Qcil Frequently Asked Questions (FAQs)

Updated following the 2026 Annual General Meeting

Financial figures are as at the year ended 31 March 2026 (FY26) unless otherwise indicated.

1. Strategy and Growth

What are Qcil's manufacturing facilities and expansion plans?

Qcil now operates two active manufacturing facilities and is constructing a third:

- Factory 1, our facility at Luzira Industrial Park, established in 2005, produces our core portfolio of antiretrovirals, antimalarials, and other essential medicines. In FY26 it operated at over 82% capacity utilisation, producing approximately 1.2 billion tablets.
- Factory 3, a dedicated new facility for the production of hydroxyurea, was completed and qualified during FY26, ahead of the larger Factory 2 expansion, with an annual capacity of 200 million capsules. It will manufacture Sikurea, our treatment for sickle cell disease, set for commercial launch in Q2 of FY27. Hydroxyurea is also used in oncology for certain cancers, including chronic myeloid leukaemia and head and neck cancers, marking Qcil's first step into oncology-related therapeutics.
- Factory 2 is under construction and expected to be completed by mid-2028. It will expand our oral solid dosage capacity for our core portfolio, including HIV/AIDS, malaria, reproductive health, diabetes, and hypertension, add a dedicated tuberculosis line, and create capacity for injectable products and other innovations. The expansion is financed through a USD 36 million term loan.

In parallel, we are building a new research and development facility to strengthen our in-house formulation capability. Together, these investments significantly increase capacity, diversify our portfolio into new therapeutic areas, and future-proof our manufacturing platform.

What opportunities is Qcil pursuing in terms of market expansion?

Qcil is broadening its customer base across three fronts – governments, development partners (including donors), and the private (retail) market – with the ambition of being the local manufacturer of choice. FY26 was our first full year of private market operations in Uganda, during which we introduced 15 additional products, bringing our total portfolio to 25 and grew our dedicated sales and marketing team.

Over the medium term we plan to extend this private market platform into neighbouring countries, while continuing to broaden our portfolio into antibiotics, anti-allergic, cardiovascular, diabetes, gastrointestinal, reproductive-health, and over-the-counter products. These efforts reduce reliance on any single channel, strengthen regional supply chains, and widen access to quality, affordable medicines.

How does an emerging HIV vaccine, or long-acting prevention such as lenacapavir, affect Qcil's HIV medicines?

Advances in HIV prevention – whether a future vaccine or long-acting injectables such as lenacapavir – are welcome, and they expand rather than replace the HIV market by adding a prevention dimension alongside continuing treatment demand. The millions of people already living with HIV will continue to require antiretroviral treatment for the foreseeable future.

Qcil does not currently manufacture lenacapavir, but the injectable capability of Factory 2 will position the Company to produce advanced treatments of this kind locally as the landscape evolves and as licensing opportunities arise.

What does Qcil's licensing agreement with MSD for alimatravir mean for the Company?

In July 2026, Qcil entered into a licensing agreement with MSD to support the potential manufacture and supply of a generic version of alimatravir – MSD's investigational, long-acting, once-monthly oral HIV pre-exposure prophylaxis (PrEP) candidate – subject to the successful completion of clinical trials and regulatory approvals. If approved, alimatravir has the potential to become the first once-monthly oral PrEP option, offering people at risk of HIV a more convenient prevention alternative that could improve adherence and broaden access.

For Qcil, the agreement is a strong endorsement of more than two decades of expertise in producing WHO-prequalified antiretroviral medicines, and it reflects the licensing-and-partnership model at the heart of our growth strategy. Under the agreement, Qcil will contribute its manufacturing capabilities, regulatory expertise and long-standing experience in HIV medicines to help make a generic version of alimatravir available in Africa once all clinical and regulatory requirements have been met.

The collaboration expands rather than replaces our HIV franchise: it adds a next-generation prevention product alongside continuing demand for HIV treatment, and it positions Qcil to benefit from innovative therapies as licensing opportunities arise. It should be noted that the agreement is preparatory in nature – any future manufacturing, and any associated revenue, depends on the outcome of ongoing clinical trials and regulatory approvals.

How is Qcil responding to the reduction in donor funding?

Qcil deeply values its donor and development partners, who remain important customers and collaborators in the shared mission of expanding access to medicines, and it will continue to serve their programmes with the quality and reliability they expect.

At the same time, the global health-financing landscape is evolving. As donor funding declines, many African governments are taking greater ownership of healthcare financing and strengthening domestic procurement to build more self-reliant health systems. Qcil is well positioned to support this transition by deepening direct partnerships with governments across the continent, while continuing to expand its private (retail) market.

By diversifying demand across governments, donors, and the private market, Qcil is building a more resilient business while supporting Africa's long-term journey towards greater healthcare self-sufficiency.

How does Qcil balance expatriate expertise with building local talent?

Qcil's workforce is over 99% Ugandan. At the end of FY26 we employed 639 people (386 permanent employees and 253 on contract). We hire on merit, and expatriates are engaged only where specialised skills are not yet available locally, with structured knowledge-transfer requirements.

We invest heavily in developing local talent. During FY26 we hosted 120 student interns and 15 graduate trainees, delivered 33,332 training hours (up from 29,030 the year before), and provided international exposure through engagements in India, Egypt, South Africa, Kenya, Nigeria, and Ghana. Since inception, Qcil has trained over 1,000 interns and graduates.

How independent is Qcil from the Cipla Group, and what is its path to owning its own product formulations?

Qcil completed its transition from the Cipla Group early in FY26 and now operates as a fully independent, WHO-prequalified manufacturer, including with respect to its enterprise systems (e.g., SAP, LIMS, and TrackWise) and a standalone pharmacovigilance function. The transitional service and supply arrangements agreed at the time of the change in ownership supported the smooth transition.

As a manufacturer of high-quality generic medicines, Qcil's model does not depend on owning originator patents; Qcil accesses technology through licensing and partnerships and competes on quality, efficiency, and reliability. Importantly, as part of its acquisition of control, Africa Capitalworks agreed with Cipla that Qcil would retain the right to use its existing product formulations in perpetuity. While this is not ownership in the traditional patent sense, it gives the Company secure, lasting technical rights to those formulations.

Looking ahead, we are investing in a state-of-the-art research and development facility as part of our Factory 2 expansion. This will enable Qcil to develop and own its formulations.

Why are Qcil products not always easy to find in pharmacies, and how is access improving?

Expanding the private market is a key part of Qcil's growth strategy. While we already supply pharmacies across Uganda through our nationwide sales and marketing team, our retail portfolio continues to grow.

Our medicines are marketed under individual brand names rather than the Qcil name. Brands available in the market include:

- **Antimalarials:** Lumet, Lumet DT, Lumet HS 80 and Lumartem (artemether/lumefantrine)
- **Antibiotics:** AziQ (azithromycin), Qualicip (ciprofloxacin) and Mupi-Q (mupirocin)
- **Cardiometabolic medicines:** Q-min (metformin) and Q-mlo (amlodipine)
- **Antifungal medicines:** Q-coz (fluconazole)
- **Allergy and respiratory care:** E-fet (levocetirizine) and Methaler (mometasone nasal spray)
- **Gastrointestinal and reproductive health:** RightM (rabeprazole) and Stenofil (sildenafil)

Qcil continues to expand both its product portfolio and its distribution network. In Q2 of FY27, we expect to introduce Sikurea (hydroxyurea) into the private market, further improving access to treatment for people living with sickle cell disease. As our portfolio grows and distribution expands, Qcil medicines will become increasingly available in pharmacies across Uganda and, over time, the wider region.

What are Qcil's plans for sustained performance over the next five years?

Qcil's plans for sustained performance rest on several pillars:

- Manufacturing efficiencies – higher plant utilisation and refined processes that lower cost per unit and improve margins; Factory 2 will add capacity and new production lines.
- Stronger purchasing power – as production volumes grow, greater bargaining power with raw-material suppliers reduces input costs.
- Portfolio diversification – expanding beyond government and donor business into the private market, including over-the-counter products and non-communicable-disease treatments, such as diabetes and hypertension. This includes deepening our commitment to neglected diseases that disproportionately affect Africa. Sickle cell disease is one of the clearest examples: Sub-Saharan Africa accounts for nearly 80% of the world's annual sickle cell births, yet treatment access remains limited. By manufacturing hydroxyurea locally and affordably, Qcil meets a real and underserved need, consistent with our ethos of African solutions to African problems.

How is Qcil leveraging the opportunities created by the African Continental Free Trade Area (AfCFTA)?

As one of the few WHO-prequalified pharmaceutical manufacturers in the region, Qcil is well placed to serve a single, integrated African market of over a billion people. AfCFTA progressively lowers tariffs and harmonises trade rules between member states, reducing the cost of moving medicines across borders and making locally manufactured products more competitive against imports from outside the continent. Qcil is engaging governments and health agencies across the region to position itself as a local and regional manufacturer of choice for governments, donor organisations, and private market customers alike. With regulatory approvals already in 31 African markets and exports to 14 countries, AfCFTA supports our growth on two fronts: widening the export market for existing products and strengthening our case as a trusted regional partner for reliable, affordable, locally made medicines.

We are also mindful of the realities of intra-African trade. Much of the demand for life-saving medicines across the continent is funded not by national governments or local agencies but by international donors, whose procurement decisions and funding cycles heavily shape where and how these medicines flow. AfCFTA improves the mechanics of cross-border trade, but realising its full potential will depend on aligning that framework with the donor-financed nature of much of the region's essential-medicines demand. Qcil's WHO prequalification and regional footprint position us to serve both donor-funded and increasingly government- and private-funded procurement as these markets mature.

2. Dividend and Shareholder Value

How have Qcil’s dividends evolved in recent years?

Qcil has progressively increased dividend payouts in recent years, reflecting its strengthening financial position and ongoing commitment to shareholder value.

- FY23: UShs 2.5 per share
- FY24: UShs 5.7 per share
- FY25: UShs 13.5 per share
- FY26: UShs 16.6 per share

All dividends are paid net of applicable withholding tax, the rate of which varies with a shareholder’s domicile and shareholding. Qcil’s dividend policy is available on our website.

What is being done to improve the share price?

Qcil’s share price is influenced by market dynamics, including limited liquidity on the Uganda Securities Exchange. The Board and management remain focused on the fundamentals that build long-term value.

Since the March 2023 announcement of Africa Capitalworks’ acquisition, the share price has risen from UShs 55.0 to UShs 161.0 as at 30 July 2026, albeit on limited trading volume.

What percentage of profit does Qcil distribute as dividends?

Dividends are guided by Qcil’s Board-approved, performance-based dividend policy rather than a fixed percentage. The Company aims to pay a dividend in every year it records a net profit above UShs 4 billion, distributing a minimum of 30% of that net profit, subject to available cash, funding requirements, and operating and investment needs.

Consistent with this, shareholders approved a final dividend of UShs 6.4 per share for FY26 at the AGM, bringing the full-year dividend to UShs 16.6 per share.

How do I update my dividend payment details, or follow up on unpaid dividends?

If you would like to update your bank account details or receive dividends through your registered mobile money number, request a Dividend Mandate Form from shareholder@qcil.com, then complete it and return it to the same address.

If you have not received a dividend payment, need to reconcile historical dividends, or have lost contact with your original broker, email shareholder@qcil.com with your details. Our shareholder services team will help verify your records, update your payment instructions where required, and guide you through the next steps.

3. Governance and Stakeholder Engagement

Can shareholders nominate individuals to become Directors of Qcil?

Yes. Shareholders may nominate individuals for consideration as Directors. All nominations are reviewed by the Nominations Committee, which evaluates candidates on governance experience, technical expertise, and regulatory suitability, and all appointments are subject to shareholder approval at the AGM, in line with Qcil's Articles of Association and the Companies Act.

In what format is Qcil's AGM held, and how is that decided?

This year's Annual General Meeting was held in a hybrid format, combining in-person attendance with virtual participation. In choosing this format, the Board took into account feedback from the previous AGM, at which some shareholders expressed a preference for a physical meeting, together with its assessment that a hybrid meeting was safe and practical. More broadly, Qcil reviews the format of each AGM in line with the applicable regulations – the Companies Act permits physical, virtual, or hybrid meetings – and selects the approach it considers best for shareholders and the Company in the circumstances. A virtual component also enables broader participation, as many of our shareholders are based outside Uganda.

How does Qcil engage with communities and contribute to public health beyond its core business?

Qcil's commitment to community health and social responsibility deepened in FY26. During the year the Company:

- reached more than 2,000 people through medical camps held in Luzira, Semuto, Bugiri, Kyotera, Pallisa, and Tororo;
- donated 1,705 antimalarial treatments to support malaria prevention across Uganda;
- held a World Malaria Day medical camp and a blood-donation drive with Mengo Blood Bank, treating 495 people and collecting 55 units of blood;
- supported national healthcare capacity, including the paediatric cancer ward at Mulago Hospital and the bone-marrow transplant facility at the Joint Clinical Research Centre (JCRC), and contributed to the construction of a Health Centre II in Bukerere;
- launched the Rotary Club of Kampala Care at Qcil (with 65 members), whose initiatives included a STEM outreach reaching over 200 students and the Operation Warm Hearts programme at Luzira Women's Prison.

4. Sustainability and ESG Leadership

How is Qcil demonstrating leadership in ESG reporting and compliance?

Qcil is among the market leaders in ESG compliance and reporting within Uganda's manufacturing sector, preparing its disclosures with reference to the IFRS Sustainability Disclosure Standards (IFRS S1 and S2) developed by the International Sustainability Standards Board, alongside the GRI and SASB standards.

In Uganda, the Capital Markets Authority has issued draft ESG disclosure and sustainability-reporting guidelines aligned to IFRS S1 and S2, and adoption of these standards is expected to become mandatory for listed companies by 2028 (voluntary until then). By integrating ESG disclosures ahead of this timeline, Qcil is setting the benchmark for transparency and sustainable business practice in the pharmaceutical industry. The Company also meets WHO current Good Manufacturing Practice (cGMP) standards and is certified to ISO 9001 (quality), ISO 14001:2015 (environment), and ISO 45001:2018 (occupational health and safety).

How is Qcil aligning with the United Nations Sustainable Development Goals (UN SDGs)?

Qcil's sustainability strategy is aligned with the UN SDGs where it can make the most meaningful contribution:

- SDG 3 – Good Health and Well-Being: local manufacture of high-quality, affordable medicines, reaching over 550,000 individuals in FY26 and launching 15 new products, 13 of them on the WHO Essential Medicines List.
- SDG 6 – Clean Water and Sanitation: reducing blue-water withdrawal to 10,298 KL and recovering water through condensate-recovery and recycling systems.
- SDG 8 – Decent Work and Economic Growth: employing 639 people, paying UShs 23.9 billion in taxes, and training over 1,000 interns and graduates since inception.
- SDG 9 – Industry, Innovation and Infrastructure: investing in new manufacturing capacity (Factory 2 and a new R&D facility) and enterprise digital systems including SAP, LIMS, and TrackWise.
- SDG 12 – Responsible Consumption and Production: diverting 96 tonnes of waste from disposal and investing UShs 1.1 billion in sustainability initiatives.
- SDG 13 – Climate Action: targeting carbon neutrality, supported by solar power, a 33 kV power upgrade, and a planned migration to electric boilers.

These contributions reflect Qcil's broader commitment to building sustainable value across health, environment, and industry, while supporting national and regional development priorities.