,918,501	165,842,366
Balance as at 1 April 2024 (Audited)	45,648,865	2,275,000	14,972,828	125,303,269	188,199,962
Profit for the period	-	-	-	22,053,506	22,053,506
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	45,648,865	2,275,000	14,972,828	147,356,775	210,253,468
Proposed dividend	-	-	12,781,682	(12,781,682)	-
Dividend paid	-	-	(14,972,828)	-	(14,972,828)
Transaction with owners of the Company	-	-	(14,972,828)	(12,781,682)	(14,972,828)
Balance as at 30 September 2024 (Unaudited)	45,648,865	2,275,000	12,781,682	134,575,093	195,280,640

CONDENSED STATEMENT OF CASH FLOWS

Operating activities UShs 000 I Profit before tax 31.883,755 2 Adjustment for: . . - Reversal of impairment/(impairment allowance) .(78,719) . - Depreciation 4.877,672 25 - Amortisation .206,041 . - Interest expense .115,040 . - Interest income .(78,498) . - Interest income .17,48,498) . - Trade and other receivables		6 months ended 30 Sep 2024 (Unaudited)	6 months e S (Un
Profit before tax 31,883,755 7 Adjustment for:		UShs 000	
Adjustment for: (78,719) - Reversal of impatiment/(impairment allowance) (78,719) - Depreciation 4.877,672 5 - Amortisation 206,041 (2211,714) - (Reversal of provision)/provision for obsolete stock (2211,714) (2211,714) - Interest expense (115,040) (78,719) - Interest income (1,748,498) (0) - Inventories 7,613,434 05 - Trade and other recelvables (15,600,526) 30 - Trade and other recelvables (103,33,765) 15 Cash generated from operating activities (101,859) (0) Interest poid on bank overdraft (101,859) (0) Interest received 1,748,498 (0) Payment of interest on lease liabilities (1,150,101) (2,25,422) Cash flows from investing activities 322,975 (2,22) Interest received 1,748,498 (1,150,101) (2,2,22) </th <th>Operating activities</th> <th></th> <th></th>	Operating activities		
Adjustment for: (78,719) - Reversal of impatiment/(impairment allowance) (78,719) - Depreciation 4.877,672 5 - Amortisation 206,041 (2211,714) - (Reversal of provision)/provision for obsolete stock (2211,714) (2211,714) - Interest expense (115,040) (78,719) - Interest income (1,748,498) (0) - Inventories 7,613,434 05 - Trade and other recelvables (15,600,526) 30 - Trade and other recelvables (103,33,765) 15 Cash generated from operating activities (101,859) (0) Interest poid on bank overdraft (101,859) (0) Interest received 1,748,498 (0) Payment of interest on lease liabilities (1,150,101) (2,25,422) Cash flows from investing activities 322,975 (2,22) Interest received 1,748,498 (1,150,101) (2,2,22) </td <td></td> <td></td> <td></td>			
- Reversal of impairment/(impairment allowance) (78,719) - Depreciation 4.877,672 5 - Amortisation 206,041 6 - Reversal of provision//provision for obsolete stock (221,17,14) 6 - Interest expense 115,040 6 - Interest income (1,748,498) 0 - Inventories 7,613,434 5 - Inventories 7,613,434 5 - Inventories 7,613,434 5 - Inventories 7,613,434 5 - Trade and other payables (10,837,65) 15 Cash generated from operating activities 14,672,720 66 Interest paid on bank overdraft (101,859) 0 0 Interest paid on bank overdraft (101,859) 0 0 Interest paid on term loan - 0 0 0 Very and di Interest on lease liabilities (13,181) 0 0 0 Cash from investing activities 1,748,498 0 0 0 0 Net cash generated from operating activities 362,975 0 0 0 0	Profit before tax	31,883,755	7
- Reversal of impairment/(impairment allowance) (78,719) - Depreciation 4.877,672 5 - Amortisation 206,041 6 - Reversal of provision//provision for obsolete stock (221,17,14) 6 - Interest expense 115,040 6 - Interest income (1,748,498) 0 - Inventories 7,613,434 5 - Inventories 7,613,434 5 - Inventories 7,613,434 5 - Inventories 7,613,434 5 - Trade and other payables (10,837,65) 15 Cash generated from operating activities 14,672,720 66 Interest paid on bank overdraft (101,859) 0 0 Interest paid on bank overdraft (101,859) 0 0 Interest paid on term loan - 0 0 0 Very and di Interest on lease liabilities (13,181) 0 0 0 Cash from investing activities 1,748,498 0 0 0 0 Net cash generated from operating activities 362,975 0 0 0 0			
- Depreciation 4.877.672 5 - Amortisation 206.041 206.041 - (Reversal of provision)/provision for obsolete stock (2.211.714) 115.040 - Interest expense 115.040 115.040 - Interest income (1.748.498) 0 - Interest income (1.748.498) 0 - Inventories 7.613.434 5 - Inventories 7.613.434 5 - Trade and other receivables (10.383.765) 16 Cash generated from operating activities 14.672.720 66 Interest poid on bank overdraft (101.859) 0 Interest poid on bank overdraft (101.859) 0 Interest poid on bank overdraft (101.859) 0 Interest received (13.181) 0 Payment of interest on lease liabilities (13.181) 0 Tax poid (2.35.422) 0 Additions to capital work-in-progress (1.150.101) (2.25.422) Interest received 1.748.498 0 Purchase of property, plant and equipment			
- Amortisation 206,041 - (Reversal of provision)/provision for obsolete stock (2,211,714) - Interest expense 115,040 - Interest income (1,748,498) (0) Changes in: 33,043,577 12 - Inventories 7,613,434 60 - Trade and other receivables (15,600,526) 33 - Trade and other payables (10,883,765) 16 Cash generated from operating activities 14,672,720 66 Interest paid on bank overdraft (101,859) (0) Interest paid on bank overdraft (101,859) (0) Interest paid on term lease liabilities (13,181) (13,181) Tax paid (5,291,636) (0) Net cash generated from operating activities 9,266,044 66 Cash flows from investing activities (1,150,101) (2) Interest received 1,748,498 (2) (2) Purchase of property, plant and equipment (235,422) (2) (2) Additions to capital work-in-progress (1,150,101) (2) (2) Dividends paid (14,972,828) (9) <t< td=""><td></td><td></td><td></td></t<>			
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	Cash in hand and at bank at 30 Sep	48,030,477	60

Total equity UShs 000

ended 30 Sep 2023 naudited) UShs 000

7,168,053

334,151 5,091,015 241.625 311.525 247,375

(854,054) 2,539,690

9,077,999 30,268,628 15,058,973 56,945,290

(101.259)(134,767) (11.349) (285,036) 56,412,879

854.054 (213,296) 2,986,941) 2,346,183)

(9.129.773) 5,400,750) (67,734) 4,598,257) 19.468.439 10,812,571 60.281.010

QUALITY CHEMICAL INDUSTRIES LIMITED **UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024**

Basis of preparation

The unaudited interim financial statements of the Company for the six months ended 30 September 2024 ("financial statements") were prepared in accordance with IAS 34 Interim Financial Reporting. The financial statements do not include all the disclosures required by IAS 1 Presentation of Financial Statements and should be read in conjunction with the Company's audited annual financial statements for the year ended 31 March 2024.

Revenue

Revenue for H1 FY25 increased by 25.6% compared to H1 FY24, driven by record arowth across the Company's key customer segments. Orders from sovereign customers rose by UShs31.6 billion, marking a 35.7% increase, while institutional orders grew by UShs8.3 billion, representing a 35.2% increase.

These gains were slightly offset by a decline in the private market segment, attributed to the discontinuation of Cipla Limited's import business.

Profit for the period

Gross profit margins increased significantly from 21.7% in H1 FY24 to 38.6% in H1 FY25, driven by ongoing improvements in manufacturing efficiencies and effective raw material cost containment. The margin expansion was further boosted by a shift in product mix. ARVs, as a portion of total sales, grew from 43.9% in H1 FY24 to 75.9% in H1 FY25, while the share of ACTs reduced from 53.1% to 24.1% over the same period.

General and administrative expenses increased from UShs20.2 billion in H1 FY24 to UShs26.9 billion in H1 FY25, primarily linked to higher sales volumes and inflationary headwinds.

The Directors approved a long-term incentive scheme, commencing with effect from FY24, for selected staff to align with the Company's growth objectives. As a result, a once-off provision of UShs2.0 billion was recorded in the financial statements to initially recognise the obligation. This provision will be reassessed based on Company performance and other metrics and adjusted accordingly at each reporting date.

Finance income was generated from short-term investments and foreign currency exchange rate gains. Income from short-term investments doubled from UShs0.9 billion in H1 FY24 to UShs1.8 billion, driven primarily by an improved cash position resulting from strong operational performance.

Cash flow

In H1 FY25, the Company generated UShs9.2 billion from operating activities, compared to UShs66.4 billion in H1 FY24, primarily due to the timing of once-off payments in H1 FY24, including advance payments from an export customer for a large emergency order.

Net cash used in financing activities was UShs15.0 billion in H1 FY25, only slightly higher than UShs14.6 billion in H1 FY24, mainly due to the payment of the FY24 final dividend during H1 FY25. The

balance of the term loan was settled in H1 FY24, leaving the Company with no long-term debt.

Dividends

Qcil is committed to maintaining an efficient balance sheet. Based on H1 FY25 performance, the Directors have approved an interim dividend of UShs3.5 per share. The interim dividend will be paid on or before 12 December 2024 to shareholders whose names appear on the Company's share register at close of business on 29 November 2024.

The dividend payout has been determined with reference to the Company's dividend policy, including consideration of Qcil's net profit, cash reserves and projected full year performance and cash requirements. Shareholders should note that this interim dividend does not set a precedent for future distributions. For example, the Company is in a growth phase and may reinvest in its operations and capacity to drive long-term value creation.

Outlook

The Board and management are committed to maintaining the momentum achieved in H1 FY25. In H2 FY25, management will continue to focus on securing new orders, controlling costs and driving further efficiency gains.

The Company is already the region's largest producer of WHO-prequalified HIV/AIDS and Malaria treatments and is delighted to have obtained Board approval to construct a second facility at its existing site.

The new facility will increase production capacity for the existing portfolio, enable entry into new treatment areas such as Tuberculosis, and facilitate the production of injectables and other innovative products. This expansion will address the growing demand for Qcil's treatments and is expected to be debt financed.

Abbreviations

ACTs	Artemisinin-based Combination Therapies	
ARVs	ARVs Antiretroviral treatments	
FY24	Financial year ended 31 March 2024	
FY25	Financial year ending 31 March 2025	
H1	Period from 1 April to 30 September	
H2	Period from 1 October to 31 March	

A copy of the unaudited interim financial statements can be obtained from the Company's registrars; M/s Uganda Securities Exchange Nominees Ltd, located at 4th Floor, Block A, UAP Nakawa Business Park, Plot 3-4 New Port Bell Road, and on the Company's website: www.qcil.com

The unaudited interim financial statements were approved by the Board of Directors on 6 November 2024.



Emmanuel Katongole Chairman and Co-Founder

Ajay Kumar Pal **Chief Executive Officer**

