



EXPLANATORY NOTES TO THE RESOLUTIONS PROPOSED FOR THE ANNUAL GENERAL MEETING OF QUALITY CHEMICAL INDUSTRIES LIMITED SCHEDULED FOR TUESDAY, 30 JUNE 2026.

ORDINARY BUSINESS

RESOLUTION 1: To receive, consider, and if deemed fit, pass an ordinary resolution to adopt the Company's Audited Financial Statements for the year ended 31 March 2026, including the reports of the Directors and External Auditor.

In line with Article 75 of the Company's Articles of Association, shareholders are required to consider and, if appropriate, approve the Company's Audited Financial Statements as recommended by the Board and audited by the Company's External Auditor. The Audited Financial Statements are available on the Company's website at www.qcil.com and were circulated to shareholders whose email addresses are on file with the Company. The Audited Financial Statements are also available on the Uganda Securities Exchange website at www.use.or.ug.

RESOLUTION 2: To consider and if deemed fit, pass an ordinary resolution to approve the Directors' recommendation to declare a final dividend of UGX 6.4 per ordinary share, less applicable withholding tax, for the year ended 31 March 2026. If approved, shareholders registered by the close of business on **21 July 2026** will be eligible to receive the dividend, which shall be paid on or about **28 July 2026**.

In accordance with the Company's Dividend Policy, dividends will be considered for payment in any financial year where the Company records a net profit exceeding UGX 4 billion. The Board of Directors may recommend a final dividend based on this performance, which is subject to approval by shareholders at the Annual General Meeting (AGM). For avoidance of doubt, this final dividend is exclusive of the first interim dividend of UGX 4.2 per share, paid on 5 December 2025, and the second interim dividend of UGX 6.0 per share, paid on 5 March 2026.

RESOLUTION 3: To consider and if deemed fit, pass an ordinary resolution to re-elect Beth Mandel and Dr. Peter Mugenyi in accordance with Article 115 of the Articles of Association.

In line with Article 115 of the Company’s Articles of Association, one-third of the Board of Directors (excluding Executive Directors) retire annually and are subject to rotation. The retiring members are eligible for re-election at the AGM.

3a) Re-Election of Beth Mandel

Beth Mandel is the Co-founder and Managing Partner of Africa Capitalworks and Capitalworks Investment Management, a role she has held since 2007. She also previously held positions as a Managing Director and Country Head SSA of Morgan Stanley and Founding Director of RMB Morgan Stanley.

Beth holds a Master of Science in Development Economics from New College, Oxford University (Marshall Scholar) and a BSc with high honours in Business Administration (Production Management).

She has extensive global experience in corporate finance, mergers and acquisitions, strategy and investment management.

She currently serves as a member of the Nominations Committee and the Remuneration Committee. Beth retired from the Audit and Risk Committee in February 2026.

Her attendance at meetings in the past two financial years was as follows:

RC	ARC	Board	NC	RC	ARC	Board	RC	ARC	Board	RC	ARC	Board
21 May	21 May	22 May	2 June	22 Aug	22 Aug	23 Aug	20 Nov	20 Nov	21 Nov	5 Feb	4 Feb	6 Feb
√	√	√	√	√	√	√	√	√	√	√	√	√
19 May	19 May	20 May	-	19 Aug	19 Aug	20 Aug	18 Nov	18 Nov	19 Nov	3 Feb	3 Feb	4 Feb
√	n/a	√	-	√	√	√	√	√	√	√	√	√

***✓-Present X - Absent with Apology - Denotes no meeting held n/a –
Not a member at the relevant date***

Beth Mandel retires by rotation in accordance with Article 115 of the Articles of Association and, being eligible, offers herself for re-election.

3b) Re-Election of Dr. Peter Mugenyi

Dr. Peter Mugenyi is a holder of a Doctor of Science (ScD(h)) and a Bachelor of Medicine and Surgery (MB ChB). He is also a Fellow of the Royal College of Physicians of Ireland (FRCPI) and a Fellow of the Royal College of Physicians (Edinburgh) (FRCP Edin).

Peter is a paediatrician, researcher and specialist on HIV/AIDS and related conditions. His research and publications cover a wide spectrum of subjects within this field, including paediatric and adult trials, HIV resistance, HIV prevention, immunological studies including HIV vaccine trails, pharmacokinetic, molecular and epidemiological studies, as well as the social and economic impact of HIV.

He was among the pioneers who introduced the widespread use of affordable antiretrovirals (ARVs) in Africa, as well as the development of an effective model for scaling up ARVs in resource-limited countries. He has also been a Principal Investigator on multiple landmark research projects funded by National Institutes of Health (NIH), the European Union, World Health Organization (WHO) and the Medical Research Council (MRC).

He has served as a Board member on several institutions and organisations in Africa, UK, India and the USA. Until his retirement, he was the Executive Director of the Joint Clinical Research Centre.

He is currently serving as the Chair of the Remuneration Committee.

His attendance at meetings in the past two financial years was as follows:

RC	Board	RC	Board	RC	Board	RC	Board
FY25							
21 May	22 May	22 Aug	23 Aug	20 Nov	21 Nov	5 Feb	6 Feb
√	√	√	X	√	√	√	√
FY26							
19 May	20 May	19 Aug	20 Aug	18 Nov	19 Nov	3 Feb	4 Feb
√	√	√	√	√	√	√	√

√-Present X - Absent with Apology

Dr. Peter Mugenyi retires by rotation in accordance with Article 115 of the Articles of Association and, being eligible, offers himself for re-election.

RESOLUTION 4: To consider and if deemed fit, pass an ordinary resolution to approve fees payable to Non-Executive Directors for FY27.

The Board is not recommending any increase in fees but seeks shareholders' approval to maintain the current fees, exclusive of applicable taxes, payable to its Non-Executive Directors, for FY27 as follows:

Quarterly Fee	US\$ 3,000
Meeting Sitting Allowance (per meeting attended)	
For Chairperson:	US\$ 1,000
For Committee Member:	US\$ 750

NOTE:

The process for the appointment of the External Auditor is currently ongoing. A formal resolution in respect of the appointment will be tabled before shareholders upon conclusion of the selection process by the Board. A supplementary notice of the Annual General Meeting, containing this agenda item, will be duly published and circulated to shareholders.

End.