



ACCESS TO QUALITY AFFORDABLE MEDICINES

CIPLA QUALITY CHEMICAL INDUSTRIES LIMITED

PUBLIC NOTICE

Pursuant to Rule 36 (2) (j) and Appendix VI of the Uganda Securities Exchange (USE) Listing Rules, 2021

Cipla Quality Chemical Industries Ltd (“**QCIL**” or “the **Company**”) hereby notifies its shareholders and the general public of the conclusion of the share purchase by Africa Capitalworks SSA 3 (“**ACW**”) from Meditab Holdings Ltd (“**Meditab**”) and Cipla EU Ltd (“**Cipla EU**”), both wholly owned by Cipla Limited (“**Cipla**”), together with its affiliates, the “**Cipla Group**”) (the “**Transaction**”).

The top 10 shareholders effective 14th November 2023 are as follows:

No.	SHAREHOLDER'S NAME	AMOUNT	%
1	Africa Capitalworks SSA 3	1,869,170,684	51.18
2	Amistad Limited	420,402,713	11.51
3	SCB Mauritius a/c Capitalworks SSA 1	407,152,191	11.15
4	Government Employees Pension Fund	312,000,000	8.54
5	National Social Security Fund	269,361,386	7.38
6	Emmanuel Katongole	101,933,042	2.79
7	Frederick Mutebi Kitaka	101,933,042	2.79
8	George Willy Baguma	101,933,042	2.79
9	Joseph Yiga	4,000,000	0.11
10	UAP Insurance - General Life Fund	2,731,000	0.07

As disclosed in the Notice of Intention by ACW dated 14th March 2023, Emmanuel Katongole, Frederick Kitaka Mutebi and George Baguma have each acquired an additional 1.50% interest in QCIL, which they beneficially own through ACW.

On 12 May 2023, QCIL and members of the Cipla Group entered into three agreements, which became effective upon completion of the Transaction:

a) Technology License Agreement (“**TLA**”) which preserves QCIL’s access to the technology required to secure its existing business and contracts. This includes the technology relating to Lumartem,

TLD and TLE400 which contribute a significant portion of QCIL’s sales. In terms of the Transaction and the TLA, royalties on these products, which amounted to over USD1.6 million in the year ended 31 March 2023, will no longer be paid by QCIL to Cipla, as they have been incorporated into the terms of the purchase by ACW;

b) Transitional Services Agreement (“**TSA**”) which, inter alia, maintains QCIL’s access to certain technology and databases for the period required by QCIL to manage its business and establish registrations in its own name, as appropriate; and

c) Manufacture and Supply Agreement (“**MSA**”), whereby QCIL will continue to supply members of the Cipla Group with an agreed volume of products for three years from the closing of the Transaction.

This Transaction marks a significant milestone as we embark on a new phase of collaboration with our new controlling shareholder directed at increasing our growth and thereby strengthen the healthcare sector in the region.

Our belief in the potential of Africa’s pharmaceutical industry is unwavering and we welcome the opportunity to play a larger role in advancing healthcare accessibility and quality across the continent. With QCIL’s WHO prequalification, which has recently been confirmed for another three years, and cGMP-compliant standing, an independent QCIL will be even better positioned to secure business from customers who recognise

and value local manufacturing and the benefits associated with it, such as shorter and more reliable delivery.

By combining ACW’s expertise in investment and market dynamics and its complementary relationships with QCIL’s established quality manufacturing presence and reputation in the pharmaceutical landscape, QCIL expects to have additional opportunities for growth as a result of the change in control, which, if realised, will benefit all shareholders.

The Company name will be changed back to Quality Chemical Industries Ltd as soon as practically possible, and shareholders will be notified accordingly. There has been no change in Management upon conclusion of the Transaction.

We would like to express our gratitude to all our stakeholders who have supported us on this journey. Your trust and confidence inspires us to pursue opportunities that not only yield financial returns but also contribute to the growth and development of Africa’s economies. As we move forward with this partnership, we remain committed to our vision, mission and values.

For any inquiries or further information, please feel free to contact our team at:

Investor Relations - +256 312341100 - shareholder@ciplaqci.co.ug

For and on Behalf of the Board


Doreen Awanga
COMPANY SECRETARY