

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Qualitas Limited (Company)

ACN/ARSN 655 057 588

1. Details of substantial holder (1)

Name Qualitas Limited

ACN/ARSN (if applicable) 655 057 588

The holder became a substantial holder on 22/12/2021

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares (Shares)	157,200,648	157,200,648	53.47% (based on 294,000,000 Shares on issue)

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Company	<p>The Company has a deemed relevant interest in its own Shares under section 608(1)(c) of the Corporations Act by virtue of the restriction on the disposal of Shares under the voluntary escrow deeds entered into with each of the shareholders set out in Annexure A, as disclosed in section 7.7 of the Company's Prospectus dated 29 November 2021. See Annexure C for copies of the voluntary escrow deeds (Escrow Deeds).</p> <p>The Company has no right to acquire these Shares or to exercise, or control the exercise of, a right to vote attached to these Shares.</p>	157,200,648 Shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
The Company	The holders listed in Annexure A.	The holders listed in Annexure A.	157,200,648 Shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
The Company	22 December 2021	Agreement to enter into Escrow Deeds as disclosed in the Prospectus.		157,200,648 Shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:


Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Qualitas Limited	Level 38, 120 Collins Street Melbourne, Victoria 3000, Australia
See Annexure B.	See Annexure B.

Signature

print name	Daniel Mote	capacity	Authorised representative
sign here		date	22 / 12 / 2021

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

ANNEXURE A – PERSONS REGISTERED AS HOLDERS OF THE SECURITIES

This is annexure A of 1 page referred to in form 603 notice of initial substantial holder

Company name: *Qualitas Limited*
ACN: 655 057 588

print name Daniel Mote

capacity

Authorised
representative

sign here



date


22 / 12 / 2021

Holder of relevant interests	Registered holder of securities	Person entitled to be registered as holder	Class and number of securities
Company	QPP Holdings Pty Ltd ACN 134 928 528	Qualitas Holdings (AJS) Trust	66,830,066 Shares
Company	ACS Qualitas Management Pty Ltd ACN 132 844 001	ACS Qualitas Management Trust	66,830,066 Shares
Company	HHV Investments Pty Ltd ACN 606 393 800	HHV ESOP Trust	3,885,473 Shares
Company	Ibrox Capital Management Pty Ltd ACN 606 426 448	Ibrox Investment Qualitas Discretionary Trust	7,770,927 Shares
Company	Jurrah Investments Pty Ltd ACN 146 940 534	RM Davis Investment Trust	10,102,243 Shares
Company	Meltim Holdings Pty Ltd ACN 634 252 583	Meltim Family Trust	1,569,873 Shares
Company	Sun Peaks Investments Pty Ltd ACN 128 159 820	Sun Peaks Trust	212,000 Shares

ANNEXURE B – PERSONS REGISTERED AS HOLDERS OF THE SECURITIES

This is annexure B of 1 page referred to in form 603 notice of initial substantial holder

Company name: *Qualitas Limited*
ACN: 655 057 588


print name	Daniel Mote	capacity	Authorised representative
sign here		date	22 / 12 / 2021

Registered holder of Securities	Address
QPP Holdings Pty Ltd ACN 134 928 528	Level 38, 120 Collins Street, Melbourne , VIC, 3000
ACS Qualitas Management Pty Ltd ACN 132 844 001	Level 4, 167 Flinders Lane, Melbourne VIC 3000
HHV Investments Pty Ltd ACN 606 393 800	UNIT 407 8 Park Lane Chippendale NSW 2008
Ibrox Capital Management Pty Ltd ACN 606 426 448	174 Finch Street Glen Iris VIC 3146
Jurrah Investments Pty Ltd ACN 146 940 534	31 Rose Street Armadale VIC 3143
Meltim Holdings Pty Ltd ACN 634 252 583	c/- Kelly Partners (Sydney) Pty Ltd SUITE 5307, LEVEL 53, 25 Martin Place Sydney NSW 2000
Sun Peaks Investments Pty Ltd ACN 128 159 820	3 Dellview Street Tamarama NSW 2026

ANNEXURE C – VOLUNTARY ESCROW DEEDS

This is annexure C of 99 pages referred to in form 603 notice of initial substantial holder

Company name: *Qualitas Limited*
ACN: 655 057 588

print name	Daniel Mote	capacity	Authorised representative
sign here		date	22 / 12 / 2021

Escrow Deed

Qualitas Limited ACN 655 057 588 (**Company**)

ACS Qualitas Management Pty Ltd ACN 132 844 001
in its capacity as trustee of the ACS Qualitas
Management Trust (**Holder**)

Escrow Deed


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Details

Date 29 November 2021

Parties

Name **Qualitas Limited**
ACN 655 057 588
Short form name **Company**
Notice details Level 38, 120 Collins Street, Melbourne VIC 3000
Email: legalnotices@qualitas.com.au
Attention: Company Secretary

Name ACS Qualitas Management Pty Ltd ACN 132 844 001 in its capacity as trustee of the ACS Qualitas Management Trust
Short form name **Holder**
Notice details 

Background

- A The Company intends to list on ASX and conduct the Offer.
- B The Restricted Shares that the Holder will hold following the completion of the Offer will be held by the Holder as Escrow Shares for the Escrow Period on the terms and subject to the conditions set out in this deed.

Agreed terms

1. Defined terms & interpretation

1.1 Defined terms

In this document:

Aggregate Escrow Shares means the Escrow Shares as at the relevant time, together with the number of Shares and other equity securities (at the same relevant time) which are the subject of similar escrow restrictions held by other holders and covered by deeds in similar terms to this deed executed on or about the date of this deed.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 091 or the Australian Securities Exchange, a financial market operated by it, as the context requires.

ASX Settlement Rules means the operating rules of ASX Settlement Pty Limited ACN 008 504 532.

Business Day has the meaning given to that expression in the Listing Rules.

Completion Date means the settlement date of the Offer.

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

dealing, deal and dealt means, in respect of any Escrow Share, to directly or indirectly:

- (a) dispose of, or agree or offer to dispose of, that Escrow Share or any legal, beneficial or economic interest in that Escrow Share;
- (b) create, or agree to create, any Security Interest in that Escrow Share or any legal, beneficial or economic interest in that Escrow Share; or
- (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective direct or indirect ownership or Control:
 - (i) by the Relevant Principal of the Holder; or
 - (ii) of that Escrow Share or any legal, beneficial or economic interest in that Escrow Share,

but does not include or restrict the exercise of any voting rights for the Escrow Shares.

Escrow Period means each successive period set out in column 1 of the table in item 2 of Schedule 1.

Escrow Shares means, from time to time, the Shares and other equity interests held by the Holder which are the subject of escrow restrictions under this deed.

Excess Escrow Shares has the meaning given in clause 2.1(b).

Group means the Company and its subsidiaries.

Holding Lock has the meaning given to that term in the ASX Settlement Rules.

Issuer Sponsored Subregister has the meaning given to that term in the ASX Settlement Rules.

Last Escrow Period means the Escrow Period identified as Period C in column 1 of the table in item 2 of Schedule 1.

Listing Date means the first date on which the Shares are admitted to quotation on the ASX, including on a conditional and deferred settlement basis.

Listing Rules means the listing rules of ASX.

Notice means a notice which is:

- (a) legible and in English;
- (b) addressed to the party to whom that notice is being given;
- (c) marked to the attention of the individual who is specified in the address of that party; and
- (d) delivered to that party by being left at, or sent by security post to, the postal address or transmitted to the email address which is specified in the address of that party.

Offer means the initial public offering of Shares under the Prospectus.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Preceding Escrow Period has the meaning given in clause 2.2.

Prospectus means the prospectus for the offer of the Shares to be issued by the Company dated on or about the date of this deed and lodged with ASIC on that date and includes any supplementary or replacement prospectus in relation to that prospectus.

Relevant Principal means the person or controller set out in item 3 of Schedule 1.

Reorganisation Event means:

- (a) a bonus issue of equity securities in the Company;
- (b) a sub-division or consolidation of equity securities in the Company; or
- (c) another reorganisation or reconstruction of share capital where the Company neither pays nor receives cash.

Reorganisation Factor means, as at a particular time ('Time A'):

- (a) if a Reorganisation Event has not occurred before 'Time A', no adjustment; and
- (b) if one or more Reorganisation Events have occurred before 'Time A', the requisite adjustment which results in the same adjustment, change, effect or outcome which applied to the relevant Restricted Shares which were on issue when those Reorganisation Event(s) occurred, applied cumulatively and in the same order as the occurrence of those Reorganisation Event(s), rounded down to the nearest whole number after applying the requisite adjustments for each Reorganisation Event.

Restricted Shares means the number of Shares set out in item 1 of Schedule 1.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any security including, but not limited to, any retention of title;
 - (b) created or otherwise arising in or over any interest in any security under a bill of sale, mortgage, charge, lien, pledge, trust or power; or
 - (c) an interest of the kind referred to in section 12 of the PPSA,
- or any agreement to grant or create any such interest or power.

Share means a fully paid ordinary share in the Company.

Total Escrow Shares has the meaning given in clause 2.1(b).

1.2 Interpretation

In this deed including the recitals, unless the contrary intention appears:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this deed, and a reference to this deed includes any schedule or annexure;

- (d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) a reference to **A\$, \$A, dollar** or **\$** is to Australian currency;
- (f) a reference to time is to Melbourne time;
- (g) a reference to a party is to a party to this deed, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (h) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (i) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (j) unless otherwise defined, a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (k) the meaning of general words is not limited by specific examples introduced by **including, for example** or similar expressions;
- (l) a rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this deed or any part of it;
- (m) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day; and
- (n) for so long as the Company is listed on the official list of ASX, words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules (as applicable).

1.3 Headings

Headings are for ease of reference only and do not affect interpretation.

1.4 Compliance with Listing Rules

For so long as the Company is listed on the official list of ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not done, authority is given for that act to be done or not done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

2. Escrow restrictions

2.1 Holder restrictions during each Escrow Period

- (a) Subject to clauses 2.1(b) and 2.4, the Holder must not deal with the relevant Escrow Shares during each Escrow Period.
- (b) In respect of the Last Escrow Period, the Aggregate Escrow Shares must not constitute more than 19.99% of the total Shares of the Company which were on issue immediately after the issue of all of the Shares offered under the Prospectus (**Post-Listing Share Capital**). If on the second anniversary of the Listing Date (being the day before the Last Escrow Period begins), the Aggregate Escrow Shares exceeds 19.99% of the Post-Listing Share Capital (such excess being the **Excess Escrow Shares**), then the Excess Escrow Shares will cease to be Escrow Shares for the purposes of this deed with effect from the commencement of the Last Escrow Period (and the proportion of the Excess Escrow Shares which applies to the Holder will be equal to the proportion which the Escrow Shares held by the Holder represents of the Aggregate Escrow Shares on the second anniversary of the Listing Date).
- (c) If the Listing Date does not occur on or before 30 June 2022, this deed will automatically terminate and have no force or effect.

2.2 Release of Escrow Shares

From time to time and as an Escrow Period ends, the number of Shares which were Escrow Shares during that immediately preceding Escrow Period (**Preceding Escrow Period**) but which are not Escrow Shares during the Escrow Period immediately following that Preceding Escrow Period will, from the end of the Preceding Escrow Period, cease to be Escrow Shares for the purpose of this deed.

Worked example

On the Completion Date, the Restricted Shares are the 1,000 Shares held by the Holder.

On 1 May 2022, the Company issues 1 bonus Share for every two Shares then on issue. The Holder now has 1,500 Escrow Shares, comprising the original Restricted Shares of 1,000 and the additional 500 bonus Shares (the Escrow Shares being, after the Reorganisation Event, 1,000 as adjusted by the Reorganisation Factor = 1,500).

On 15 August 2022, the Company announces to the market its results for the financial year ending 30 June 2022 (**Release Date**).

The Release Date constitutes the end of an Escrow Period ('Period A'), and the next Escrow Period ('Period B') provides for the Escrow Shares to be $66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time.

The Escrow Shares for Period B is therefore: 1,000 (being the Restricted Shares) $\times 66\frac{2}{3}\%$ = 666.66667, as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 666.66667 Shares) = 1,000 Escrow Shares (rounded down from 1,000.00001 to the nearest whole number).

Therefore, on the day after Release Date, 500 Shares (being the difference between the 1,500 Escrow Shares at the end of Period A and the 1,000 Escrow Shares at the commencement of Period B) cease being Escrow Shares for the purpose of this deed.

On the 2-year anniversary date of the Listing Date, another Escrow Period ('Period B') comes to an end.

The Escrow Shares for the next Escrow Period ('Period C') is $33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b).

The Escrow Shares for Period C is therefore: 1,000 (being the Restricted Shares) $\times 33\frac{1}{3}\%$ = 333.33333 as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 333.33333 Shares) = 499 Escrow Shares (rounded down from 499.99999 to the nearest whole number). This assumes there is no reduction required because 499 Escrow Shares, together with the number of Shares and other equity interests (at the same relevant time) which are the subject of similar escrow restrictions held by other holders and covered by deeds in similar terms to this deed executed on or about the date of this deed, does not constitute more than 19.99% of the Post-Listing Share Capital.

Therefore, on the day after the 2-year anniversary date of the Listing Date, 501 Shares (being the difference between 1,000 Escrow Shares at the end of Period B and the 499 Escrow Shares at the commencement of Period C) cease being Escrow Shares for the purpose of this deed.

On the 5-year anniversary date of the Listing Date, another Escrow Period comes to an end. There is no further Escrow Period. Therefore, on the day after the 5-year anniversary date of the Listing Date, all remaining Escrow Shares (being 499 Shares) cease being Escrow Shares for the purpose of this deed.

2.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) prior to the commencement of trading of the Shares on the ASX pursuant to the Offer, the Restricted Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock to all Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister;
- (c) the Holder agrees to the application of the Holding Lock in respect of the Holder's Escrow Shares; and
- (d) the Company will do all things necessary or desirable to ensure that the Holding Lock in respect of the Holder's Escrowed Shares is released:
 - (i) to the extent necessary to permit disposals of those Escrow Shares permitted by this deed;
 - (ii) to the extent necessary as the relevant number of Shares which were Escrow Shares cease to be Escrowed Shares in accordance with clause 2.2; and
 - (iii) for the avoidance of doubt, in full at the conclusion of the Last Escrow Period.

2.4 Exceptions

During an Escrow Period, the Holder may deal in any of its Escrow Shares if the dealing:

- (a) is in connection with acceptance of a bona fide full or proportional takeover bid, provided the holders of at least 50% of the bid class securities that are not subject to escrow restrictions, and to which the offers under the bid relate, have accepted. The Escrow Shares must continue to be held on the terms of this deed if the relevant bid does not become unconditional or does not otherwise proceed;
- (b) is in connection with the transfer or cancellation of Shares as part of a scheme of arrangement relating to the Company under section 411 of the Corporations Act provided that the Escrow Shares continue to be held on the terms of this deed if the relevant scheme does not take effect;
- (c) constitutes a disposal of, but not the creation of a Security Interest in, the effective direct or indirect ownership or Control of the Holder by the Relevant Principal to:
 - (i) the spouse or any son or daughter of the Relevant Principal, or son or daughter of the Relevant Principal's spouse (**Immediate Family Member**); or
 - (ii) a company which is wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company;
- (d) constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Escrow Shares to:
 - (i) another person where the transfer does not involve any change in the beneficial ownership of the Escrow Shares;
 - (ii) an Immediate Family Member of the Relevant Principal;
 - (iii) a company wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company; or

- (iv) a trust or superannuation fund in relation to which the Relevant Principal or their Immediate Family Members are the beneficiaries,
 - (each a **Transferee**) where the Transferee also enters into an escrow arrangement with the Company in respect of those securities on substantially the same terms as this deed for the Escrow Period in respect of the Escrow Shares;
- (e) is a transfer of Escrow Shares following the death or incapacity of the Relevant Principal;
- (f) constitutes a dealing that is required by applicable law (including an order of a court of competent jurisdiction); or
- (g) is in connection with an equal access share buyback or capital return or capital reduction made in accordance with the Corporations Act.

2.5 Notice

If the Holder becomes aware:

- (a) that a dealing in any of the Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a dealing in any of the Escrow Shares during the Escrow Period,

it must Notify the Company as soon as practicable after becoming aware of the dealing or the matters giving rise to the dealing, providing full details.

3. Warranties and acknowledgment

3.1 Giving of warranties

Each of the warranties and representations in clause 3 are given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Last Escrow Period.

The warranties and representations given in this clause 3 are given in respect of any and all Escrow Shares which the Holder holds during the Escrow Period.

3.2 Representations and warranties

The Holder warrants and represents each of the matters below.

- (a) Prior to the Escrow Period, it has not done, or omitted to do, any act which would result in it dealing in Escrow Shares which would take effect during the Escrow Period.
- (b) On the Listing Date, the Holder will hold the Restricted Shares.
- (c) The Escrow Shares of the Holder are free from all Security Interests and other third party interests or rights (other than under the Company's constitution).
- (d) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (e) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (f) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (g) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (h) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right

has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that Trust; and

- (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (i) The execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

3.3 Survival of warranties and representations

The warranties and representations in this clause 3 survive the termination of this deed.

4. Consequences of breaching this deed

- (a) If the Holder breaches this deed (including a breach of clause 3.2), each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach, as soon as practicable after becoming aware of the breach;
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of any of the Holder's Escrow Shares (this is in addition to other rights and remedies of the Company); and
 - (iii) the Holder will cease to be entitled to any dividends, distribution or voting rights attaching to its Escrow Shares while the breach continues.
- (b) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 2.1 without proof of actual damage and without prejudice to any of its other rights or remedies.

5. Amendment and waiver

This deed may not be amended or waived without the prior written consent of the parties.

6. Capacity

If the Holder has entered into this deed as Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 6 but subject to clause 6(c), the Holder enters into this deed only in its capacity as Trustee of the Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent that it can be satisfied out of the property of the Trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to clause 6(c) a party to this deed may not sue the Holder in any capacity other than as Trustee in respect of the Trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the Trust), liquidator, administrator or any similar person; and

- (c) the provisions of this clause 6(c) will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction to the extent, or elimination of, the Holder's right of indemnification out of the assets of the Trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

7. Notices and other communications

7.1 Service of notices

A notice, demand, consent, approval or communication under this deed (**Notice**) must be:

- (a) in writing, in English and signed by a person duly authorised by the sender; and
- (b) hand delivered or sent by prepaid post or email to the recipient's address for Notices specified in the Details, as varied by any Notice given by the recipient to the sender.

7.2 Effective on receipt

A Notice given in accordance with clause 7.1 takes effect when taken to be received (or at a later time specified in it), and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, on the third Business Day after the date of posting (or on the seventh Business Day after the date of posting if posted to or from a place outside Australia); or
- (c) if sent by email, when sent by the sender unless the sender receives a delivery failure notification indicating that the email has not been delivered to the addressee,

but if the Notice is not received on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the next Business Day. If the Notice is received between 12.01am and 8.59am on a Business Day it is taken to be received at 9.00am on that Business Day.

8. General

8.1 Governing law and jurisdiction

This deed is governed by the laws of Victoria, Australia and each party submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

8.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

8.3 Counterparts

- (a) This deed may be executed in any number of counterpart or copies, with signatures appearing on different counterparts or copies, and this has the same effect as if the signatures on the counterparts or copies were on a single copy of this deed. Without limiting the foregoing, if any of the signatures on behalf of one party are on different counterpart or copies of this deed, this shall be taken to be, and have the same effect as, signatures on the same counterpart and on a single copy of this deed.
- (b) A party who has executed a counterpart of this deed may exchange it with another party by faxing, or by emailing a pdf (portable document format) copy of, the executed counterpart to that other party.
- (c) The parties irrevocably and unreservedly agree that this deed may be executed by way of electronic signatures and the parties agree that this deed, or any part thereof, shall not be

challenged or denied any legal effect, validity and/or enforceability solely on the ground that it is in the form of an electronic record.

8.4 Time of essence

Time is of the essence in relation to this deed.

Schedule 1 – Escrow details

1. Restricted Shares

66,830,066 Shares, being all of the Shares held by the Holder on the Completion Date.

2. Escrow Periods and Escrow Shares

Period	Column 1 – Escrow Period	Column 2 – Escrow Shares
A	The period from the Listing Date to and including the date on which the Company announces to the ASX its results for the financial year ending 30 June 2022	100% of the Restricted Shares, as adjusted by the Reorganisation Factor from time to time
B	The period from the day after the Preceding Escrow Period to and including the second anniversary of the Listing Date	$66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time
C	The period from the day after the Preceding Escrow Period to and including the fifth anniversary of the Listing Date	$33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time, provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b)

3. Relevant Principal

Either Alan Schwartz or Carol Schwartz

Signing page

EXECUTED as a deed.

Executed by Qualitas Limited ACN 655 057 588
in accordance with Section 127 of the
Corporations Act 2001



Signature of director

Andrew Schwartz

Name of director (print)



Signature of director/company secretary
(Please delete as applicable)

Daniel Mote

Name of director/company secretary (print)

**Executed by ACS Qualitas Management Pty Ltd
ACN 132 844 001 in its capacity as trustee of
the ACS Qualitas Management Trust** in
accordance with Section 127 of the *Corporations
Act 2001*



Signature of director

Alan Schwartz AM

Name of director (print)



Signature of director/company secretary
(Please delete as applicable)

Ross Deam

Name of director/company secretary (print)

Escrow Deed

—
Qualitas Limited ACN 655 057 588 (**Company**)

QPP Holdings Pty Ltd ACN 134 928 528 in its
capacity as trustee of the Qualitas Holdings (AJS)
Trust (**Holder**)

—

Escrow Deed


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Details

Date 29 November 2021

Parties

Name **Qualitas Limited**
ACN 655 057 588
Short form name **Company**
Notice details Level 38, 120 Collins Street, Melbourne VIC 3000
Email: legalnotices@qualitas.com.au
Attention: Company Secretary

Name QPP Holdings Pty Ltd ACN 134 928 528 in its capacity as trustee of the Qualitas Holdings (AJS) Trust
Short form name **Holder**
Notice details 

Background

- A The Company intends to list on ASX and conduct the Offer.
- B The Restricted Shares that the Holder will hold following the completion of the Offer will be held by the Holder as Escrow Shares for the Escrow Period on the terms and subject to the conditions set out in this deed.

Agreed terms

1. Defined terms & interpretation

1.1 Defined terms

In this document:

Aggregate Escrow Shares means the Escrow Shares as at the relevant time, together with the number of Shares and other equity securities (at the same relevant time) which are the subject of similar escrow restrictions held by other holders and covered by deeds in similar terms to this deed executed on or about the date of this deed.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 091 or the Australian Securities Exchange, a financial market operated by it, as the context requires.

ASX Settlement Rules means the operating rules of ASX Settlement Pty Limited ACN 008 504 532.

Business Day has the meaning given to that expression in the Listing Rules.

Completion Date means the settlement date of the Offer.

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

dealing, deal and dealt means, in respect of any Escrow Share, to directly or indirectly:

- (a) dispose of, or agree or offer to dispose of, that Escrow Share or any legal, beneficial or economic interest in that Escrow Share;
- (b) create, or agree to create, any Security Interest in that Escrow Share or any legal, beneficial or economic interest in that Escrow Share; or
- (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective direct or indirect ownership or Control:
 - (i) by the Relevant Principal of the Holder; or
 - (ii) of that Escrow Share or any legal, beneficial or economic interest in that Escrow Share,

but does not include or restrict the exercise of any voting rights for the Escrow Shares.

Escrow Period means each successive period set out in column 1 of the table in item 2 of Schedule 1.

Escrow Shares means, from time to time, the Shares and other equity interests held by the Holder which are the subject of escrow restrictions under this deed.

Excess Escrow Shares has the meaning given in clause 2.1(b).

Group means the Company and its subsidiaries.

Holding Lock has the meaning given to that term in the ASX Settlement Rules.

Issuer Sponsored Subregister has the meaning given to that term in the ASX Settlement Rules.

Last Escrow Period means the Escrow Period identified as Period C in column 1 of the table in item 2 of Schedule 1.

Listing Date means the first date on which the Shares are admitted to quotation on the ASX, including on a conditional and deferred settlement basis.

Listing Rules means the listing rules of ASX.

Notice means a notice which is:

- (a) legible and in English;
- (b) addressed to the party to whom that notice is being given;
- (c) marked to the attention of the individual who is specified in the address of that party; and
- (d) delivered to that party by being left at, or sent by security post to, the postal address or transmitted to the email address which is specified in the address of that party.

Offer means the initial public offering of Shares under the Prospectus.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Preceding Escrow Period has the meaning given in clause 2.2.

Prospectus means the prospectus for the offer of the Shares to be issued by the Company dated on or about the date of this deed and lodged with ASIC on that date and includes any supplementary or replacement prospectus in relation to that prospectus.

Relevant Principal means the person or controller set out in item 3 of Schedule 1.

Reorganisation Event means:

- (a) a bonus issue of equity securities in the Company;
- (b) a sub-division or consolidation of equity securities in the Company; or
- (c) another reorganisation or reconstruction of share capital where the Company neither pays nor receives cash.

Reorganisation Factor means, as at a particular time ('Time A'):

- (a) if a Reorganisation Event has not occurred before 'Time A', no adjustment; and
- (b) if one or more Reorganisation Events have occurred before 'Time A', the requisite adjustment which results in the same adjustment, change, effect or outcome which applied to the relevant Restricted Shares which were on issue when those Reorganisation Event(s) occurred, applied cumulatively and in the same order as the occurrence of those Reorganisation Event(s), rounded down to the nearest whole number after applying the requisite adjustments for each Reorganisation Event.

Restricted Shares means the number of Shares set out in item 1 of Schedule 1.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any security including, but not limited to, any retention of title;
 - (b) created or otherwise arising in or over any interest in any security under a bill of sale, mortgage, charge, lien, pledge, trust or power; or
 - (c) an interest of the kind referred to in section 12 of the PPSA,
- or any agreement to grant or create any such interest or power.

Share means a fully paid ordinary share in the Company.

Total Escrow Shares has the meaning given in clause 2.1(b).

1.2 Interpretation

In this deed including the recitals, unless the contrary intention appears:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this deed, and a reference to this deed includes any schedule or annexure;

- (d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) a reference to **A\$, \$A, dollar** or **\$** is to Australian currency;
- (f) a reference to time is to Melbourne time;
- (g) a reference to a party is to a party to this deed, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (h) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (i) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (j) unless otherwise defined, a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (k) the meaning of general words is not limited by specific examples introduced by **including, for example** or similar expressions;
- (l) a rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this deed or any part of it;
- (m) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day; and
- (n) for so long as the Company is listed on the official list of ASX, words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules (as applicable).

1.3 Headings

Headings are for ease of reference only and do not affect interpretation.

1.4 Compliance with Listing Rules

For so long as the Company is listed on the official list of ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not done, authority is given for that act to be done or not done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

2. Escrow restrictions

2.1 Holder restrictions during each Escrow Period

- (a) Subject to clauses 2.1(b) and 2.4, the Holder must not deal with the relevant Escrow Shares during each Escrow Period.
- (b) In respect of the Last Escrow Period, the Aggregate Escrow Shares must not constitute more than 19.99% of the total Shares of the Company which were on issue immediately after the issue of all of the Shares offered under the Prospectus (**Post-Listing Share Capital**). If on the second anniversary of the Listing Date (being the day before the Last Escrow Period begins), the Aggregate Escrow Shares exceeds 19.99% of the Post-Listing Share Capital (such excess being the **Excess Escrow Shares**), then the Excess Escrow Shares will cease to be Escrow Shares for the purposes of this deed with effect from the commencement of the Last Escrow Period (and the proportion of the Excess Escrow Shares which applies to the Holder will be equal to the proportion which the Escrow Shares held by the Holder represents of the Aggregate Escrow Shares on the second anniversary of the Listing Date).
- (c) If the Listing Date does not occur on or before 30 June 2022, this deed will automatically terminate and have no force or effect.

2.2 Release of Escrow Shares

From time to time and as an Escrow Period ends, the number of Shares which were Escrow Shares during that immediately preceding Escrow Period (**Preceding Escrow Period**) but which are not Escrow Shares during the Escrow Period immediately following that Preceding Escrow Period will, from the end of the Preceding Escrow Period, cease to be Escrow Shares for the purpose of this deed.

Worked example

On the Completion Date, the Restricted Shares are the 1,000 Shares held by the Holder.

On 1 May 2022, the Company issues 1 bonus Share for every two Shares then on issue. The Holder now has 1,500 Escrow Shares, comprising the original Restricted Shares of 1,000 and the additional 500 bonus Shares (the Escrow Shares being, after the Reorganisation Event, 1,000 as adjusted by the Reorganisation Factor = 1,500).

On 15 August 2022, the Company announces to the market its results for the financial year ending 30 June 2022 (**Release Date**).

The Release Date constitutes the end of an Escrow Period ('Period A'), and the next Escrow Period ('Period B') provides for the Escrow Shares to be $66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time.

The Escrow Shares for Period B is therefore: 1,000 (being the Restricted Shares) $\times 66\frac{2}{3}\%$ = 666.66667, as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 666.66667 Shares) = 1,000 Escrow Shares (rounded down from 1,000.00001 to the nearest whole number).

Therefore, on the day after Release Date, 500 Shares (being the difference between the 1,500 Escrow Shares at the end of Period A and the 1,000 Escrow Shares at the commencement of Period B) cease being Escrow Shares for the purpose of this deed.

On the 2-year anniversary date of the Listing Date, another Escrow Period ('Period B') comes to an end.

The Escrow Shares for the next Escrow Period ('Period C') is $33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b).

The Escrow Shares for Period C is therefore: 1,000 (being the Restricted Shares) $\times 33\frac{1}{3}\%$ = 333.33333 as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 333.33333 Shares) = 499 Escrow Shares (rounded down from 499.99999 to the nearest whole number). This assumes there is no reduction required because 499 Escrow Shares, together with the number of Shares and other equity interests (at the same relevant time) which are the subject of similar escrow restrictions held by other holders and covered by deeds in similar terms to this deed executed on or about the date of this deed, does not constitute more than 19.99% of the Post-Listing Share Capital.

Therefore, on the day after the 2-year anniversary date of the Listing Date, 501 Shares (being the difference between 1,000 Escrow Shares at the end of Period B and the 499 Escrow Shares at the commencement of Period C) cease being Escrow Shares for the purpose of this deed.

On the 5-year anniversary date of the Listing Date, another Escrow Period comes to an end. There is no further Escrow Period. Therefore, on the day after the 5-year anniversary date of the Listing Date, all remaining Escrow Shares (being 499 Shares) cease being Escrow Shares for the purpose of this deed.

2.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) prior to the commencement of trading of the Shares on the ASX pursuant to the Offer, the Restricted Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock to all Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister;
- (c) the Holder agrees to the application of the Holding Lock in respect of the Holder's Escrow Shares; and
- (d) the Company will do all things necessary or desirable to ensure that the Holding Lock in respect of the Holder's Escrowed Shares is released:
 - (i) to the extent necessary to permit disposals of those Escrow Shares permitted by this deed;
 - (ii) to the extent necessary as the relevant number of Shares which were Escrow Shares cease to be Escrowed Shares in accordance with clause 2.2; and
 - (iii) for the avoidance of doubt, in full at the conclusion of the Last Escrow Period.

2.4 Exceptions

During an Escrow Period, the Holder may deal in any of its Escrow Shares if the dealing:

- (a) is in connection with acceptance of a bona fide full or proportional takeover bid, provided the holders of at least 50% of the bid class securities that are not subject to escrow restrictions, and to which the offers under the bid relate, have accepted. The Escrow Shares must continue to be held on the terms of this deed if the relevant bid does not become unconditional or does not otherwise proceed;
- (b) is in connection with the transfer or cancellation of Shares as part of a scheme of arrangement relating to the Company under section 411 of the Corporations Act provided that the Escrow Shares continue to be held on the terms of this deed if the relevant scheme does not take effect;
- (c) constitutes a disposal of, but not the creation of a Security Interest in, the effective direct or indirect ownership or Control of the Holder by the Relevant Principal to:
 - (i) the spouse or any son or daughter of the Relevant Principal, or son or daughter of the Relevant Principal's spouse (**Immediate Family Member**); or
 - (ii) a company which is wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company;
- (d) constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Escrow Shares to:
 - (i) another person where the transfer does not involve any change in the beneficial ownership of the Escrow Shares;
 - (ii) an Immediate Family Member of the Relevant Principal;
 - (iii) a company wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company; or

- (iv) a trust or superannuation fund in relation to which the Relevant Principal or their Immediate Family Members are the beneficiaries,
 - (each a **Transferee**) where the Transferee also enters into an escrow arrangement with the Company in respect of those securities on substantially the same terms as this deed for the Escrow Period in respect of the Escrow Shares;
- (e) is a transfer of Escrow Shares following the death or incapacity of the Relevant Principal;
- (f) constitutes a dealing that is required by applicable law (including an order of a court of competent jurisdiction); or
- (g) is in connection with an equal access share buyback or capital return or capital reduction made in accordance with the Corporations Act.

2.5 Notice

If the Holder becomes aware:

- (a) that a dealing in any of the Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a dealing in any of the Escrow Shares during the Escrow Period,

it must Notify the Company as soon as practicable after becoming aware of the dealing or the matters giving rise to the dealing, providing full details.

3. Warranties and acknowledgment

3.1 Giving of warranties

Each of the warranties and representations in clause 3 are given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Last Escrow Period.

The warranties and representations given in this clause 3 are given in respect of any and all Escrow Shares which the Holder holds during the Escrow Period.

3.2 Representations and warranties

The Holder warrants and represents each of the matters below.

- (a) Prior to the Escrow Period, it has not done, or omitted to do, any act which would result in it dealing in Escrow Shares which would take effect during the Escrow Period.
- (b) On the Listing Date, the Holder will hold the Restricted Shares.
- (c) The Escrow Shares of the Holder are free from all Security Interests and other third party interests or rights (other than under the Company's constitution).
- (d) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (e) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (f) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (g) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (h) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right

has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that Trust; and

- (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (i) The execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

3.3 Survival of warranties and representations

The warranties and representations in this clause 3 survive the termination of this deed.

4. Consequences of breaching this deed

- (a) If the Holder breaches this deed (including a breach of clause 3.2), each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach, as soon as practicable after becoming aware of the breach;
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of any of the Holder's Escrow Shares (this is in addition to other rights and remedies of the Company); and
 - (iii) the Holder will cease to be entitled to any dividends, distribution or voting rights attaching to its Escrow Shares while the breach continues.
- (b) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 2.1 without proof of actual damage and without prejudice to any of its other rights or remedies.

5. Amendment and waiver

This deed may not be amended or waived without the prior written consent of the parties.

6. Capacity

If the Holder has entered into this deed as Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 6 but subject to clause 6(c), the Holder enters into this deed only in its capacity as Trustee of the Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent that it can be satisfied out of the property of the Trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to clause 6(c) a party to this deed may not sue the Holder in any capacity other than as Trustee in respect of the Trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the Trust), liquidator, administrator or any similar person; and

- (c) the provisions of this clause 6(c) will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction to the extent, or elimination of, the Holder's right of indemnification out of the assets of the Trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

7. Notices and other communications

7.1 Service of notices

A notice, demand, consent, approval or communication under this deed (**Notice**) must be:

- (a) in writing, in English and signed by a person duly authorised by the sender; and
- (b) hand delivered or sent by prepaid post or email to the recipient's address for Notices specified in the Details, as varied by any Notice given by the recipient to the sender.

7.2 Effective on receipt

A Notice given in accordance with clause 7.1 takes effect when taken to be received (or at a later time specified in it), and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, on the third Business Day after the date of posting (or on the seventh Business Day after the date of posting if posted to or from a place outside Australia); or
- (c) if sent by email, when sent by the sender unless the sender receives a delivery failure notification indicating that the email has not been delivered to the addressee,

but if the Notice is not received on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the next Business Day. If the Notice is received between 12.01am and 8.59am on a Business Day it is taken to be received at 9.00am on that Business Day.

8. General

8.1 Governing law and jurisdiction

This deed is governed by the laws of Victoria, Australia and each party submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

8.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

8.3 Counterparts

- (a) This deed may be executed in any number of counterpart or copies, with signatures appearing on different counterparts or copies, and this has the same effect as if the signatures on the counterparts or copies were on a single copy of this deed. Without limiting the foregoing, if any of the signatures on behalf of one party are on different counterpart or copies of this deed, this shall be taken to be, and have the same effect as, signatures on the same counterpart and on a single copy of this deed.
- (b) A party who has executed a counterpart of this deed may exchange it with another party by faxing, or by emailing a pdf (portable document format) copy of, the executed counterpart to that other party.
- (c) The parties irrevocably and unreservedly agree that this deed may be executed by way of electronic signatures and the parties agree that this deed, or any part thereof, shall not be

challenged or denied any legal effect, validity and/or enforceability solely on the ground that it is in the form of an electronic record.

8.4 Time of essence

Time is of the essence in relation to this deed.

Schedule 1 – Escrow details

1. Restricted Shares

66,830,066 Shares, being all of the Shares held by the Holder on the Completion Date.

2. Escrow Periods and Escrow Shares

Period	Column 1 – Escrow Period	Column 2 – Escrow Shares
A	The period from the Listing Date to and including the date on which the Company announces to the ASX its results for the financial year ending 30 June 2022	100% of the Restricted Shares, as adjusted by the Reorganisation Factor from time to time
B	The period from the day after the Preceding Escrow Period to and including the second anniversary of the Listing Date	$66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time
C	The period from the day after the Preceding Escrow Period to and including the fifth anniversary of the Listing Date	$33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time, provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b)

3. Relevant Principal

Andrew Schwartz

Signing page

EXECUTED as a deed.

Executed by Qualitas Limited ACN 655 057 588
in accordance with Section 127 of the
Corporations Act 2001



Signature of director

Andrew Fairley

Name of director (print)



Signature of director/company secretary
(Please delete as applicable)

Daniel Mote

Name of director/company secretary (print)

**Executed by QPP Holdings Pty Ltd ACN 134
928 528 in its capacity as trustee of the
Qualitas Holdings (AJS) Trust** in accordance
with Section 127 of the *Corporations Act 2001*



Signature of sole director and sole company secretary

Andrew Schwartz

Name of sole director and sole company secretary (print)

who states that he or she is the sole director and the sole
company secretary of the company

Escrow Deed

—
Qualitas Limited ACN 655 057 588 (**Company**)

HHV Investments Pty Ltd ACN 606 393 800 as trustee
for HHV ESOP Trust (**Holder**)

—

Escrow Deed

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Details

Date 29 November 2021

Parties

Name **Qualitas Limited**
ACN 655 057 588
Short form name **Company**
Notice details Level 38, 120 Collins Street, Melbourne VIC 3000
Email: legalnotices@qualitas.com.au
Attention: Company Secretary

Name **HHV Investments Pty Ltd ACN 606 393 800 as trustee for HHV ESOP Trust**
Short form name **Holder**
Notice details 

Background

- A The Company intends to list on ASX and conduct the Offer.
- B The Restricted Shares that the Holder will hold following the completion of the Offer will be held by the Holder as Escrow Shares for the Escrow Period on the terms and subject to the conditions set out in this deed.

Agreed terms

1. Defined terms & interpretation

1.1 Defined terms

In this document:

Aggregate Escrow Shares means the Escrow Shares as at the relevant time, together with the number of Shares and other equity securities (at the same relevant time) which are the subject of similar escrow restrictions held by other holders and covered by deeds in similar terms to this deed executed on or about the date of this deed.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 091 or the Australian Securities Exchange, a financial market operated by it, as the context requires.

ASX Settlement Rules means the operating rules of ASX Settlement Pty Limited ACN 008 504 532.

Business Day has the meaning given to that expression in the Listing Rules.

Completion Date means the settlement date of the Offer.

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

dealing, deal and dealt means, in respect of any Escrow Share, to directly or indirectly:

- (a) dispose of, or agree or offer to dispose of, that Escrow Share or any legal, beneficial or economic interest in that Escrow Share;
- (b) create, or agree to create, any Security Interest in that Escrow Share or any legal, beneficial or economic interest in that Escrow Share; or
- (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective direct or indirect ownership or Control:
 - (i) by the Relevant Principal of the Holder; or
 - (ii) of that Escrow Share or any legal, beneficial or economic interest in that Escrow Share,

but does not include or restrict the exercise of any voting rights for the Escrow Shares.

Escrow Period means each successive period set out in column 1 of the table in item 2 of Schedule 1.

Escrow Shares means, from time to time, the Shares and other equity interests held by the Holder which are the subject of escrow restrictions under this deed.

Excess Escrow Shares has the meaning given in clause 2.1(b).

Group means the Company and its subsidiaries.

Holding Lock has the meaning given to that term in the ASX Settlement Rules.

Issuer Sponsored Subregister has the meaning given to that term in the ASX Settlement Rules.

Last Escrow Period means the Escrow Period identified as Period C in column 1 of the table in item 2 of Schedule 1.

Listing Date means the first date on which the Shares are admitted to quotation on the ASX, including on a conditional and deferred settlement basis.

Listing Rules means the listing rules of ASX.

Notice means a notice which is:

- (a) legible and in English;
- (b) addressed to the party to whom that notice is being given;
- (c) marked to the attention of the individual who is specified in the address of that party; and
- (d) delivered to that party by being left at, or sent by security post to, the postal address or transmitted to the email address which is specified in the address of that party.

Offer means the initial public offering of Shares under the Prospectus.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Preceding Escrow Period has the meaning given in clause 2.2.

Prospectus means the prospectus for the offer of the Shares to be issued by the Company dated on or about the date of this deed and lodged with ASIC on that date and includes any supplementary or replacement prospectus in relation to that prospectus.

Relevant Principal means the person or controller set out in item 3 of Schedule 1.

Reorganisation Event means:

- (a) a bonus issue of equity securities in the Company;
- (b) a sub-division or consolidation of equity securities in the Company; or
- (c) another reorganisation or reconstruction of share capital where the Company neither pays nor receives cash.

Reorganisation Factor means, as at a particular time ('Time A'):

- (a) if a Reorganisation Event has not occurred before 'Time A', no adjustment; and
- (b) if one or more Reorganisation Events have occurred before 'Time A', the requisite adjustment which results in the same adjustment, change, effect or outcome which applied to the relevant Restricted Shares which were on issue when those Reorganisation Event(s) occurred, applied cumulatively and in the same order as the occurrence of those Reorganisation Event(s), rounded down to the nearest whole number after applying the requisite adjustments for each Reorganisation Event.

Restricted Shares means the number of Shares set out in item 1 of Schedule 1.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any security including, but not limited to, any retention of title;
- (b) created or otherwise arising in or over any interest in any security under a bill of sale, mortgage, charge, lien, pledge, trust or power; or
- (c) an interest of the kind referred to in section 12 of the PPSA, or any agreement to grant or create any such interest or power.

Share means a fully paid ordinary share in the Company.

Total Escrow Shares has the meaning given in clause 2.1(b).

1.2 Interpretation

In this deed including the recitals, unless the contrary intention appears:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this deed, and a reference to this deed includes any schedule or annexure;

- (d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) a reference to **A\$, \$A, dollar** or **\$** is to Australian currency;
- (f) a reference to time is to Melbourne time;
- (g) a reference to a party is to a party to this deed, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (h) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (i) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (j) unless otherwise defined, a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (k) the meaning of general words is not limited by specific examples introduced by **including, for example** or similar expressions;
- (l) a rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this deed or any part of it;
- (m) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day; and
- (n) for so long as the Company is listed on the official list of ASX, words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules (as applicable).

1.3 Headings

Headings are for ease of reference only and do not affect interpretation.

1.4 Compliance with Listing Rules

For so long as the Company is listed on the official list of ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not done, authority is given for that act to be done or not done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

2. Escrow restrictions

2.1 Holder restrictions during each Escrow Period

- (a) Subject to clauses 2.1(b) and 2.4, the Holder must not deal with the relevant Escrow Shares during each Escrow Period.
- (b) In respect of the Last Escrow Period, the Aggregate Escrow Shares must not constitute more than 19.99% of the total Shares of the Company which were on issue immediately after the issue of all of the Shares offered under the Prospectus (**Post-Listing Share Capital**). If on the second anniversary of the Listing Date (being the day before the Last Escrow Period begins), the Aggregate Escrow Shares exceeds 19.99% of the Post-Listing Share Capital (such excess being the **Excess Escrow Shares**), then the Excess Escrow Shares will cease to be Escrow Shares for the purposes of this deed with effect from the commencement of the Last Escrow Period (and the proportion of the Excess Escrow Shares which applies to the Holder will be equal to the proportion which the Escrow Shares held by the Holder represents of the Aggregate Escrow Shares on the second anniversary of the Listing Date).
- (c) If the Listing Date does not occur on or before 30 June 2022, this deed will automatically terminate and have no force or effect.

2.2 Release of Escrow Shares

From time to time and as an Escrow Period ends, the number of Shares which were Escrow Shares during that immediately preceding Escrow Period (**Preceding Escrow Period**) but which are not Escrow Shares during the Escrow Period immediately following that Preceding Escrow Period will, from the end of the Preceding Escrow Period, cease to be Escrow Shares for the purpose of this deed.

Worked example

On the Completion Date, the Restricted Shares are the 1,000 Shares held by the Holder.

On 1 May 2022, the Company issues 1 bonus Share for every two Shares then on issue. The Holder now has 1,500 Escrow Shares, comprising the original Restricted Shares of 1,000 and the additional 500 bonus Shares (the Escrow Shares being, after the Reorganisation Event, 1,000 as adjusted by the Reorganisation Factor = 1,500).

On 15 August 2022, the Company announces to the market its results for the financial year ending 30 June 2022 (**Release Date**).

The Release Date constitutes the end of an Escrow Period ('Period A'), and the next Escrow Period ('Period B') provides for the Escrow Shares to be $66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time.

The Escrow Shares for Period B is therefore: 1,000 (being the Restricted Shares) $\times 66\frac{2}{3}\%$ = 666.66667, as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 666.66667 Shares) = 1,000 Escrow Shares (rounded down from 1,000.00001 to the nearest whole number).

Therefore, on the day after Release Date, 500 Shares (being the difference between the 1,500 Escrow Shares at the end of Period A and the 1,000 Escrow Shares at the commencement of Period B) cease being Escrow Shares for the purpose of this deed.

On the 2-year anniversary date of the Listing Date, another Escrow Period ('Period B') comes to an end.

The Escrow Shares for the next Escrow Period ('Period C') is $33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b).

The Escrow Shares for Period C is therefore: 1,000 (being the Restricted Shares) $\times 33\frac{1}{3}\%$ = 333.33333 as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 333.33333 Shares) = 499 Escrow Shares (rounded down from 499.99999 to the nearest whole number). This assumes there is no reduction required because 499 Escrow Shares, together with the number of Shares and other equity interests (at the same relevant time) which are the subject of similar escrow restrictions held by other holders and covered by deeds in similar terms to this deed executed on or about the date of this deed, does not constitute more than 19.99% of the Post-Listing Share Capital.

Therefore, on the day after the 2-year anniversary date of the Listing Date, 501 Shares (being the difference between 1,000 Escrow Shares at the end of Period B and the 499 Escrow Shares at the commencement of Period C) cease being Escrow Shares for the purpose of this deed.

On the 5-year anniversary date of the Listing Date, another Escrow Period comes to an end. There is no further Escrow Period. Therefore, on the day after the 5-year anniversary date of the Listing Date, all remaining Escrow Shares (being 499 Shares) cease being Escrow Shares for the purpose of this deed.

2.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) prior to the commencement of trading of the Shares on the ASX pursuant to the Offer, the Restricted Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock to all Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister;
- (c) the Holder agrees to the application of the Holding Lock in respect of the Holder's Escrow Shares; and
- (d) the Company will do all things necessary or desirable to ensure that the Holding Lock in respect of the Holder's Escrowed Shares is released:
 - (i) to the extent necessary to permit disposals of those Escrow Shares permitted by this deed;
 - (ii) to the extent necessary as the relevant number of Shares which were Escrow Shares cease to be Escrowed Shares in accordance with clause 2.2; and
 - (iii) for the avoidance of doubt, in full at the conclusion of the Last Escrow Period.

2.4 Exceptions

During an Escrow Period, the Holder may deal in any of its Escrow Shares if the dealing:

- (a) is in connection with acceptance of a bona fide full or proportional takeover bid, provided the holders of at least 50% of the bid class securities that are not subject to escrow restrictions, and to which the offers under the bid relate, have accepted. The Escrow Shares must continue to be held on the terms of this deed if the relevant bid does not become unconditional or does not otherwise proceed;
- (b) is in connection with the transfer or cancellation of Shares as part of a scheme of arrangement relating to the Company under section 411 of the Corporations Act provided that the Escrow Shares continue to be held on the terms of this deed if the relevant scheme does not take effect;
- (c) constitutes a disposal of, but not the creation of a Security Interest in, the effective direct or indirect ownership or Control of the Holder by the Relevant Principal to:
 - (i) the spouse or any son or daughter of the Relevant Principal, or son or daughter of the Relevant Principal's spouse (**Immediate Family Member**); or
 - (ii) a company which is wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company;
- (d) constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Escrow Shares to:
 - (i) another person where the transfer does not involve any change in the beneficial ownership of the Escrow Shares;
 - (ii) an Immediate Family Member of the Relevant Principal;
 - (iii) a company wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company; or

- (iv) a trust or superannuation fund in relation to which the Relevant Principal or their Immediate Family Members are the beneficiaries,
 - (each a **Transferee**) where the Transferee also enters into an escrow arrangement with the Company in respect of those securities on substantially the same terms as this deed for the Escrow Period in respect of the Escrow Shares;
- (e) is a transfer of Escrow Shares following the death or incapacity of the Relevant Principal;
- (f) constitutes a dealing that is required by applicable law (including an order of a court of competent jurisdiction); or
- (g) is in connection with an equal access share buyback or capital return or capital reduction made in accordance with the Corporations Act.

2.5 Notice

If the Holder becomes aware:

- (a) that a dealing in any of the Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a dealing in any of the Escrow Shares during the Escrow Period,

it must Notify the Company as soon as practicable after becoming aware of the dealing or the matters giving rise to the dealing, providing full details.

3. Warranties and acknowledgment

3.1 Giving of warranties

Each of the warranties and representations in clause 3 are given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Last Escrow Period.

The warranties and representations given in this clause 3 are given in respect of any and all Escrow Shares which the Holder holds during the Escrow Period.

3.2 Representations and warranties

The Holder warrants and represents each of the matters below.

- (a) Prior to the Escrow Period, it has not done, or omitted to do, any act which would result in it dealing in Escrow Shares which would take effect during the Escrow Period.
- (b) On the Listing Date, the Holder will hold the Restricted Shares.
- (c) The Escrow Shares of the Holder are free from all Security Interests and other third party interests or rights (other than under the Company's constitution).
- (d) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (e) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (f) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (g) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (h) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right

has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that Trust; and

- (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (i) The execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

3.3 Survival of warranties and representations

The warranties and representations in this clause 3 survive the termination of this deed.

4. Consequences of breaching this deed

- (a) If the Holder breaches this deed (including a breach of clause 3.2), each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach, as soon as practicable after becoming aware of the breach;
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of any of the Holder's Escrow Shares (this is in addition to other rights and remedies of the Company); and
 - (iii) the Holder will cease to be entitled to any dividends, distribution or voting rights attaching to its Escrow Shares while the breach continues.
- (b) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 2.1 without proof of actual damage and without prejudice to any of its other rights or remedies.

5. Amendment and waiver

This deed may not be amended or waived without the prior written consent of the parties.

6. Capacity

If the Holder has entered into this deed as Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 6 but subject to clause 6(c), the Holder enters into this deed only in its capacity as Trustee of the Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent that it can be satisfied out of the property of the Trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to clause 6(c) a party to this deed may not sue the Holder in any capacity other than as Trustee in respect of the Trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the Trust), liquidator, administrator or any similar person; and

- (c) the provisions of this clause 6(c) will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction to the extent, or elimination of, the Holder's right of indemnification out of the assets of the Trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

7. Notices and other communications

7.1 Service of notices

A notice, demand, consent, approval or communication under this deed (**Notice**) must be:

- (a) in writing, in English and signed by a person duly authorised by the sender; and
- (b) hand delivered or sent by prepaid post or email to the recipient's address for Notices specified in the Details, as varied by any Notice given by the recipient to the sender.

7.2 Effective on receipt

A Notice given in accordance with clause 7.1 takes effect when taken to be received (or at a later time specified in it), and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, on the third Business Day after the date of posting (or on the seventh Business Day after the date of posting if posted to or from a place outside Australia); or
- (c) if sent by email, when sent by the sender unless the sender receives a delivery failure notification indicating that the email has not been delivered to the addressee,

but if the Notice is not received on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the next Business Day. If the Notice is received between 12.01am and 8.59am on a Business Day it is taken to be received at 9.00am on that Business Day.

8. General

8.1 Governing law and jurisdiction

This deed is governed by the laws of Victoria, Australia and each party submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

8.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

8.3 Counterparts

- (a) This deed may be executed in any number of counterpart or copies, with signatures appearing on different counterparts or copies, and this has the same effect as if the signatures on the counterparts or copies were on a single copy of this deed. Without limiting the foregoing, if any of the signatures on behalf of one party are on different counterpart or copies of this deed, this shall be taken to be, and have the same effect as, signatures on the same counterpart and on a single copy of this deed.
- (b) A party who has executed a counterpart of this deed may exchange it with another party by faxing, or by emailing a pdf (portable document format) copy of, the executed counterpart to that other party.
- (c) The parties irrevocably and unreservedly agree that this deed may be executed by way of electronic signatures and the parties agree that this deed, or any part thereof, shall not be

challenged or denied any legal effect, validity and/or enforceability solely on the ground that it is in the form of an electronic record.

8.4 Time of essence

Time is of the essence in relation to this deed.

Schedule 1 – Escrow details

1. Restricted Shares

3,885,473 Shares, being all of the Shares held by the Holder on the Completion Date.

2. Escrow Periods and Escrow Shares

Period	Column 1 – Escrow Period	Column 2 – Escrow Shares
A	The period from the Listing Date to and including the date on which the Company announces to the ASX its results for the financial year ending 30 June 2022	100% of the Restricted Shares, as adjusted by the Reorganisation Factor from time to time
B	The period from the day after the Preceding Escrow Period to and including the second anniversary of the Listing Date	$66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time
C	The period from the day after the Preceding Escrow Period to and including the fifth anniversary of the Listing Date	$33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time, provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b)

3. Relevant Principal

Henry Vuu

Signing page

EXECUTED as a deed.

Executed by Qualitas Limited ACN 655 057 588
in accordance with Section 127 of the
Corporations Act 2001



Signature of director

Andrew Schwartz

Name of director (print)



Signature of director/company secretary
(Please delete as applicable)

Daniel Mote

Name of director/company secretary (print)

Multiple director company

Executed by HHV Investments Pty Ltd ACN 606 393 800 as trustee for HHV ESOP Trust in accordance with Section 127 of the *Corporations Act 2001*

Signature of director

Name of director (print)



Signature of director/company secretary
(Please delete as applicable)

Henry Vuu

Name of director/company secretary (print)

Escrow Deed

—
Qualitas Limited ACN 655 057 588 (**Company**)

Ibrox Capital Management Pty Ltd ACN 606 426 448
as trustee for Ibrox Investment Qualitas Discretionary
Trust (**Holder**)
—

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Details

Date 29 November 2021

Parties

Name **Qualitas Limited**
ACN 655 057 588
Short form name **Company**
Notice details Level 38, 120 Collins Street, Melbourne VIC 3000
Email: legalnotices@qualitas.com.au
Attention: Company Secretary

Name **Ibrox Capital Management Pty Ltd ACN 606 426 448 as trustee for Ibrox Investment Qualitas Discretionary Trust**
Short form name **Holder**
Notice details 

Background

- A The Company intends to list on ASX and conduct the Offer.
- B The Restricted Shares that the Holder will hold following the completion of the Offer will be held by the Holder as Escrow Shares for the Escrow Period on the terms and subject to the conditions set out in this deed.

Agreed terms

1. Defined terms & interpretation

1.1 Defined terms

In this document:

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ASX means ASX Limited ACN 008 624 091 or the Australian Securities Exchange, a financial market operated by it, as the context requires.

ASX Settlement Rules means the operating rules of ASX Settlement Pty Limited ACN 008 504 532.

Business Day has the meaning given to that expression in the Listing Rules.

Completion Date means the settlement date of the Offer.

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

dealing, deal and dealt means, in respect of any Escrow Share, to directly or indirectly:

- (a) dispose of, or agree or offer to dispose of, that Escrow Share or any legal, beneficial or economic interest in that Escrow Share;
- (b) create, or agree to create, any Security Interest in that Escrow Share or any legal, beneficial or economic interest in that Escrow Share; or
- (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective direct or indirect ownership or Control:
 - (i) by the Relevant Principal of the Holder; or
 - (ii) of that Escrow Share or any legal, beneficial or economic interest in that Escrow Share,

but does not include or restrict the exercise of any voting rights for the Escrow Shares.

Escrow Period means each successive period set out in column 1 of the table in item 2 of Schedule 1.

Escrow Shares means, from time to time, the Shares and other equity interests held by the Holder which are the subject of escrow restrictions under this deed.

Excess Escrow Shares has the meaning given in clause 2.1(b).

Group means the Company and its subsidiaries.

Holding Lock has the meaning given to that term in the ASX Settlement Rules.

Issuer Sponsored Subregister has the meaning given to that term in the ASX Settlement Rules.

Last Escrow Period means the Escrow Period identified as Period C in column 1 of the table in item 2 of Schedule 1.

Listing Date means the first date on which the Shares are admitted to quotation on the ASX, including on a conditional and deferred settlement basis.

Listing Rules means the listing rules of ASX.

Notice means a notice which is:

- (a) legible and in English;
- (b) addressed to the party to whom that notice is being given;
- (c) marked to the attention of the individual who is specified in the address of that party; and
- (d) delivered to that party by being left at, or sent by security post to, the postal address or transmitted to the email address which is specified in the address of that party.

Offer means the initial public offering of Shares under the Prospectus.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Preceding Escrow Period has the meaning given in clause 2.2.

Prospectus means the prospectus for the offer of the Shares to be issued by the Company dated on or about the date of this deed and lodged with ASIC on that date and includes any supplementary or replacement prospectus in relation to that prospectus.

Relevant Principal means the person or controller set out in item 3 of Schedule 1.

Reorganisation Event means:

- (a) a bonus issue of equity securities in the Company;
- (b) a sub-division or consolidation of equity securities in the Company; or
- (c) another reorganisation or reconstruction of share capital where the Company neither pays nor receives cash.

Reorganisation Factor means, as at a particular time ('Time A'):

- (a) if a Reorganisation Event has not occurred before 'Time A', no adjustment; and
- (b) if one or more Reorganisation Events have occurred before 'Time A', the requisite adjustment which results in the same adjustment, change, effect or outcome which applied to the relevant Restricted Shares which were on issue when those Reorganisation Event(s) occurred, applied cumulatively and in the same order as the occurrence of those Reorganisation Event(s), rounded down to the nearest whole number after applying the requisite adjustments for each Reorganisation Event.

Restricted Shares means the number of Shares set out in item 1 of Schedule 1.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any security including, but not limited to, any retention of title;
 - (b) created or otherwise arising in or over any interest in any security under a bill of sale, mortgage, charge, lien, pledge, trust or power; or
 - (c) an interest of the kind referred to in section 12 of the PPSA,
- or any agreement to grant or create any such interest or power.

Share means a fully paid ordinary share in the Company.

Total Escrow Shares has the meaning given in clause 2.1(b).

1.2 Interpretation

In this deed including the recitals, unless the contrary intention appears:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this deed, and a reference to this deed includes any schedule or annexure;

- (d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) a reference to **A\$, \$A, dollar** or **\$** is to Australian currency;
- (f) a reference to time is to Melbourne time;
- (g) a reference to a party is to a party to this deed, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (h) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (i) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (j) unless otherwise defined, a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (k) the meaning of general words is not limited by specific examples introduced by **including, for example** or similar expressions;
- (l) a rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this deed or any part of it;
- (m) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day; and
- (n) for so long as the Company is listed on the official list of ASX, words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules (as applicable).

1.3 Headings

Headings are for ease of reference only and do not affect interpretation.

1.4 Compliance with Listing Rules

For so long as the Company is listed on the official list of ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not done, authority is given for that act to be done or not done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

2. Escrow restrictions

2.1 Holder restrictions during each Escrow Period

- (a) Subject to clauses 2.1(b) and 2.4, the Holder must not deal with the relevant Escrow Shares during each Escrow Period.
- (b) In respect of the Last Escrow Period, the Aggregate Escrow Shares must not constitute more than 19.99% of the total Shares of the Company which were on issue immediately after the issue of all of the Shares offered under the Prospectus (**Post-Listing Share Capital**). If on the second anniversary of the Listing Date (being the day before the Last Escrow Period begins), the Aggregate Escrow Shares exceeds 19.99% of the Post-Listing Share Capital (such excess being the **Excess Escrow Shares**), then the Excess Escrow Shares will cease to be Escrow Shares for the purposes of this deed with effect from the commencement of the Last Escrow Period (and the proportion of the Excess Escrow Shares which applies to the Holder will be equal to the proportion which the Escrow Shares held by the Holder represents of the Aggregate Escrow Shares on the second anniversary of the Listing Date).
- (c) If the Listing Date does not occur on or before 30 June 2022, this deed will automatically terminate and have no force or effect.

2.2 Release of Escrow Shares

From time to time and as an Escrow Period ends, the number of Shares which were Escrow Shares during that immediately preceding Escrow Period (**Preceding Escrow Period**) but which are not Escrow Shares during the Escrow Period immediately following that Preceding Escrow Period will, from the end of the Preceding Escrow Period, cease to be Escrow Shares for the purpose of this deed.

Worked example

On the Completion Date, the Restricted Shares are the 1,000 Shares held by the Holder.

On 1 May 2022, the Company issues 1 bonus Share for every two Shares then on issue. The Holder now has 1,500 Escrow Shares, comprising the original Restricted Shares of 1,000 and the additional 500 bonus Shares (the Escrow Shares being, after the Reorganisation Event, 1,000 as adjusted by the Reorganisation Factor = 1,500).

On 15 August 2022, the Company announces to the market its results for the financial year ending 30 June 2022 (**Release Date**).

The Release Date constitutes the end of an Escrow Period ('Period A'), and the next Escrow Period ('Period B') provides for the Escrow Shares to be $66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time.

The Escrow Shares for Period B is therefore: 1,000 (being the Restricted Shares) $\times 66\frac{2}{3}\%$ = 666.66667, as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 666.66667 Shares) = 1,000 Escrow Shares (rounded down from 1,000.00001 to the nearest whole number).

Therefore, on the day after Release Date, 500 Shares (being the difference between the 1,500 Escrow Shares at the end of Period A and the 1,000 Escrow Shares at the commencement of Period B) cease being Escrow Shares for the purpose of this deed.

On the 2-year anniversary date of the Listing Date, another Escrow Period ('Period B') comes to an end.

The Escrow Shares for the next Escrow Period ('Period C') is $33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b).

The Escrow Shares for Period C is therefore: 1,000 (being the Restricted Shares) $\times 33\frac{1}{3}\%$ = 333.33333 as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 333.33333 Shares) = 499 Escrow Shares (rounded down from 499.99999 to the nearest whole number). This assumes there is no reduction required because 499 Escrow Shares, together with the number of Shares and other equity interests (at the same relevant time) which are the subject of similar escrow restrictions held by other holders and covered by deeds in similar terms to this deed executed on or about the date of this deed, does not constitute more than 19.99% of the Post-Listing Share Capital.

Therefore, on the day after the 2-year anniversary date of the Listing Date, 501 Shares (being the difference between 1,000 Escrow Shares at the end of Period B and the 499 Escrow Shares at the commencement of Period C) cease being Escrow Shares for the purpose of this deed.

On the 5-year anniversary date of the Listing Date, another Escrow Period comes to an end. There is no further Escrow Period. Therefore, on the day after the 5-year anniversary date of the Listing Date, all remaining Escrow Shares (being 499 Shares) cease being Escrow Shares for the purpose of this deed.

2.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) prior to the commencement of trading of the Shares on the ASX pursuant to the Offer, the Restricted Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock to all Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister;
- (c) the Holder agrees to the application of the Holding Lock in respect of the Holder's Escrow Shares; and
- (d) the Company will do all things necessary or desirable to ensure that the Holding Lock in respect of the Holder's Escrowed Shares is released:
 - (i) to the extent necessary to permit disposals of those Escrow Shares permitted by this deed;
 - (ii) to the extent necessary as the relevant number of Shares which were Escrow Shares cease to be Escrowed Shares in accordance with clause 2.2; and
 - (iii) for the avoidance of doubt, in full at the conclusion of the Last Escrow Period.

2.4 Exceptions

During an Escrow Period, the Holder may deal in any of its Escrow Shares if the dealing:

- (a) is in connection with acceptance of a bona fide full or proportional takeover bid, provided the holders of at least 50% of the bid class securities that are not subject to escrow restrictions, and to which the offers under the bid relate, have accepted. The Escrow Shares must continue to be held on the terms of this deed if the relevant bid does not become unconditional or does not otherwise proceed;
- (b) is in connection with the transfer or cancellation of Shares as part of a scheme of arrangement relating to the Company under section 411 of the Corporations Act provided that the Escrow Shares continue to be held on the terms of this deed if the relevant scheme does not take effect;
- (c) constitutes a disposal of, but not the creation of a Security Interest in, the effective direct or indirect ownership or Control of the Holder by the Relevant Principal to:
 - (i) the spouse or any son or daughter of the Relevant Principal, or son or daughter of the Relevant Principal's spouse (**Immediate Family Member**); or
 - (ii) a company which is wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company;
- (d) constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Escrow Shares to:
 - (i) another person where the transfer does not involve any change in the beneficial ownership of the Escrow Shares;
 - (ii) an Immediate Family Member of the Relevant Principal;
 - (iii) a company wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company; or

- (iv) a trust or superannuation fund in relation to which the Relevant Principal or their Immediate Family Members are the beneficiaries,
 - (each a **Transferee**) where the Transferee also enters into an escrow arrangement with the Company in respect of those securities on substantially the same terms as this deed for the Escrow Period in respect of the Escrow Shares;
- (e) is a transfer of Escrow Shares following the death or incapacity of the Relevant Principal;
- (f) constitutes a dealing that is required by applicable law (including an order of a court of competent jurisdiction); or
- (g) is in connection with an equal access share buyback or capital return or capital reduction made in accordance with the Corporations Act.

2.5 Notice

If the Holder becomes aware:

- (a) that a dealing in any of the Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a dealing in any of the Escrow Shares during the Escrow Period,

it must Notify the Company as soon as practicable after becoming aware of the dealing or the matters giving rise to the dealing, providing full details.

3. Warranties and acknowledgment

3.1 Giving of warranties

Each of the warranties and representations in clause 3 are given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Last Escrow Period.

The warranties and representations given in this clause 3 are given in respect of any and all Escrow Shares which the Holder holds during the Escrow Period.

3.2 Representations and warranties

The Holder warrants and represents each of the matters below.

- (a) Prior to the Escrow Period, it has not done, or omitted to do, any act which would result in it dealing in Escrow Shares which would take effect during the Escrow Period.
- (b) On the Listing Date, the Holder will hold the Restricted Shares.
- (c) The Escrow Shares of the Holder are free from all Security Interests and other third party interests or rights (other than under the Company's constitution).
- (d) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (e) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (f) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (g) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (h) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right

has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that Trust; and

- (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (i) The execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

3.3 Survival of warranties and representations

The warranties and representations in this clause 3 survive the termination of this deed.

4. Consequences of breaching this deed

- (a) If the Holder breaches this deed (including a breach of clause 3.2), each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach, as soon as practicable after becoming aware of the breach;
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of any of the Holder's Escrow Shares (this is in addition to other rights and remedies of the Company); and
 - (iii) the Holder will cease to be entitled to any dividends, distribution or voting rights attaching to its Escrow Shares while the breach continues.
- (b) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 2.1 without proof of actual damage and without prejudice to any of its other rights or remedies.

5. Amendment and waiver

This deed may not be amended or waived without the prior written consent of the parties.

6. Capacity

If the Holder has entered into this deed as Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 6 but subject to clause 6(c), the Holder enters into this deed only in its capacity as Trustee of the Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent that it can be satisfied out of the property of the Trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to clause 6(c) a party to this deed may not sue the Holder in any capacity other than as Trustee in respect of the Trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the Trust), liquidator, administrator or any similar person; and

- (c) the provisions of this clause 6(c) will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction to the extent, or elimination of, the Holder's right of indemnification out of the assets of the Trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

7. Notices and other communications

7.1 Service of notices

A notice, demand, consent, approval or communication under this deed (**Notice**) must be:

- (a) in writing, in English and signed by a person duly authorised by the sender; and
- (b) hand delivered or sent by prepaid post or email to the recipient's address for Notices specified in the Details, as varied by any Notice given by the recipient to the sender.

7.2 Effective on receipt

A Notice given in accordance with clause 7.1 takes effect when taken to be received (or at a later time specified in it), and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, on the third Business Day after the date of posting (or on the seventh Business Day after the date of posting if posted to or from a place outside Australia); or
- (c) if sent by email, when sent by the sender unless the sender receives a delivery failure notification indicating that the email has not been delivered to the addressee,

but if the Notice is not received on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the next Business Day. If the Notice is received between 12.01am and 8.59am on a Business Day it is taken to be received at 9.00am on that Business Day.

8. General

8.1 Governing law and jurisdiction

This deed is governed by the laws of Victoria, Australia and each party submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

8.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

8.3 Counterparts

- (a) This deed may be executed in any number of counterpart or copies, with signatures appearing on different counterparts or copies, and this has the same effect as if the signatures on the counterparts or copies were on a single copy of this deed. Without limiting the foregoing, if any of the signatures on behalf of one party are on different counterpart or copies of this deed, this shall be taken to be, and have the same effect as, signatures on the same counterpart and on a single copy of this deed.
- (b) A party who has executed a counterpart of this deed may exchange it with another party by faxing, or by emailing a pdf (portable document format) copy of, the executed counterpart to that other party.
- (c) The parties irrevocably and unreservedly agree that this deed may be executed by way of electronic signatures and the parties agree that this deed, or any part thereof, shall not be

challenged or denied any legal effect, validity and/or enforceability solely on the ground that it is in the form of an electronic record.

8.4 Time of essence

Time is of the essence in relation to this deed.

Schedule 1 – Escrow details

1. Restricted Shares

7,770,927 Shares, being all of the Shares held by the Holder on the Completion Date.

2. Escrow Periods and Escrow Shares

Period	Column 1 – Escrow Period	Column 2 – Escrow Shares
A	The period from the Listing Date to and including the date on which the Company announces to the ASX its results for the financial year ending 30 June 2022	100% of the Restricted Shares, as adjusted by the Reorganisation Factor from time to time
B	The period from the day after the Preceding Escrow Period to and including the second anniversary of the Listing Date	$66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time
C	The period from the day after the Preceding Escrow Period to and including the fifth anniversary of the Listing Date	$33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time, provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b)

3. Relevant Principal

Mark Fischer

Signing page

EXECUTED as a deed.

Executed by Qualitas Limited ACN 655 057 588
in accordance with Section 127 of the
Corporations Act 2001



Signature of director

Andrew Schwartz

Name of director (print)



Signature of ~~director~~/company secretary
(Please delete as applicable)

Daniel Mote

Name of ~~director~~/company secretary (print)

Sole director company

Executed by Ibrox Capital Management Pty Ltd
ACN 606 426 448 as trustee for Ibrox
Investment Qualitas Discretionary Trust in
accordance with Section 127 of the *Corporations*
Act 2001



Signature of sole director and sole company secretary

Mark Fischer

Name of sole director and sole company secretary (print)

who states that he or she is the sole director and the sole
company secretary of the company

Escrow Deed

—
Qualitas Limited ACN 655 057 588 (**Company**)

Jurrah Investments Pty Ltd ACN 146 940 534 as
trustee for RM Davis Investment Trust (**Holder**)

—

Escrow Deed

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Details

Date 29 November 2021

Parties

Name **Qualitas Limited**
ACN 655 057 588
Short form name **Company**
Notice details Level 38, 120 Collins Street, Melbourne VIC 3000
Email: legalnotices@qualitas.com.au
Attention: Company Secretary

Name **Jurrah Investments Pty Ltd ACN 146 940 534 as trustee for RM Davis Investment Trust**
Short form name **Holder**
Notice details 

Background

- A The Company intends to list on ASX and conduct the Offer.
- B The Restricted Shares that the Holder will hold following the completion of the Offer will be held by the Holder as Escrow Shares for the Escrow Period on the terms and subject to the conditions set out in this deed.

Agreed terms

1. Defined terms & interpretation

1.1 Defined terms

In this document:

Aggregate Escrow Shares means the Escrow Shares as at the relevant time, together with the number of Shares and other equity securities (at the same relevant time) which are the subject of similar escrow restrictions held by other holders and covered by deeds in similar terms to this deed executed on or about the date of this deed.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 091 or the Australian Securities Exchange, a financial market operated by it, as the context requires.

ASX Settlement Rules means the operating rules of ASX Settlement Pty Limited ACN 008 504 532.

Business Day has the meaning given to that expression in the Listing Rules.

Completion Date means the settlement date of the Offer.

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

dealing, deal and dealt means, in respect of any Escrow Share, to directly or indirectly:

- (a) dispose of, or agree or offer to dispose of, that Escrow Share or any legal, beneficial or economic interest in that Escrow Share;
- (b) create, or agree to create, any Security Interest in that Escrow Share or any legal, beneficial or economic interest in that Escrow Share; or
- (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective direct or indirect ownership or Control:
 - (i) by the Relevant Principal of the Holder; or
 - (ii) of that Escrow Share or any legal, beneficial or economic interest in that Escrow Share,

but does not include or restrict the exercise of any voting rights for the Escrow Shares.

Escrow Period means each successive period set out in column 1 of the table in item 2 of Schedule 1.

Escrow Shares means, from time to time, the Shares and other equity interests held by the Holder which are the subject of escrow restrictions under this deed.

Excess Escrow Shares has the meaning given in clause 2.1(b).

Group means the Company and its subsidiaries.

Holding Lock has the meaning given to that term in the ASX Settlement Rules.

Issuer Sponsored Subregister has the meaning given to that term in the ASX Settlement Rules.

Last Escrow Period means the Escrow Period identified as Period C in column 1 of the table in item 2 of Schedule 1.

Listing Date means the first date on which the Shares are admitted to quotation on the ASX, including on a conditional and deferred settlement basis.

Listing Rules means the listing rules of ASX.

Notice means a notice which is:

- (a) legible and in English;
- (b) addressed to the party to whom that notice is being given;
- (c) marked to the attention of the individual who is specified in the address of that party; and
- (d) delivered to that party by being left at, or sent by security post to, the postal address or transmitted to the email address which is specified in the address of that party.

Offer means the initial public offering of Shares under the Prospectus.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Preceding Escrow Period has the meaning given in clause 2.2.

Prospectus means the prospectus for the offer of the Shares to be issued by the Company dated on or about the date of this deed and lodged with ASIC on that date and includes any supplementary or replacement prospectus in relation to that prospectus.

Relevant Principal means the person or controller set out in item 3 of Schedule 1.

Reorganisation Event means:

- (a) a bonus issue of equity securities in the Company;
- (b) a sub-division or consolidation of equity securities in the Company; or
- (c) another reorganisation or reconstruction of share capital where the Company neither pays nor receives cash.

Reorganisation Factor means, as at a particular time ('Time A'):

- (a) if a Reorganisation Event has not occurred before 'Time A', no adjustment; and
- (b) if one or more Reorganisation Events have occurred before 'Time A', the requisite adjustment which results in the same adjustment, change, effect or outcome which applied to the relevant Restricted Shares which were on issue when those Reorganisation Event(s) occurred, applied cumulatively and in the same order as the occurrence of those Reorganisation Event(s), rounded down to the nearest whole number after applying the requisite adjustments for each Reorganisation Event.

Restricted Shares means the number of Shares set out in item 1 of Schedule 1.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any security including, but not limited to, any retention of title;
 - (b) created or otherwise arising in or over any interest in any security under a bill of sale, mortgage, charge, lien, pledge, trust or power; or
 - (c) an interest of the kind referred to in section 12 of the PPSA,
- or any agreement to grant or create any such interest or power.

Share means a fully paid ordinary share in the Company.

Total Escrow Shares has the meaning given in clause 2.1(b).

1.2 Interpretation

In this deed including the recitals, unless the contrary intention appears:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this deed, and a reference to this deed includes any schedule or annexure;

- (d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) a reference to **A\$, \$A, dollar** or **\$** is to Australian currency;
- (f) a reference to time is to Melbourne time;
- (g) a reference to a party is to a party to this deed, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (h) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (i) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (j) unless otherwise defined, a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (k) the meaning of general words is not limited by specific examples introduced by **including, for example** or similar expressions;
- (l) a rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this deed or any part of it;
- (m) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day; and
- (n) for so long as the Company is listed on the official list of ASX, words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules (as applicable).

1.3 Headings

Headings are for ease of reference only and do not affect interpretation.

1.4 Compliance with Listing Rules

For so long as the Company is listed on the official list of ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not done, authority is given for that act to be done or not done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

2. Escrow restrictions

2.1 Holder restrictions during each Escrow Period

- (a) Subject to clauses 2.1(b) and 2.4, the Holder must not deal with the relevant Escrow Shares during each Escrow Period.
- (b) In respect of the Last Escrow Period, the Aggregate Escrow Shares must not constitute more than 19.99% of the total Shares of the Company which were on issue immediately after the issue of all of the Shares offered under the Prospectus (**Post-Listing Share Capital**). If on the second anniversary of the Listing Date (being the day before the Last Escrow Period begins), the Aggregate Escrow Shares exceeds 19.99% of the Post-Listing Share Capital (such excess being the **Excess Escrow Shares**), then the Excess Escrow Shares will cease to be Escrow Shares for the purposes of this deed with effect from the commencement of the Last Escrow Period (and the proportion of the Excess Escrow Shares which applies to the Holder will be equal to the proportion which the Escrow Shares held by the Holder represents of the Aggregate Escrow Shares on the second anniversary of the Listing Date).
- (c) If the Listing Date does not occur on or before 30 June 2022, this deed will automatically terminate and have no force or effect.

2.2 Release of Escrow Shares

From time to time and as an Escrow Period ends, the number of Shares which were Escrow Shares during that immediately preceding Escrow Period (**Preceding Escrow Period**) but which are not Escrow Shares during the Escrow Period immediately following that Preceding Escrow Period will, from the end of the Preceding Escrow Period, cease to be Escrow Shares for the purpose of this deed.

Worked example

On the Completion Date, the Restricted Shares are the 1,000 Shares held by the Holder.

On 1 May 2022, the Company issues 1 bonus Share for every two Shares then on issue. The Holder now has 1,500 Escrow Shares, comprising the original Restricted Shares of 1,000 and the additional 500 bonus Shares (the Escrow Shares being, after the Reorganisation Event, 1,000 as adjusted by the Reorganisation Factor = 1,500).

On 15 August 2022, the Company announces to the market its results for the financial year ending 30 June 2022 (**Release Date**).

The Release Date constitutes the end of an Escrow Period ('Period A'), and the next Escrow Period ('Period B') provides for the Escrow Shares to be $66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time.

The Escrow Shares for Period B is therefore: 1,000 (being the Restricted Shares) $\times 66\frac{2}{3}\%$ = 666.66667, as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 666.66667 Shares) = 1,000 Escrow Shares (rounded down from 1,000.00001 to the nearest whole number).

Therefore, on the day after Release Date, 500 Shares (being the difference between the 1,500 Escrow Shares at the end of Period A and the 1,000 Escrow Shares at the commencement of Period B) cease being Escrow Shares for the purpose of this deed.

On the 2-year anniversary date of the Listing Date, another Escrow Period ('Period B') comes to an end.

The Escrow Shares for the next Escrow Period ('Period C') is $33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b).

The Escrow Shares for Period C is therefore: 1,000 (being the Restricted Shares) $\times 33\frac{1}{3}\%$ = 333.33333 as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 333.33333 Shares) = 499 Escrow Shares (rounded down from 499.99999 to the nearest whole number). This assumes there is no reduction required because 499 Escrow Shares, together with the number of Shares and other equity interests (at the same relevant time) which are the subject of similar escrow restrictions held by other holders and covered by deeds in similar terms to this deed executed on or about the date of this deed, does not constitute more than 19.99% of the Post-Listing Share Capital.

Therefore, on the day after the 2-year anniversary date of the Listing Date, 501 Shares (being the difference between 1,000 Escrow Shares at the end of Period B and the 499 Escrow Shares at the commencement of Period C) cease being Escrow Shares for the purpose of this deed.

On the 5-year anniversary date of the Listing Date, another Escrow Period comes to an end. There is no further Escrow Period. Therefore, on the day after the 5-year anniversary date of the Listing Date, all remaining Escrow Shares (being 499 Shares) cease being Escrow Shares for the purpose of this deed.

2.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) prior to the commencement of trading of the Shares on the ASX pursuant to the Offer, the Restricted Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock to all Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister;
- (c) the Holder agrees to the application of the Holding Lock in respect of the Holder's Escrow Shares; and
- (d) the Company will do all things necessary or desirable to ensure that the Holding Lock in respect of the Holder's Escrowed Shares is released:
 - (i) to the extent necessary to permit disposals of those Escrow Shares permitted by this deed;
 - (ii) to the extent necessary as the relevant number of Shares which were Escrow Shares cease to be Escrowed Shares in accordance with clause 2.2; and
 - (iii) for the avoidance of doubt, in full at the conclusion of the Last Escrow Period.

2.4 Exceptions

During an Escrow Period, the Holder may deal in any of its Escrow Shares if the dealing:

- (a) is in connection with acceptance of a bona fide full or proportional takeover bid, provided the holders of at least 50% of the bid class securities that are not subject to escrow restrictions, and to which the offers under the bid relate, have accepted. The Escrow Shares must continue to be held on the terms of this deed if the relevant bid does not become unconditional or does not otherwise proceed;
- (b) is in connection with the transfer or cancellation of Shares as part of a scheme of arrangement relating to the Company under section 411 of the Corporations Act provided that the Escrow Shares continue to be held on the terms of this deed if the relevant scheme does not take effect;
- (c) constitutes a disposal of, but not the creation of a Security Interest in, the effective direct or indirect ownership or Control of the Holder by the Relevant Principal to:
 - (i) the spouse or any son or daughter of the Relevant Principal, or son or daughter of the Relevant Principal's spouse (**Immediate Family Member**); or
 - (ii) a company which is wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company;
- (d) constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Escrow Shares to:
 - (i) another person where the transfer does not involve any change in the beneficial ownership of the Escrow Shares;
 - (ii) an Immediate Family Member of the Relevant Principal;
 - (iii) a company wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company; or

- (iv) a trust or superannuation fund in relation to which the Relevant Principal or their Immediate Family Members are the beneficiaries,
 - (each a **Transferee**) where the Transferee also enters into an escrow arrangement with the Company in respect of those securities on substantially the same terms as this deed for the Escrow Period in respect of the Escrow Shares;
- (e) is a transfer of Escrow Shares following the death or incapacity of the Relevant Principal;
- (f) constitutes a dealing that is required by applicable law (including an order of a court of competent jurisdiction); or
- (g) is in connection with an equal access share buyback or capital return or capital reduction made in accordance with the Corporations Act.

2.5 Notice

If the Holder becomes aware:

- (a) that a dealing in any of the Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a dealing in any of the Escrow Shares during the Escrow Period,

it must Notify the Company as soon as practicable after becoming aware of the dealing or the matters giving rise to the dealing, providing full details.

3. Warranties and acknowledgment

3.1 Giving of warranties

Each of the warranties and representations in clause 3 are given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Last Escrow Period.

The warranties and representations given in this clause 3 are given in respect of any and all Escrow Shares which the Holder holds during the Escrow Period.

3.2 Representations and warranties

The Holder warrants and represents each of the matters below.

- (a) Prior to the Escrow Period, it has not done, or omitted to do, any act which would result in it dealing in Escrow Shares which would take effect during the Escrow Period.
- (b) On the Listing Date, the Holder will hold the Restricted Shares.
- (c) The Escrow Shares of the Holder are free from all Security Interests and other third party interests or rights (other than under the Company's constitution).
- (d) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (e) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (f) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (g) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (h) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right

has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that Trust; and

- (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (i) The execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

3.3 Survival of warranties and representations

The warranties and representations in this clause 3 survive the termination of this deed.

4. Consequences of breaching this deed

- (a) If the Holder breaches this deed (including a breach of clause 3.2), each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach, as soon as practicable after becoming aware of the breach;
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of any of the Holder's Escrow Shares (this is in addition to other rights and remedies of the Company); and
 - (iii) the Holder will cease to be entitled to any dividends, distribution or voting rights attaching to its Escrow Shares while the breach continues.
- (b) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 2.1 without proof of actual damage and without prejudice to any of its other rights or remedies.

5. Amendment and waiver

This deed may not be amended or waived without the prior written consent of the parties.

6. Capacity

If the Holder has entered into this deed as Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 6 but subject to clause 6(c), the Holder enters into this deed only in its capacity as Trustee of the Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent that it can be satisfied out of the property of the Trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to clause 6(c) a party to this deed may not sue the Holder in any capacity other than as Trustee in respect of the Trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the Trust), liquidator, administrator or any similar person; and

- (c) the provisions of this clause 6(c) will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction to the extent, or elimination of, the Holder's right of indemnification out of the assets of the Trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

7. Notices and other communications

7.1 Service of notices

A notice, demand, consent, approval or communication under this deed (**Notice**) must be:

- (a) in writing, in English and signed by a person duly authorised by the sender; and
- (b) hand delivered or sent by prepaid post or email to the recipient's address for Notices specified in the Details, as varied by any Notice given by the recipient to the sender.

7.2 Effective on receipt

A Notice given in accordance with clause 7.1 takes effect when taken to be received (or at a later time specified in it), and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, on the third Business Day after the date of posting (or on the seventh Business Day after the date of posting if posted to or from a place outside Australia); or
- (c) if sent by email, when sent by the sender unless the sender receives a delivery failure notification indicating that the email has not been delivered to the addressee,

but if the Notice is not received on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the next Business Day. If the Notice is received between 12.01am and 8.59am on a Business Day it is taken to be received at 9.00am on that Business Day.

8. General

8.1 Governing law and jurisdiction

This deed is governed by the laws of Victoria, Australia and each party submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

8.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

8.3 Counterparts

- (a) This deed may be executed in any number of counterpart or copies, with signatures appearing on different counterparts or copies, and this has the same effect as if the signatures on the counterparts or copies were on a single copy of this deed. Without limiting the foregoing, if any of the signatures on behalf of one party are on different counterpart or copies of this deed, this shall be taken to be, and have the same effect as, signatures on the same counterpart and on a single copy of this deed.
- (b) A party who has executed a counterpart of this deed may exchange it with another party by faxing, or by emailing a pdf (portable document format) copy of, the executed counterpart to that other party.
- (c) The parties irrevocably and unreservedly agree that this deed may be executed by way of electronic signatures and the parties agree that this deed, or any part thereof, shall not be

challenged or denied any legal effect, validity and/or enforceability solely on the ground that it is in the form of an electronic record.

8.4 Time of essence

Time is of the essence in relation to this deed.

Schedule 1 – Escrow details

1. Restricted Shares

10,102,243 Shares, being all of the Shares held by the Holder on the Completion Date.

2. Escrow Periods and Escrow Shares

Period	Column 1 – Escrow Period	Column 2 – Escrow Shares
A	The period from the Listing Date to and including the date on which the Company announces to the ASX its results for the financial year ending 30 June 2022	100% of the Restricted Shares, as adjusted by the Reorganisation Factor from time to time
B	The period from the day after the Preceding Escrow Period to and including the second anniversary of the Listing Date	$66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time
C	The period from the day after the Preceding Escrow Period to and including the fifth anniversary of the Listing Date	$33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time, provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b)

3. Relevant Principal

Rohan Davis

Signing page

EXECUTED as a deed.

Executed by Qualitas Limited ACN 655 057 588
in accordance with Section 127 of the
Corporations Act 2001



Signature of director

Andrew Schwartz

Name of director (print)



Signature of director/company secretary
(Please delete as applicable)

Daniel Mote

Name of director/company secretary (print)

**Executed by Jurrah Investments Pty Ltd ACN
146 940 534 as trustee for RM Davis Investment
Trust** in accordance with Section 127 of the
Corporations Act 2001

Signature of director

Name of director (print)



Signature of director/company secretary
(Please delete as applicable)

Rohan Matthew Davis

Name of director/company secretary (print)

Escrow Deed

—
Qualitas Limited ACN 655 057 588 (**Company**)

Meltim Holdings Pty Ltd ACN 634 252 583 as trustee
for Meltim Family Trust (**Holder**)

—

Escrow Deed

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Details

Date 29 November 2021

Parties

Name **Qualitas Limited**
ACN 655 057 588
Short form name **Company**
Notice details Level 38, 120 Collins Street, Melbourne VIC 3000
Email: legalnotices@qualitas.com.au
Attention: Company Secretary

Name **Meltim Holdings Pty Ltd ACN 634 252 583 as trustee for Meltim Family Trust**
Short form name **Holder**
Notice details 

Background

- A The Company intends to list on ASX and conduct the Offer.
- B The Restricted Shares that the Holder will hold following the completion of the Offer will be held by the Holder as Escrow Shares for the Escrow Period on the terms and subject to the conditions set out in this deed.

Agreed terms

1. Defined terms & interpretation

1.1 Defined terms

In this document:

Aggregate Escrow Shares means the Escrow Shares as at the relevant time, together with the number of Shares and other equity securities (at the same relevant time) which are the subject of similar escrow restrictions held by other holders and covered by deeds in similar terms to this deed executed on or about the date of this deed.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 091 or the Australian Securities Exchange, a financial market operated by it, as the context requires.

ASX Settlement Rules means the operating rules of ASX Settlement Pty Limited ACN 008 504 532.

Business Day has the meaning given to that expression in the Listing Rules.

Completion Date means the settlement date of the Offer.

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

dealing, deal and dealt means, in respect of any Escrow Share, to directly or indirectly:

- (a) dispose of, or agree or offer to dispose of, that Escrow Share or any legal, beneficial or economic interest in that Escrow Share;
- (b) create, or agree to create, any Security Interest in that Escrow Share or any legal, beneficial or economic interest in that Escrow Share; or
- (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective direct or indirect ownership or Control:
 - (i) by the Relevant Principal of the Holder; or
 - (ii) of that Escrow Share or any legal, beneficial or economic interest in that Escrow Share,

but does not include or restrict the exercise of any voting rights for the Escrow Shares.

Escrow Period means each successive period set out in column 1 of the table in item 2 of Schedule 1.

Escrow Shares means, from time to time, the Shares and other equity interests held by the Holder which are the subject of escrow restrictions under this deed.

Excess Escrow Shares has the meaning given in clause 2.1(b).

Group means the Company and its subsidiaries.

Holding Lock has the meaning given to that term in the ASX Settlement Rules.

Issuer Sponsored Subregister has the meaning given to that term in the ASX Settlement Rules.

Last Escrow Period means the Escrow Period identified as Period C in column 1 of the table in item 2 of Schedule 1.

Listing Date means the first date on which the Shares are admitted to quotation on the ASX, including on a conditional and deferred settlement basis.

Listing Rules means the listing rules of ASX.

Notice means a notice which is:

- (a) legible and in English;
- (b) addressed to the party to whom that notice is being given;
- (c) marked to the attention of the individual who is specified in the address of that party; and
- (d) delivered to that party by being left at, or sent by security post to, the postal address or transmitted to the email address which is specified in the address of that party.

Offer means the initial public offering of Shares under the Prospectus.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Preceding Escrow Period has the meaning given in clause 2.2.

Prospectus means the prospectus for the offer of the Shares to be issued by the Company dated on or about the date of this deed and lodged with ASIC on that date and includes any supplementary or replacement prospectus in relation to that prospectus.

Relevant Principal means the person or controller set out in item 3 of Schedule 1.

Reorganisation Event means:

- (a) a bonus issue of equity securities in the Company;
- (b) a sub-division or consolidation of equity securities in the Company; or
- (c) another reorganisation or reconstruction of share capital where the Company neither pays nor receives cash.

Reorganisation Factor means, as at a particular time ('Time A'):

- (a) if a Reorganisation Event has not occurred before 'Time A', no adjustment; and
- (b) if one or more Reorganisation Events have occurred before 'Time A', the requisite adjustment which results in the same adjustment, change, effect or outcome which applied to the relevant Restricted Shares which were on issue when those Reorganisation Event(s) occurred, applied cumulatively and in the same order as the occurrence of those Reorganisation Event(s), rounded down to the nearest whole number after applying the requisite adjustments for each Reorganisation Event.

Restricted Shares means the number of Shares set out in item 1 of Schedule 1.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any security including, but not limited to, any retention of title;
- (b) created or otherwise arising in or over any interest in any security under a bill of sale, mortgage, charge, lien, pledge, trust or power; or
- (c) an interest of the kind referred to in section 12 of the PPSA, or any agreement to grant or create any such interest or power.

Share means a fully paid ordinary share in the Company.

Total Escrow Shares has the meaning given in clause 2.1(b).

1.2 Interpretation

In this deed including the recitals, unless the contrary intention appears:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this deed, and a reference to this deed includes any schedule or annexure;

- (d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) a reference to **A\$, \$A, dollar** or **\$** is to Australian currency;
- (f) a reference to time is to Melbourne time;
- (g) a reference to a party is to a party to this deed, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (h) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (i) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (j) unless otherwise defined, a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (k) the meaning of general words is not limited by specific examples introduced by **including, for example** or similar expressions;
- (l) a rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this deed or any part of it;
- (m) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day; and
- (n) for so long as the Company is listed on the official list of ASX, words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules (as applicable).

1.3 Headings

Headings are for ease of reference only and do not affect interpretation.

1.4 Compliance with Listing Rules

For so long as the Company is listed on the official list of ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not done, authority is given for that act to be done or not done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

2. Escrow restrictions

2.1 Holder restrictions during each Escrow Period

- (a) Subject to clauses 2.1(b) and 2.4, the Holder must not deal with the relevant Escrow Shares during each Escrow Period.
- (b) In respect of the Last Escrow Period, the Aggregate Escrow Shares must not constitute more than 19.99% of the total Shares of the Company which were on issue immediately after the issue of all of the Shares offered under the Prospectus (**Post-Listing Share Capital**). If on the second anniversary of the Listing Date (being the day before the Last Escrow Period begins), the Aggregate Escrow Shares exceeds 19.99% of the Post-Listing Share Capital (such excess being the **Excess Escrow Shares**), then the Excess Escrow Shares will cease to be Escrow Shares for the purposes of this deed with effect from the commencement of the Last Escrow Period (and the proportion of the Excess Escrow Shares which applies to the Holder will be equal to the proportion which the Escrow Shares held by the Holder represents of the Aggregate Escrow Shares on the second anniversary of the Listing Date).
- (c) If the Listing Date does not occur on or before 30 June 2022, this deed will automatically terminate and have no force or effect.

2.2 Release of Escrow Shares

From time to time and as an Escrow Period ends, the number of Shares which were Escrow Shares during that immediately preceding Escrow Period (**Preceding Escrow Period**) but which are not Escrow Shares during the Escrow Period immediately following that Preceding Escrow Period will, from the end of the Preceding Escrow Period, cease to be Escrow Shares for the purpose of this deed.

Worked example

On the Completion Date, the Restricted Shares are the 1,000 Shares held by the Holder.

On 1 May 2022, the Company issues 1 bonus Share for every two Shares then on issue. The Holder now has 1,500 Escrow Shares, comprising the original Restricted Shares of 1,000 and the additional 500 bonus Shares (the Escrow Shares being, after the Reorganisation Event, 1,000 as adjusted by the Reorganisation Factor = 1,500).

On 15 August 2022, the Company announces to the market its results for the financial year ending 30 June 2022 (**Release Date**).

The Release Date constitutes the end of an Escrow Period ('Period A'), and the next Escrow Period ('Period B') provides for the Escrow Shares to be $66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time.

The Escrow Shares for Period B is therefore: 1,000 (being the Restricted Shares) $\times 66\frac{2}{3}\%$ = 666.66667, as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 666.66667 Shares) = 1,000 Escrow Shares (rounded down from 1,000.00001 to the nearest whole number).

Therefore, on the day after Release Date, 500 Shares (being the difference between the 1,500 Escrow Shares at the end of Period A and the 1,000 Escrow Shares at the commencement of Period B) cease being Escrow Shares for the purpose of this deed.

On the 2-year anniversary date of the Listing Date, another Escrow Period ('Period B') comes to an end.

The Escrow Shares for the next Escrow Period ('Period C') is $33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b).

The Escrow Shares for Period C is therefore: 1,000 (being the Restricted Shares) $\times 33\frac{1}{3}\%$ = 333.33333 as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 333.33333 Shares) = 499 Escrow Shares (rounded down from 499.99999 to the nearest whole number). This assumes there is no reduction required because 499 Escrow Shares, together with the number of Shares and other equity interests (at the same relevant time) which are the subject of similar escrow restrictions held by other holders and covered by deeds in similar terms to this deed executed on or about the date of this deed, does not constitute more than 19.99% of the Post-Listing Share Capital.

Therefore, on the day after the 2-year anniversary date of the Listing Date, 501 Shares (being the difference between 1,000 Escrow Shares at the end of Period B and the 499 Escrow Shares at the commencement of Period C) cease being Escrow Shares for the purpose of this deed.

On the 5-year anniversary date of the Listing Date, another Escrow Period comes to an end. There is no further Escrow Period. Therefore, on the day after the 5-year anniversary date of the Listing Date, all remaining Escrow Shares (being 499 Shares) cease being Escrow Shares for the purpose of this deed.

2.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) prior to the commencement of trading of the Shares on the ASX pursuant to the Offer, the Restricted Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock to all Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister;
- (c) the Holder agrees to the application of the Holding Lock in respect of the Holder's Escrow Shares; and
- (d) the Company will do all things necessary or desirable to ensure that the Holding Lock in respect of the Holder's Escrowed Shares is released:
 - (i) to the extent necessary to permit disposals of those Escrow Shares permitted by this deed;
 - (ii) to the extent necessary as the relevant number of Shares which were Escrow Shares cease to be Escrowed Shares in accordance with clause 2.2; and
 - (iii) for the avoidance of doubt, in full at the conclusion of the Last Escrow Period.

2.4 Exceptions

During an Escrow Period, the Holder may deal in any of its Escrow Shares if the dealing:

- (a) is in connection with acceptance of a bona fide full or proportional takeover bid, provided the holders of at least 50% of the bid class securities that are not subject to escrow restrictions, and to which the offers under the bid relate, have accepted. The Escrow Shares must continue to be held on the terms of this deed if the relevant bid does not become unconditional or does not otherwise proceed;
- (b) is in connection with the transfer or cancellation of Shares as part of a scheme of arrangement relating to the Company under section 411 of the Corporations Act provided that the Escrow Shares continue to be held on the terms of this deed if the relevant scheme does not take effect;
- (c) constitutes a disposal of, but not the creation of a Security Interest in, the effective direct or indirect ownership or Control of the Holder by the Relevant Principal to:
 - (i) the spouse or any son or daughter of the Relevant Principal, or son or daughter of the Relevant Principal's spouse (**Immediate Family Member**); or
 - (ii) a company which is wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company;
- (d) constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Escrow Shares to:
 - (i) another person where the transfer does not involve any change in the beneficial ownership of the Escrow Shares;
 - (ii) an Immediate Family Member of the Relevant Principal;
 - (iii) a company wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company; or

- (iv) a trust or superannuation fund in relation to which the Relevant Principal or their Immediate Family Members are the beneficiaries,

(each a **Transferee**) where the Transferee also enters into an escrow arrangement with the Company in respect of those securities on substantially the same terms as this deed for the Escrow Period in respect of the Escrow Shares;
- (e) is a transfer of Escrow Shares following the death or incapacity of the Relevant Principal;
- (f) constitutes a dealing that is required by applicable law (including an order of a court of competent jurisdiction); or
- (g) is in connection with an equal access share buyback or capital return or capital reduction made in accordance with the Corporations Act.

2.5 Notice

If the Holder becomes aware:

- (a) that a dealing in any of the Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a dealing in any of the Escrow Shares during the Escrow Period,

it must Notify the Company as soon as practicable after becoming aware of the dealing or the matters giving rise to the dealing, providing full details.

3. Warranties and acknowledgment

3.1 Giving of warranties

Each of the warranties and representations in clause 3 are given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Last Escrow Period.

The warranties and representations given in this clause 3 are given in respect of any and all Escrow Shares which the Holder holds during the Escrow Period.

3.2 Representations and warranties

The Holder warrants and represents each of the matters below.

- (a) Prior to the Escrow Period, it has not done, or omitted to do, any act which would result in it dealing in Escrow Shares which would take effect during the Escrow Period.
- (b) On the Listing Date, the Holder will hold the Restricted Shares.
- (c) The Escrow Shares of the Holder are free from all Security Interests and other third party interests or rights (other than under the Company's constitution).
- (d) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (e) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (f) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (g) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (h) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right

has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that Trust; and

- (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (i) The execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

3.3 Survival of warranties and representations

The warranties and representations in this clause 3 survive the termination of this deed.

4. Consequences of breaching this deed

- (a) If the Holder breaches this deed (including a breach of clause 3.2), each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach, as soon as practicable after becoming aware of the breach;
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of any of the Holder's Escrow Shares (this is in addition to other rights and remedies of the Company); and
 - (iii) the Holder will cease to be entitled to any dividends, distribution or voting rights attaching to its Escrow Shares while the breach continues.
- (b) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 2.1 without proof of actual damage and without prejudice to any of its other rights or remedies.

5. Amendment and waiver

This deed may not be amended or waived without the prior written consent of the parties.

6. Capacity

If the Holder has entered into this deed as Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 6 but subject to clause 6(c), the Holder enters into this deed only in its capacity as Trustee of the Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent that it can be satisfied out of the property of the Trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to clause 6(c) a party to this deed may not sue the Holder in any capacity other than as Trustee in respect of the Trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the Trust), liquidator, administrator or any similar person; and

- (c) the provisions of this clause 6(c) will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction to the extent, or elimination of, the Holder's right of indemnification out of the assets of the Trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

7. Notices and other communications

7.1 Service of notices

A notice, demand, consent, approval or communication under this deed (**Notice**) must be:

- (a) in writing, in English and signed by a person duly authorised by the sender; and
- (b) hand delivered or sent by prepaid post or email to the recipient's address for Notices specified in the Details, as varied by any Notice given by the recipient to the sender.

7.2 Effective on receipt

A Notice given in accordance with clause 7.1 takes effect when taken to be received (or at a later time specified in it), and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, on the third Business Day after the date of posting (or on the seventh Business Day after the date of posting if posted to or from a place outside Australia); or
- (c) if sent by email, when sent by the sender unless the sender receives a delivery failure notification indicating that the email has not been delivered to the addressee,

but if the Notice is not received on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the next Business Day. If the Notice is received between 12.01am and 8.59am on a Business Day it is taken to be received at 9.00am on that Business Day.

8. General

8.1 Governing law and jurisdiction

This deed is governed by the laws of Victoria, Australia and each party submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

8.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

8.3 Counterparts

- (a) This deed may be executed in any number of counterpart or copies, with signatures appearing on different counterparts or copies, and this has the same effect as if the signatures on the counterparts or copies were on a single copy of this deed. Without limiting the foregoing, if any of the signatures on behalf of one party are on different counterpart or copies of this deed, this shall be taken to be, and have the same effect as, signatures on the same counterpart and on a single copy of this deed.
- (b) A party who has executed a counterpart of this deed may exchange it with another party by faxing, or by emailing a pdf (portable document format) copy of, the executed counterpart to that other party.
- (c) The parties irrevocably and unreservedly agree that this deed may be executed by way of electronic signatures and the parties agree that this deed, or any part thereof, shall not be

challenged or denied any legal effect, validity and/or enforceability solely on the ground that it is in the form of an electronic record.

8.4 Time of essence

Time is of the essence in relation to this deed.

Schedule 1 – Escrow details

1. Restricted Shares

1,569,873 Shares, being all of the Shares held by the Holder on the Completion Date.

2. Escrow Periods and Escrow Shares

Period	Column 1 – Escrow Period	Column 2 – Escrow Shares
A	The period from the Listing Date to and including the date on which the Company announces to the ASX its results for the financial year ending 30 June 2022	100% of the Restricted Shares, as adjusted by the Reorganisation Factor from time to time
B	The period from the day after the Preceding Escrow Period to and including the second anniversary of the Listing Date	$66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time
C	The period from the day after the Preceding Escrow Period to and including the fifth anniversary of the Listing Date	$33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time, provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b)

3. Relevant Principal

Timothy Johansen

Signing page

EXECUTED as a deed.

Executed by Qualitas Limited ACN 655 057 588
in accordance with Section 127 of the
Corporations Act 2001



Signature of director

Andrew Schwartz

Name of director (print)



Signature of director/company secretary
(Please delete as applicable)

Daniel Mote

Name of director/company secretary (print)

Multiple director company

Executed by Meltim Holdings Pty Ltd ACN 634 252 583 as trustee for Meltim Family Trust in accordance with Section 127 of the *Corporations Act 2001*



Signature of director

Melanie Johansen

Name of director (print)



Signature of director/company secretary
(Please delete as applicable)

Tim Johansen

Name of director/company secretary (print)

Escrow Deed

—
Qualitas Limited ACN 655 057 588 (**Company**)

Sun Peaks Investments Pty Ltd as trustee for Sun
Peaks Trust (ABN 32 727 208 373) (**Holder**)

—

Escrow Deed

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Details

Date 8 December 2021

Parties

Name **Qualitas Limited**
ACN 655 057 588
Short form name **Company**
Notice details Level 38, 120 Collins Street, Melbourne VIC 3000
Email: legalnotices@qualitas.com.au
Attention: Company Secretary

Name Sun Peaks Investments Pty Ltd as trustee for Sun Peaks Trust (ABN 32 727 208 373)
Short form name **Holder**
Notice details [REDACTED]
[REDACTED]

Background

- A The Company intends to list on ASX and conduct the Offer.
- B The Restricted Shares that the Holder will hold following the completion of the Offer will be held by the Holder as Escrow Shares for the Escrow Period on the terms and subject to the conditions set out in this deed.

Agreed terms

1. Defined terms & interpretation

1.1 Defined terms

In this document:

Aggregate Escrow Shares means the Escrow Shares as at the relevant time, together with the number of Shares and other equity securities (at the same relevant time) which are the subject of similar escrow restrictions held by other holders and covered by deeds in similar terms to this deed executed on or about the date of this deed.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 091 or the Australian Securities Exchange, a financial market operated by it, as the context requires.

ASX Settlement Rules means the operating rules of ASX Settlement Pty Limited ACN 008 504 532.

Business Day has the meaning given to that expression in the Listing Rules.

Completion Date means the settlement date of the Offer.

Control has the meaning given in section 50AA of the Corporations Act.

Corporations Act means the *Corporations Act 2001* (Cth).

dealing, deal and dealt means, in respect of any Escrow Share, to directly or indirectly:

- (a) dispose of, or agree or offer to dispose of, that Escrow Share or any legal, beneficial or economic interest in that Escrow Share;
- (b) create, or agree to create, any Security Interest in that Escrow Share or any legal, beneficial or economic interest in that Escrow Share; or
- (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective direct or indirect ownership or Control:
 - (i) by the Relevant Principal of the Holder; or
 - (ii) of that Escrow Share or any legal, beneficial or economic interest in that Escrow Share,

but does not include or restrict the exercise of any voting rights for the Escrow Shares.

Escrow Period means each successive period set out in column 1 of the table in item 2 of Schedule 1.

Escrow Shares means, from time to time, the Shares and other equity interests held by the Holder which are the subject of escrow restrictions under this deed.

Excess Escrow Shares has the meaning given in clause 2.1(b).

Group means the Company and its subsidiaries.

Holding Lock has the meaning given to that term in the ASX Settlement Rules.

Issuer Sponsored Subregister has the meaning given to that term in the ASX Settlement Rules.

Last Escrow Period means the Escrow Period identified as Period C in column 1 of the table in item 2 of Schedule 1.

Listing Date means the first date on which the Shares are admitted to quotation on the ASX, including on a conditional and deferred settlement basis.

Listing Rules means the listing rules of ASX.

Notice means a notice which is:

- (a) legible and in English;
- (b) addressed to the party to whom that notice is being given;
- (c) marked to the attention of the individual who is specified in the address of that party; and
- (d) delivered to that party by being left at, or sent by security post to, the postal address or transmitted to the email address which is specified in the address of that party.

Offer means the initial public offering of Shares under the Prospectus.

PPSA means the *Personal Property Securities Act 2009* (Cth).

Preceding Escrow Period has the meaning given in clause 2.2.

Prospectus means the prospectus for the offer of the Shares to be issued by the Company dated on or about the date of this deed and lodged with ASIC on that date and includes any supplementary or replacement prospectus in relation to that prospectus.

Relevant Principal means the person or controller set out in item 3 of Schedule 1.

Reorganisation Event means:

- (a) a bonus issue of equity securities in the Company;
- (b) a sub-division or consolidation of equity securities in the Company; or
- (c) another reorganisation or reconstruction of share capital where the Company neither pays nor receives cash.

Reorganisation Factor means, as at a particular time ('Time A'):

- (a) if a Reorganisation Event has not occurred before 'Time A', no adjustment; and
- (b) if one or more Reorganisation Events have occurred before 'Time A', the requisite adjustment which results in the same adjustment, change, effect or outcome which applied to the relevant Restricted Shares which were on issue when those Reorganisation Event(s) occurred, applied cumulatively and in the same order as the occurrence of those Reorganisation Event(s), rounded down to the nearest whole number after applying the requisite adjustments for each Reorganisation Event.

Restricted Shares means the number of Shares set out in item 1 of Schedule 1.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any security including, but not limited to, any retention of title;
- (b) created or otherwise arising in or over any interest in any security under a bill of sale, mortgage, charge, lien, pledge, trust or power; or
- (c) an interest of the kind referred to in section 12 of the PPSA, or any agreement to grant or create any such interest or power.

Share means a fully paid ordinary share in the Company.

Total Escrow Shares has the meaning given in clause 2.1(b).

1.2 Interpretation

In this deed including the recitals, unless the contrary intention appears:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, this deed, and a reference to this deed includes any schedule or annexure;

- (d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) a reference to **A\$, \$A, dollar** or **\$** is to Australian currency;
- (f) a reference to time is to Melbourne time;
- (g) a reference to a party is to a party to this deed, and a reference to a party to a document includes the party's executors, administrators, successors and permitted assigns and substitutes;
- (h) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (i) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (j) unless otherwise defined, a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (k) the meaning of general words is not limited by specific examples introduced by **including, for example** or similar expressions;
- (l) a rule of construction does not apply to the disadvantage of a party because the party was responsible for the preparation of this deed or any part of it;
- (m) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day; and
- (n) for so long as the Company is listed on the official list of ASX, words and expressions defined in the Listing Rules, and not in this deed, have the meanings given to them in the Listing Rules (as applicable).

1.3 Headings

Headings are for ease of reference only and do not affect interpretation.

1.4 Compliance with Listing Rules

For so long as the Company is listed on the official list of ASX:

- (a) notwithstanding anything contained in this deed, if the Listing Rules prohibit an act being done, that act must not be done;
- (b) nothing contained in this deed prevents an act being done that the Listing Rules require to be done;
- (c) if the Listing Rules require an act to be done or not done, authority is given for that act to be done or not done (as the case may be);
- (d) if the Listing Rules require this deed to contain a provision and it does not contain such a provision, this deed is deemed to contain that provision;
- (e) if the Listing Rules require this deed not to contain a provision and it contains such a provision, this deed is deemed not to contain that provision; and
- (f) if any provision of this deed is or becomes inconsistent with the Listing Rules, this deed is deemed not to contain that provision to the extent of the inconsistency.

2. Escrow restrictions

2.1 Holder restrictions during each Escrow Period

- (a) Subject to clauses 2.1(b) and 2.4, the Holder must not deal with the relevant Escrow Shares during each Escrow Period.
- (b) In respect of the Last Escrow Period, the Aggregate Escrow Shares must not constitute more than 19.99% of the total Shares of the Company which were on issue immediately after the issue of all of the Shares offered under the Prospectus (**Post-Listing Share Capital**). If on the second anniversary of the Listing Date (being the day before the Last Escrow Period begins), the Aggregate Escrow Shares exceeds 19.99% of the Post-Listing Share Capital (such excess being the **Excess Escrow Shares**), then the Excess Escrow Shares will cease to be Escrow Shares for the purposes of this deed with effect from the commencement of the Last Escrow Period (and the proportion of the Excess Escrow Shares which applies to the Holder will be equal to the proportion which the Escrow Shares held by the Holder represents of the Aggregate Escrow Shares on the second anniversary of the Listing Date).
- (c) If the Listing Date does not occur on or before 30 June 2022, this deed will automatically terminate and have no force or effect.

2.2 Release of Escrow Shares

From time to time and as an Escrow Period ends, the number of Shares which were Escrow Shares during that immediately preceding Escrow Period (**Preceding Escrow Period**) but which are not Escrow Shares during the Escrow Period immediately following that Preceding Escrow Period will, from the end of the Preceding Escrow Period, cease to be Escrow Shares for the purpose of this deed.

Worked example

On the Completion Date, the Restricted Shares are the 1,000 Shares held by the Holder.

On 1 May 2022, the Company issues 1 bonus Share for every two Shares then on issue. The Holder now has 1,500 Escrow Shares, comprising the original Restricted Shares of 1,000 and the additional 500 bonus Shares (the Escrow Shares being, after the Reorganisation Event, 1,000 as adjusted by the Reorganisation Factor = 1,500).

On 15 August 2022, the Company announces to the market its results for the financial year ending 30 June 2022 (**Release Date**).

The Release Date constitutes the end of an Escrow Period ('Period A'), and the next Escrow Period ('Period B') provides for the Escrow Shares to be $66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time.

The Escrow Shares for Period B is therefore: 1,000 (being the Restricted Shares) $\times 66\frac{2}{3}\%$ = 666.66667, as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 666.66667 Shares) = 1,000 Escrow Shares (rounded down from 1,000.00001 to the nearest whole number).

Therefore, on the day after Release Date, 500 Shares (being the difference between the 1,500 Escrow Shares at the end of Period A and the 1,000 Escrow Shares at the commencement of Period B) cease being Escrow Shares for the purpose of this deed.

On the 2-year anniversary date of the Listing Date, another Escrow Period ('Period B') comes to an end.

The Escrow Shares for the next Escrow Period ('Period C') is $33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b).

The Escrow Shares for Period C is therefore: 1,000 (being the Restricted Shares) $\times 33\frac{1}{3}\%$ = 333.33333 as adjusted by the Reorganisation Factor (i.e. same adjustment as if 1 bonus Share was issued for every 2 applicable Shares, as applied to the 333.33333 Shares) = 499 Escrow Shares (rounded down from 499.99999 to the nearest whole number). This assumes there is no reduction required because 499 Escrow Shares, together with the number of Shares and other equity interests (at the same relevant time) which are the subject of similar escrow restrictions held by other holders and covered by deeds in similar terms to this deed executed on or about the date of this deed, does not constitute more than 19.99% of the Post-Listing Share Capital.

Therefore, on the day after the 2-year anniversary date of the Listing Date, 501 Shares (being the difference between 1,000 Escrow Shares at the end of Period B and the 499 Escrow Shares at the commencement of Period C) cease being Escrow Shares for the purpose of this deed.

On the 5-year anniversary date of the Listing Date, another Escrow Period comes to an end. There is no further Escrow Period. Therefore, on the day after the 5-year anniversary date of the Listing Date, all remaining Escrow Shares (being 499 Shares) cease being Escrow Shares for the purpose of this deed.

2.3 Escrow restrictions

The parties acknowledge and agree that:

- (a) prior to the commencement of trading of the Shares on the ASX pursuant to the Offer, the Restricted Shares will be registered and held for the Holder on the Issuer Sponsored Subregister;
- (b) the Company will apply a Holding Lock to all Escrow Shares as soon as practicable after registration of the Escrow Shares on the Issuer Sponsored Subregister;
- (c) the Holder agrees to the application of the Holding Lock in respect of the Holder's Escrow Shares; and
- (d) the Company will do all things necessary or desirable to ensure that the Holding Lock in respect of the Holder's Escrowed Shares is released:
 - (i) to the extent necessary to permit disposals of those Escrow Shares permitted by this deed;
 - (ii) to the extent necessary as the relevant number of Shares which were Escrow Shares cease to be Escrowed Shares in accordance with clause 2.2; and
 - (iii) for the avoidance of doubt, in full at the conclusion of the Last Escrow Period.

2.4 Exceptions

During an Escrow Period, the Holder may deal in any of its Escrow Shares if the dealing:

- (a) is in connection with acceptance of a bona fide full or proportional takeover bid, provided the holders of at least 50% of the bid class securities that are not subject to escrow restrictions, and to which the offers under the bid relate, have accepted. The Escrow Shares must continue to be held on the terms of this deed if the relevant bid does not become unconditional or does not otherwise proceed;
- (b) is in connection with the transfer or cancellation of Shares as part of a scheme of arrangement relating to the Company under section 411 of the Corporations Act provided that the Escrow Shares continue to be held on the terms of this deed if the relevant scheme does not take effect;
- (c) constitutes a disposal of, but not the creation of a Security Interest in, the effective direct or indirect ownership or Control of the Holder by the Relevant Principal to:
 - (i) the spouse or any son or daughter of the Relevant Principal, or son or daughter of the Relevant Principal's spouse (**Immediate Family Member**); or
 - (ii) a company which is wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company;
- (d) constitutes a disposal of, but not the creation of a Security Interest in, some or all of the Escrow Shares to:
 - (i) another person where the transfer does not involve any change in the beneficial ownership of the Escrow Shares;
 - (ii) an Immediate Family Member of the Relevant Principal;
 - (iii) a company wholly-owned by the Relevant Principal or, one which is wholly-owned by their Immediate Family Member so long as the Relevant Principal Controls such company; or

- (iv) a trust or superannuation fund in relation to which the Relevant Principal or their Immediate Family Members are the beneficiaries,
 - (each a **Transferee**) where the Transferee also enters into an escrow arrangement with the Company in respect of those securities on substantially the same terms as this deed for the Escrow Period in respect of the Escrow Shares;
- (e) is a transfer of Escrow Shares following the death or incapacity of the Relevant Principal;
- (f) constitutes a dealing that is required by applicable law (including an order of a court of competent jurisdiction); or
- (g) is in connection with an equal access share buyback or capital return or capital reduction made in accordance with the Corporations Act.

2.5 Notice

If the Holder becomes aware:

- (a) that a dealing in any of the Escrow Shares has occurred, or is likely to occur, during the Escrow Period; or
- (b) of any matter which is likely to give rise to a dealing in any of the Escrow Shares during the Escrow Period,

it must Notify the Company as soon as practicable after becoming aware of the dealing or the matters giving rise to the dealing, providing full details.

3. Warranties and acknowledgment

3.1 Giving of warranties

Each of the warranties and representations in clause 3 are given in favour of the Company, as at:

- (a) the date of this deed; and
- (b) at all times until expiry of the Last Escrow Period.

The warranties and representations given in this clause 3 are given in respect of any and all Escrow Shares which the Holder holds during the Escrow Period.

3.2 Representations and warranties

The Holder warrants and represents each of the matters below.

- (a) Prior to the Escrow Period, it has not done, or omitted to do, any act which would result in it dealing in Escrow Shares which would take effect during the Escrow Period.
- (b) On the Listing Date, the Holder will hold the Restricted Shares.
- (c) The Escrow Shares of the Holder are free from all Security Interests and other third party interests or rights (other than under the Company's constitution).
- (d) It has full power and authority, without the consent of any other person, to enter into and perform its obligations under this deed (including, if the Holder has entered into this deed as a trustee (**Trustee**), under the trust deed for the relevant trust (**Trust**)).
- (e) It has taken all necessary action to authorise the execution, delivery and performance of this deed in accordance with its terms.
- (f) This deed constitutes legal, valid and binding obligations and, subject to any necessary stamping and registration, is enforceable in accordance with its terms.
- (g) If the Holder is a Trustee, the Trustee is the trustee of the Trust and, to the best of its knowledge and belief, there is no proposal to remove it as trustee of the Trust.
- (h) If the Holder is a Trustee:
 - (i) the Holder has the right to be fully indemnified out of the assets of the Trust in respect of any liability arising under, or in connection with, this deed and the right

has not been modified, released or diminished in any way. The assets of the Trust are sufficient to satisfy that right in full and the Holder has not released or disposed of its equitable lien over that Trust; and

- (ii) the Trust has not been terminated and there is no effective proposal or requirement to wind up, deregister, terminate, reconstitute or resettle the Trust.
- (i) The execution, delivery and performance by the Holder of this deed does not and will not violate, breach or result in a contravention of:
 - (i) any applicable law, regulation or authorisation;
 - (ii) its constitution or other constituent documents (or, if the Holder is a Trustee, the trust deed for the Trust); or
 - (iii) any agreement, undertaking, Security Interest or document which is binding on the Holder.

3.3 Survival of warranties and representations

The warranties and representations in this clause 3 survive the termination of this deed.

4. Consequences of breaching this deed

- (a) If the Holder breaches this deed (including a breach of clause 3.2), each of the following applies:
 - (i) the Company may take the steps necessary to enforce this deed, or to rectify the breach, as soon as practicable after becoming aware of the breach;
 - (ii) the Company may, in addition to its other rights and remedies, refuse to acknowledge, deal with, accept or register any sale, assignment or transfer of any of the Holder's Escrow Shares (this is in addition to other rights and remedies of the Company); and
 - (iii) the Holder will cease to be entitled to any dividends, distribution or voting rights attaching to its Escrow Shares while the breach continues.
- (b) The parties agree that damages would be an insufficient remedy for breach of clause 2.1 and the Holder agrees that the Company is entitled to seek and obtain an injunction or specific performance to enforce the Holder's obligation under clause 2.1 without proof of actual damage and without prejudice to any of its other rights or remedies.

5. Amendment and waiver

This deed may not be amended or waived without the prior written consent of the parties.

6. Capacity

If the Holder has entered into this deed as Trustee:

- (a) notwithstanding any other provision of this deed including any provision expressed to prevail over this clause 6 but subject to clause 6(c), the Holder enters into this deed only in its capacity as Trustee of the Trust and in no other capacity. A liability arising under or in connection with this deed can be enforced against the Holder only to the extent that it can be satisfied out of the property of the Trust for which the Holder is actually indemnified for the liability. The Holder will exercise its rights of indemnification in order to satisfy its obligations under this deed;
- (b) subject to clause 6(c) a party to this deed may not sue the Holder in any capacity other than as Trustee in respect of the Trust, including seeking the appointment to the Holder of a receiver (except in relation to property of the Trust), liquidator, administrator or any similar person; and

- (c) the provisions of this clause 6(c) will not apply to any obligation or liability of the Holder to the extent that it is not satisfied because under the relevant trust deed or by operation of law, there is a reduction to the extent, or elimination of, the Holder's right of indemnification out of the assets of the Trust, or the right does not exist at all, as a result of the Holder's fraud, negligence, improper performance of duties or breach of trust.

7. Notices and other communications

7.1 Service of notices

A notice, demand, consent, approval or communication under this deed (**Notice**) must be:

- (a) in writing, in English and signed by a person duly authorised by the sender; and
- (b) hand delivered or sent by prepaid post or email to the recipient's address for Notices specified in the Details, as varied by any Notice given by the recipient to the sender.

7.2 Effective on receipt

A Notice given in accordance with clause 7.1 takes effect when taken to be received (or at a later time specified in it), and is taken to be received:

- (a) if hand delivered, on delivery;
- (b) if sent by prepaid post, on the third Business Day after the date of posting (or on the seventh Business Day after the date of posting if posted to or from a place outside Australia); or
- (c) if sent by email, when sent by the sender unless the sender receives a delivery failure notification indicating that the email has not been delivered to the addressee,

but if the Notice is not received on a Business Day or is after 5.00pm on a Business Day, the Notice is taken to be received at 9.00am on the next Business Day. If the Notice is received between 12.01am and 8.59am on a Business Day it is taken to be received at 9.00am on that Business Day.

8. General

8.1 Governing law and jurisdiction

This deed is governed by the laws of Victoria, Australia and each party submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

8.2 Further assurances

Each party must do all things and execute all further documents required to give full effect to this deed.

8.3 Counterparts

- (a) This deed may be executed in any number of counterpart or copies, with signatures appearing on different counterparts or copies, and this has the same effect as if the signatures on the counterparts or copies were on a single copy of this deed. Without limiting the foregoing, if any of the signatures on behalf of one party are on different counterpart or copies of this deed, this shall be taken to be, and have the same effect as, signatures on the same counterpart and on a single copy of this deed.
- (b) A party who has executed a counterpart of this deed may exchange it with another party by faxing, or by emailing a pdf (portable document format) copy of, the executed counterpart to that other party.
- (c) The parties irrevocably and unreservedly agree that this deed may be executed by way of electronic signatures and the parties agree that this deed, or any part thereof, shall not be

challenged or denied any legal effect, validity and/or enforceability solely on the ground that it is in the form of an electronic record.

8.4 Time of essence

Time is of the essence in relation to this deed.

Schedule 1 – Escrow details

1. Restricted Shares

212,000 Shares, being all of the Shares held by the Holder on the Completion Date.

2. Escrow Periods and Escrow Shares

Period	Column 1 – Escrow Period	Column 2 – Escrow Shares
A	The period from the Listing Date to and including the date on which the Company announces to the ASX its results for the financial year ending 30 June 2022	100% of the Restricted Shares, as adjusted by the Reorganisation Factor from time to time
B	The period from the day after the Preceding Escrow Period to and including the second anniversary of the Listing Date	$66\frac{2}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time
C	The period from the day after the Preceding Escrow Period to and including the fifth anniversary of the Listing Date	$33\frac{1}{3}\%$ of the Restricted Shares as adjusted by the Reorganisation Factor from time to time, provided that the Aggregate Escrow Shares for this Escrow Period is, if and as required, reduced in accordance with clause 2.1(b)

3. Relevant Principal

Russell Brennan

Signing page

EXECUTED as a deed.

Signed, sealed and delivered by Qualitas Limited ACN 655 057 588 in accordance with Section 127 of the *Corporations Act 2001*


Signature of director

Andrew Schwartz
Name of director (print)



Signature of director/company secretary
(Please delete as applicable)

Daniel Mote
Name of director/company secretary (print)

Signed, sealed and delivered by Sun Peaks Investments Pty Ltd as trustee for Sun Peaks Trust in accordance with Section 127 of the *Corporations Act 2001*


Signature of director

Russell Brennan
Name of director (print)


Signature of director/company secretary
(Please delete as applicable)

Devora Deitel
Name of director/company secretary (print)