Management Presentation
Annual General Meeting FY23/24

Date: 05-July-2024

Life after well

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Operating Performance

FY 23/24 Performance

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Revenue

265.4 bn Shs

20%

FY22/23: Shs 221.5 bn

Gross Profit

102.9 bn Shs

54%

FY22/23: Shs 67.0 bn

EBITDA

53.7 bn Shs

39%

FY22/23: Shs 38.7 bn

Profit after Tax

31.8 bn Shs

67%

FY22/23: Shs 19.0 bn

Delivering growth, Creating value

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SUSTAINABLE GROWTH:

- Market access: Replicate our Uganda business model in other countries
- Customer base penetration: Grow the current customer base through differentiated products of consistent quality
- Build private market segment in the region

COST LEADERSHIP:

- Continue to focus on optimising operational cost and material margin

PORTFOLIO DEVELOPMENT:

- Using selective R&D, build a portfolio of products which will drive growth
- Licensing
- Add technology partnerships

BALANCED INVESTMENT:

- Direct future investments towards new products and capacity to create access to treatment for other diseases

Sustainability

IN ENVIRONMENTAL SUSTAINABILITY, WE FOCUS ON FOUR AREAS:

01

Carbon emission:

In respect of Scope 1 emissions, we are aspiring to achieve carbon neutrality by 2030

02

Water consumption:

We are aiming to reduce the consumption of blue water and aspiring to achieve water neutrality by 2028

03

Land pollution:

We are focused on reducing waste generated by our operations which goes to landfill and aspiring to achieve zero waste-to-landfill by 2025

04

Wastewater treatment:

We are applying safe discharge targets established by the antimicrobial resistance industry (AMR)

Social

- **Zero fatalities**
- **34%** Female representation at the senior management level
- **25% Of staff are female,** influenced by the nature of our business activities
- **578 people** seen by medical experts at the World Malaria Day medical camp
- **Over 150** mosquito nets handed out in the community

Disability Inclusion Award

from the Federation of Ugandan Employers

Environment

- **70% Reduction** in waste to landfill, above our target of 25%
- **11%** Reduction in blue water utilised
- **1,305.2 KL** Increase in other sources of water (rainwater, borehole and reverse osmosis)
- **100% Compliance** with health and safety requirements; no legal notices or citations

Journey of Progress and Growth

2005
Our journey began with a JV with Cipla

2007
Construction of the facility

2010
Launch of first locally manufactured product

2018
Listing is local Stock Exchange USE (Ugandha Security Exchange)

2018
Capacity addition

2019
New Warehouse

2020
Laboratory upgrade

2024
CiplaQCI renamed Qcil

CiplaQCi

Quality Chemical Industries Limited

Qcil

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1. Technology License Agreement
   - Access to products
   - Waiver of $1.6 million licensing fees
2. Transitional Service Agreement
3. Manufacturing and Supply Agreement

Focused on Building a Strong Pipeline

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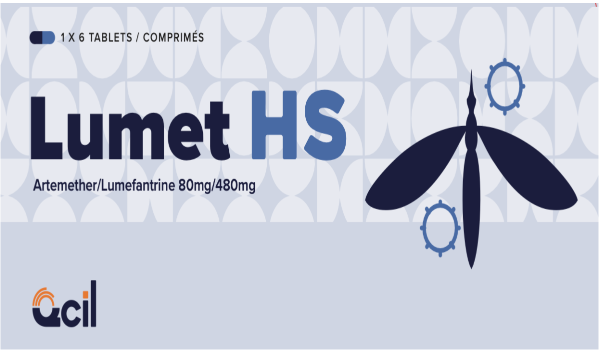
Products



Pipeline

- ❑ 7 products under registration; In categories of anti-infectives, respiratory tract infections, and metabolic health. To be launched in Q3 of FY24/25
- ❑ 2 new products are in the pipeline for local manufacturing. Expected launch in Q4 of FY24/25

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Impact of your Company

Financial Performance

Financial Summary

Revenue (bn Shs)	265	20% YoY
EBITDA (bn Shs)	54	39% YoY
PBT (bn Shs)	48	51% YoY
EPS (Shs)	8.7	67% YoY
Dividend Proposed (bn Shs)	20.8	127% YoY

Resilient performance driven by growth in the export segment and margin improvement

Summary of Performance

(UGX billion)

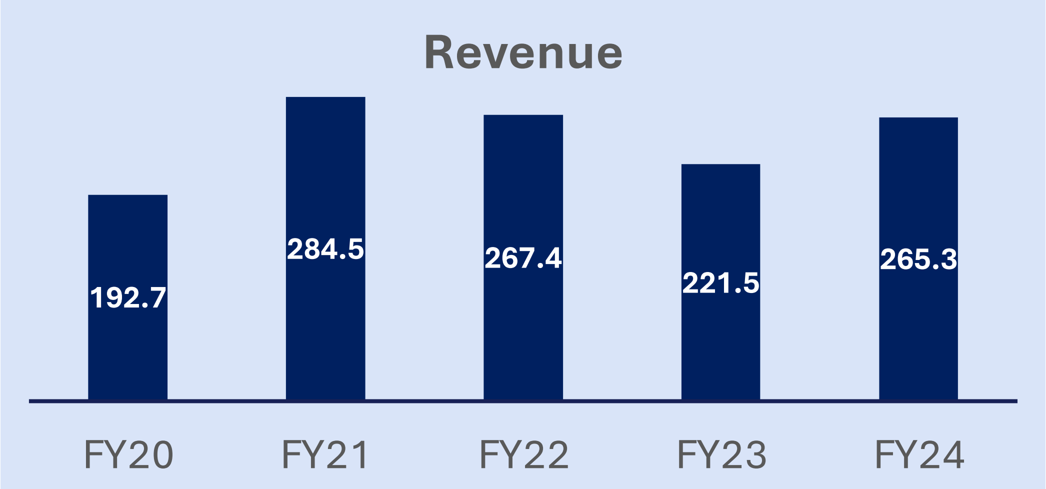
Income Statement	FY2024	FY2023	Change %
Revenue	265.3	221.5	20%
Cost of Sales	162.4	154.5	5%
Gross Profit	102.9	67.0	54%
General and Administrative Expenses	59.8	69.7	-14%
EBITDA	53.7	38.8	39%
Profit after Tax	31.8	19.0	67%
Earnings per Share (UGX)	8.7	5.2	67%
Gross Dividend	20.8	9.1	128%
Dividend per Share (UGX)	5.7	2.5	128%
Financial Position at	**31 March 2024**	**31 March 2024**	**Change %**
Total Assets	232.0	213.5	9%
Shareholders' Equity	188.2	171.4	10%
Term Loan	0.0	5.4	-100%
Net Cash Generated from Operating Activities	67.1	41.8	60%

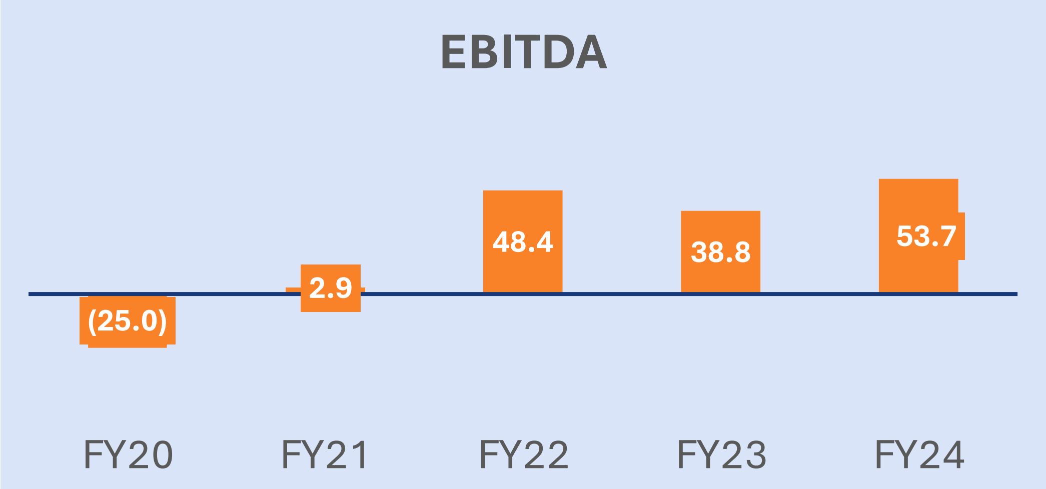
- Revenue increased by 20%, mainly attributed to increased orders in the export segment.
- Orders from GoU increased by 5%.
- The gross profit margin increased from 30% in FY22/23 to 39% in FY23/24, driven mainly by:
  - enhanced manufacturing efficiencies; and
  - reductions in raw material costs.

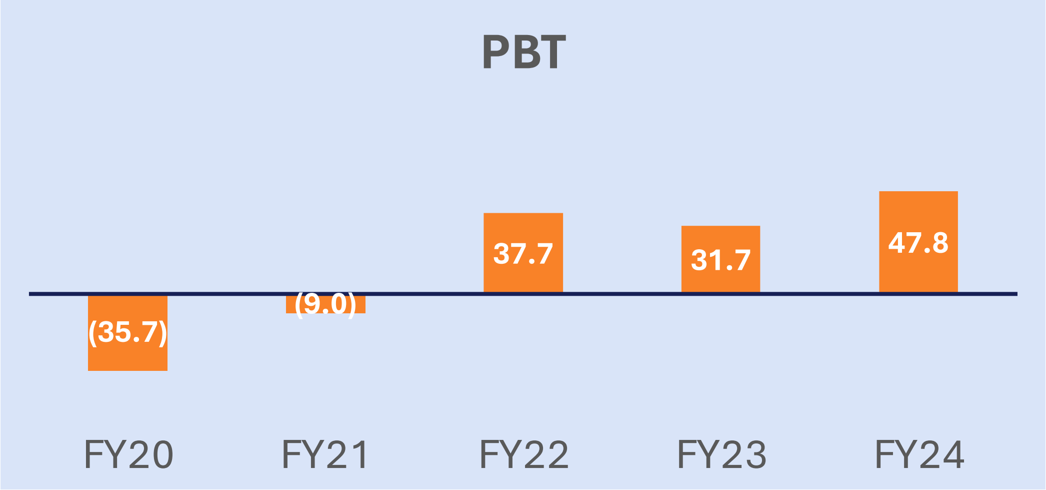
  This was partially offset by changes in product mix.
- The increase in general and administrative expenses is due to increased operations and inflationary headwinds.
- EBITDA increased by 39%, due to higher revenues, a higher gross margin, cost management and economies of scale.
- PAT of UGX31.8 billion is the highest in Qcil's history.
- Term loan – settled.
- Proposed dividend payout growth of 185%, including first interim dividend paid in Qcil's history.
- Cash flows from operations increased by 61%, primarily due to strong operating performance and improved cash collections.

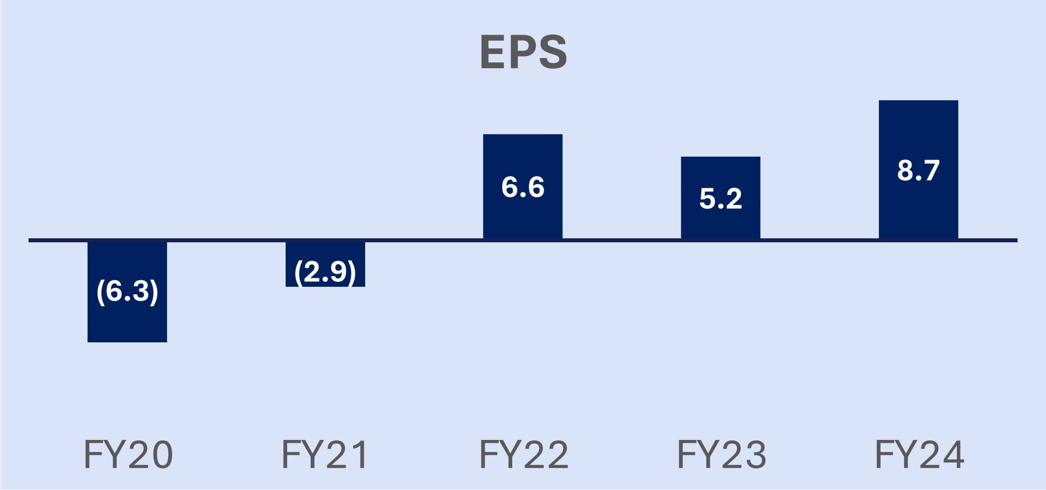
Historical Financial Performance

(bn Shs)



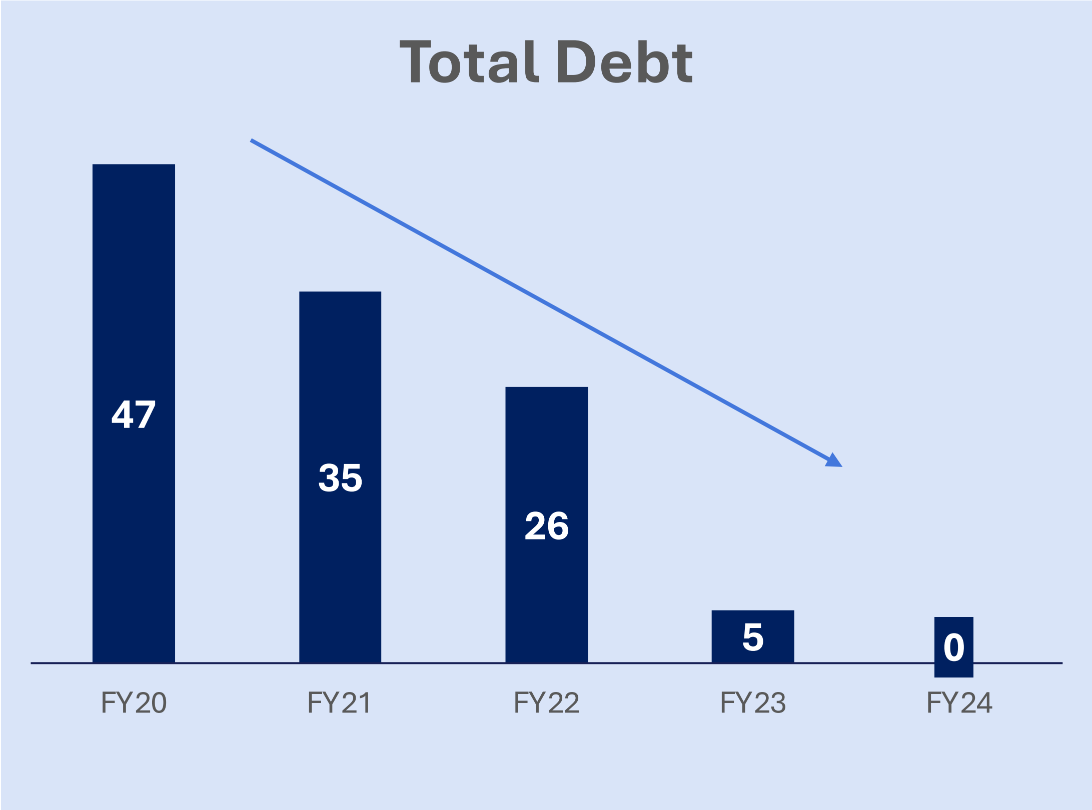


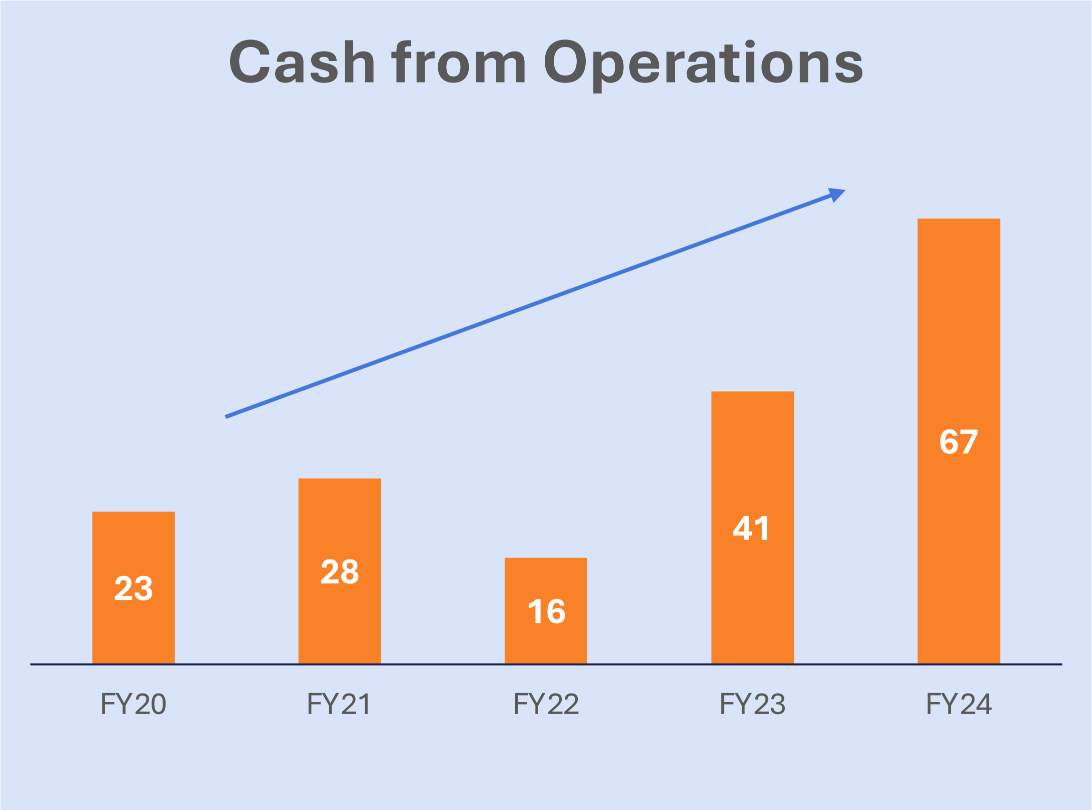




Cashflow

(bn Shs)





Financial Ratios

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	FY 24	FY 23
Return on Invested Capital	18%	11%
Current Ratio	3.8	3.5
Working Capital (bn Shs)	124	101
Earnings Per Share (Shs)	8.7	5.2
Dividend Per Share (Shs)	5.7	2.5

Robust cash flows, driven by strong operating performance, enabling enhanced shareholder distributions


KEEPING AFRICA'S
CARBON FOOTPRINT LOW
WITH LOW ENVIRONMENTAL
IMPACT RECYCLED PAINT.
THAT'S AFRICA ALIVE.
THAT'S LIFE AFTER WELL.
Life after well
Thank You