ASX Announcement

Qualitas Limited (ASX: QAL)

21 August 2024

Qualitas Limited – FY24 Results Presentation

Qualitas Limited (ASX: QAL) provides the attached FY24 Results Presentation.

Authorised for release by the Board of Directors of the Company.

For more information, please contact:

Investor Enquiries
Nina Zhang
Director – Investor Relations
Qualitas Limited
T: +61 3 9612 3939
E: nina.zhang@qualitas.com.au
Investor Website:
https://investors.qualitas.com.au/

Media Enquiries
Kate Stokes
Head of Marketing and Communications
Qualitas Limited
M: +61 481 251 552
E: kate.stokes@qualitas.com.au

About Qualitas

Qualitas Limited ACN 655 057 588 (Qualitas) is an ASX-listed Australian alternative real estate investment manager with approximately A$8.9 billion[1] of committed funds under management.

Qualitas matches global capital with access to attractive risk-adjusted investments in real estate private credit and real estate private equity through a range of investment solutions for institutional, wholesale and retail clients. Qualitas offers flexible capital solutions for its partners, creating long-term value for shareholders, and the communities in which it operates.

For over 16 years, Qualitas has been investing through market cycles to finance assets with a combined value of over A$24 billion[2] across all real estate sectors. Qualitas focuses on real estate private credit, opportunistic real estate private equity, income producing commercial real estate and build-to-rent residential. The broad platform, complementary debt and equity investing skillset, deep industry knowledge, long-term partnerships, and diverse and inclusive team provides a unique offering in the market to accelerate business growth and drive performance for shareholders.

[1] As at 30 June 2024.
[2] As at 31 December 2023.

Disclaimer

This announcement contains general information only and does not consider your investment objectives, financial situation or needs. Qualitas is not licensed to provide financial product advice about Qualitas shares or other financial products. This announcement does not constitute financial, tax or legal advice, nor is it an offer, invitation or recommendation to apply for or acquire a share in Qualitas or any other financial product. Before making an investment decision, readers should consider whether Qualitas is appropriate given your objectives, financial situation and needs. If you require advice that considers your personal circumstances, please consult a licensed or authorised financial adviser. Past performance is not a reliable indicator of future performance.

Qualitas (ASX:QAL) FY24 Results

21 August 2024

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Acknowledgement of Country

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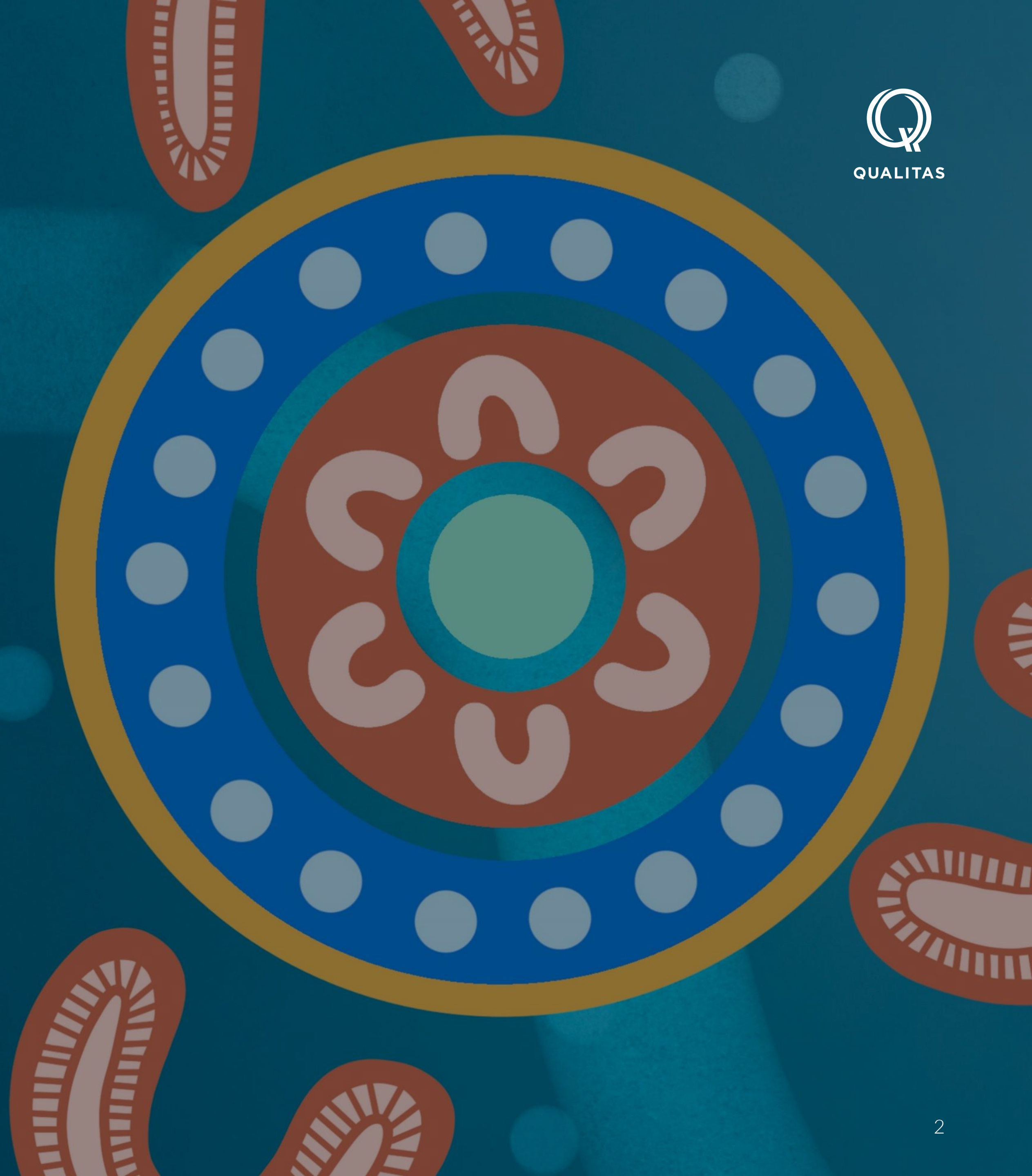
Qualitas acknowledges the Traditional Custodians of Country throughout Australia and their ongoing connection to land, sea, and community. We pay our respect to their Elders past and present.



JOURNEY OF GROWTH
BY ALYSHA MENZEL

Agenda and presenters

QUALITAS

1	Strategic Outlook and FY24 Highlights
2	Funds Management
3	FY24 Financial Results
4	Outlook and Guidance
	Appendices

ANDREW SCHWARTZ

Group Managing Director and Co-Founder

MARK FISCHER

Global Head of Real Estate and Co-Founder

KATHLEEN YEUNG

Global Head of Corporate Development

PHILIP DOWMAN

Chief Financial Officer

Record FY24 capital raising and deployment generate momentum for robust FY25 growth

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- Significant inflow – private credit outperforms providing superior risk-adjusted returns
- $1.4bn undrawn construction credit not earning full base management fees represents earnings capacity to be unlocked once invested[1]
- 52% funds management EBITDA margin[3] – scope to increase investment in people and technology to drive growth
- Flight to quality in manager and investment selection
- Strong deployment momentum – mostly in credit strategies with increased investment size
- Continue to optimise balance sheet returns – significant opportunities

FY24 NET FUND CAPITAL INFLOW[2]
$2.8bn
+55% vs. FY23

FY24 DEPLOYMENT
$4.2bn
+40% vs. FY23

FY24 NPBT[3]
$39m
+26% vs. FY23

FY25 NPBT GUIDANCE[4]
$49m - $55m
+26% to 41% vs. FY24

Notes 1. Any uplift in Invested FUM assumes deployment meets portfolio churn and fund expiry. 2. Difference between FUM as at 30 June 2024 and 30 June 2023. 3. FY24 normalised earnings adjusted for abnormal items including QRI capital raising costs ($2.4m) and unrealised mark to market (MTM) gains from Qualitas' co-investment in QRI ($0.9m). FY23 normalised earnings adjusted for unrealised MTM gains from Qualitas' co-investment in QRI ($0.7m). 4. Excludes any MTM movements for Qualitas' co-investment in QRI and QRI capital raising costs. Outlook statements and guidance have been made based on no material adverse change in the current market conditions.

Competitive advantages underpinning success and stability of our platform

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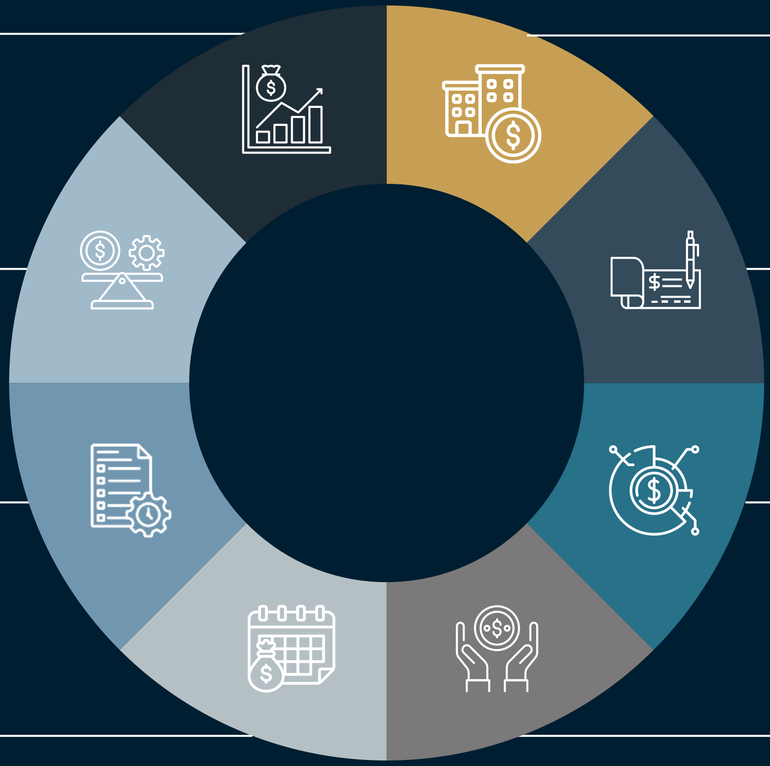
Large scale capital from sticky investor base enables us to write large cheques creating incumbent financier advantage

One of the foundational CRE private credit managers in Australia with deep local market expertise investing through-the-cycle

Mixed fee structure reduces reliance of earnings on deployment

Dry powder supports growth at no cost of capital unless deployed – not pressured to make investment decisions



Diversified real estate strategies with ability to traverse real estate lifecycle

Institutional funds management model means we don't need to raise capital deal by deal

Not reliant on fund leverage to boost returns and earnings – more resilient to withstand volatility

True funds management model with autonomy on investment and asset management decisions

Strategic Outlook and FY24 Highlights

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Capital raising underpins growth – $2.8bn net inflow demonstrates investors' conviction in our platform

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FY24 RESULTS HIGHLIGHTS

$8.9bn
FUM[1]
+46% vs. FY23

$2.8bn
Net inflow
+55% vs. FY23

$6.8bn
Fee Earning FUM[2]
+40% vs. FY23

$4.4bn
Invested FUM[2]
+13% vs. FY23

$1.5bn
FUM not yet earnings fees / dry powder[2]
+78% vs. FY23

17% of FUM as at 30 June 2024

$4.2bn
Deployment
+40% vs. FY23

85%
Of total FY24 deployment in residential sector

62%
Of total FY24 deployment in construction credit

$80m
Avg. gross investment size[3]
+10% vs. FY23

$92m avg. gross investment size including non-typical transactions

Pool of potential embedded and unrecognised performance fees at $75m[4,5] over the next seven years

Less volatility in realisation as credit FUM increases

Notes: 1. FUM represents committed capital from investors with signed investor agreements throughout this presentation unless stated otherwise. Refer to the glossary on relevant definitions of key funds management metrics. 2. Please refer to reconciliation between FUM, Fee Earning FUM and FUM Not Yet Earning Fees on slide 22. 3. Excluding investments that are non-typical with significant size such as 'AURA by Aqualand' and 'Victoria & Albert'. 4. Theoretical estimate based on Qualitas' assessment of the relevant funds' performance based on current valuations and market conditions as at August 2024. Due to inherent uncertainties, these performance fees do not fit Qualitas' revenue recognition criteria and may not eventuate. The timing of when these performance fees may be recognised is not expected to be linear. 5. Excludes staff incentives.

High quality growth reflected in our achievement of long-term margin target, with recurring revenue nearly doubling in the past two years

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$53.7m
Funds management revenue
+22% vs. FY23

$23.3m
Principal income
+47% vs. FY23

$37.9m
Funds management EBITDA excl. performance fees[1]
+43% vs. FY23

51.7%
FM EBITDA margin[1]
+5% vs. FY23

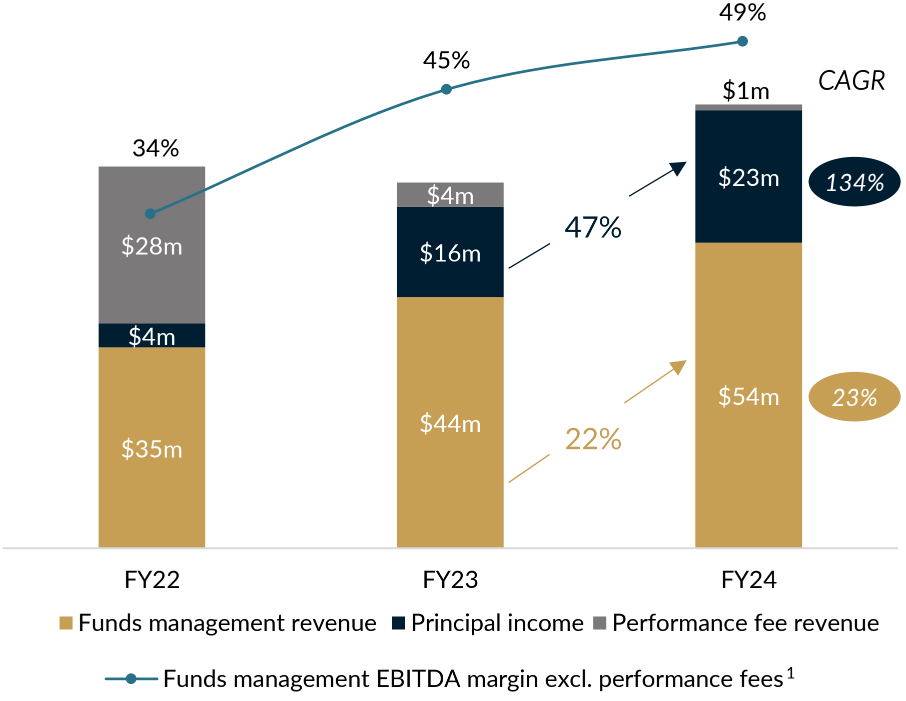
49.2%
Excl. performance fees[1]
+5% vs. FY23

$39.0m
Normalised NPBT[1]
+26% vs. FY23

$194m
Cash on balance sheet

$34m
Average drawn underwriting position at 10.11%[2] weighted average return

STRONG RECURRING REVENUE GROWTH AND MARGIN EXPANSION

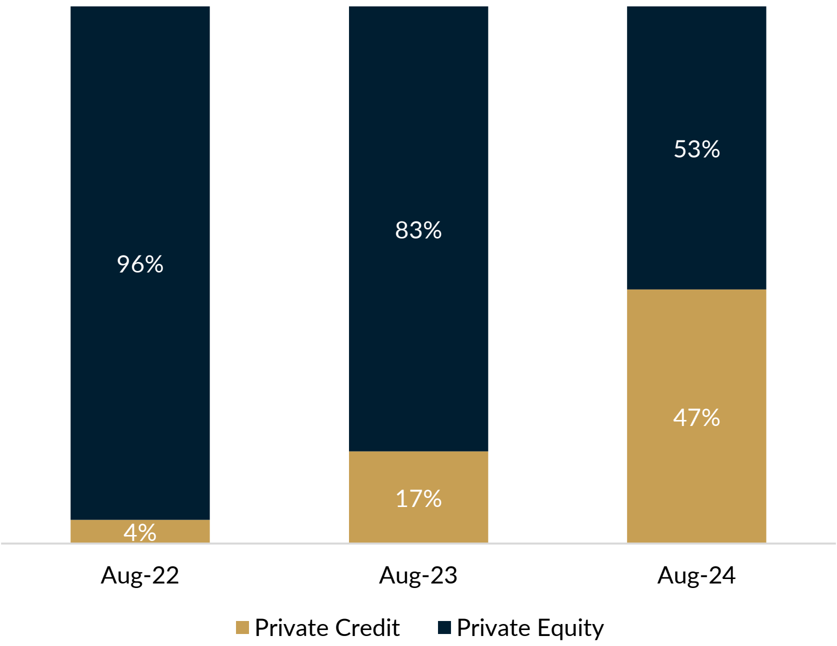


Notes: 1. FY24 normalised earnings adjusted for abnormal items including QRI capital raising costs ($2.4m) and unrealised MTM gains from Qualitas' co-investment in QRI ($0.9m). FY23 normalised earnings adjusted for unrealised MTM gains from Qualitas' co-investment in QRI ($0.7m). FY22 normalised earnings adjusted for abnormal items including QRI capital raise costs ($5.2m), unrealised MTM losses from Qualitas' co-investment in QRI ($1.6m) and Qualitas IPO cost ($3.9m). 2. 10.11% is calculated as the average of annualised return for each qualified underwriting position weighted by the average drawn underwriting position during FY24.

Positive net performance fee revenue driven by private credit funds

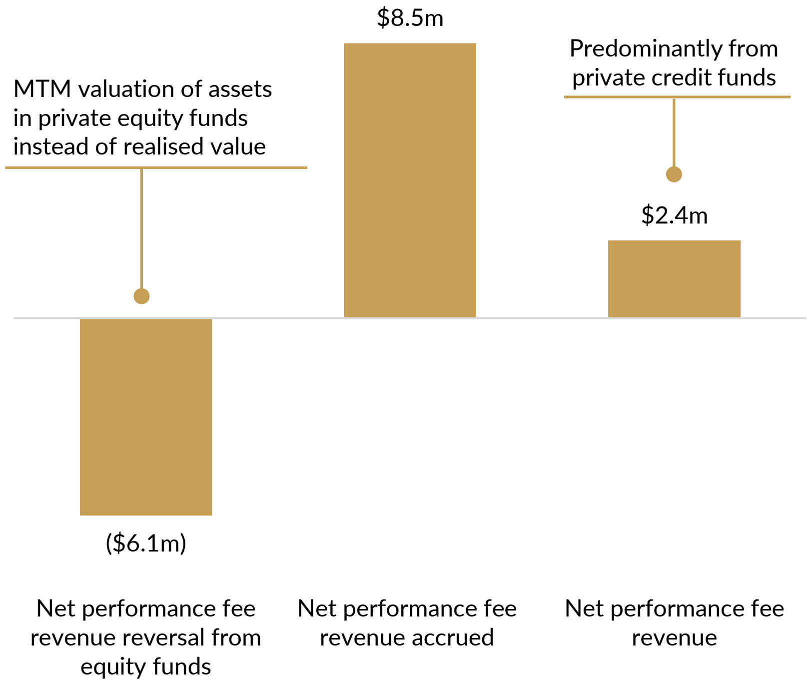
UNRECOGNISED PERFORMANCE FEE POOL TODAY CARRIES LOWER VOLATILITY

Unrecognised performance fee pool split



CREDIT PERFORMANCE FEE OFFSETS REVERSAL FROM EQUITY

FY24 net performance fee revenue



- Credit fund performance fees have more stable realisation profile than equity funds due to the borrower equity buffer.
- More regular performance fee to be paid from institutional credit mandates with back-ended fee structure.
- $13m cash receipt of accrued performance fees from matured funds.

Co-investment across platform below 3% – optimising balance sheet efficiency to support growth

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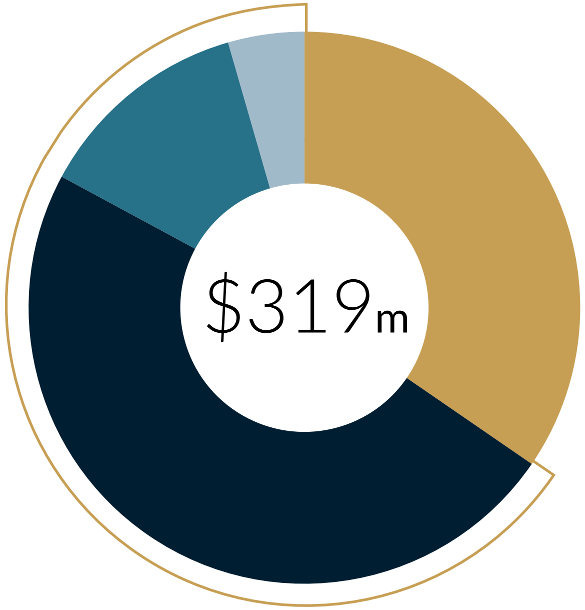
USE OF BALANCE SHEET CASH AS AT 30 JUNE 2024



Flexibility to deploy $209m balance sheet capital into more accretive short-term investments

$110m
Drawn co-investment

$154m
Undrawn co-investment commitment

$40m
Unallocated cash

$14m
Underwriting

Levers to support co-investment meeting FY28 FUM Target of $18bn[1]:

- Optimise co-investment commitment
- Retained earnings
- Accretive short-term investments

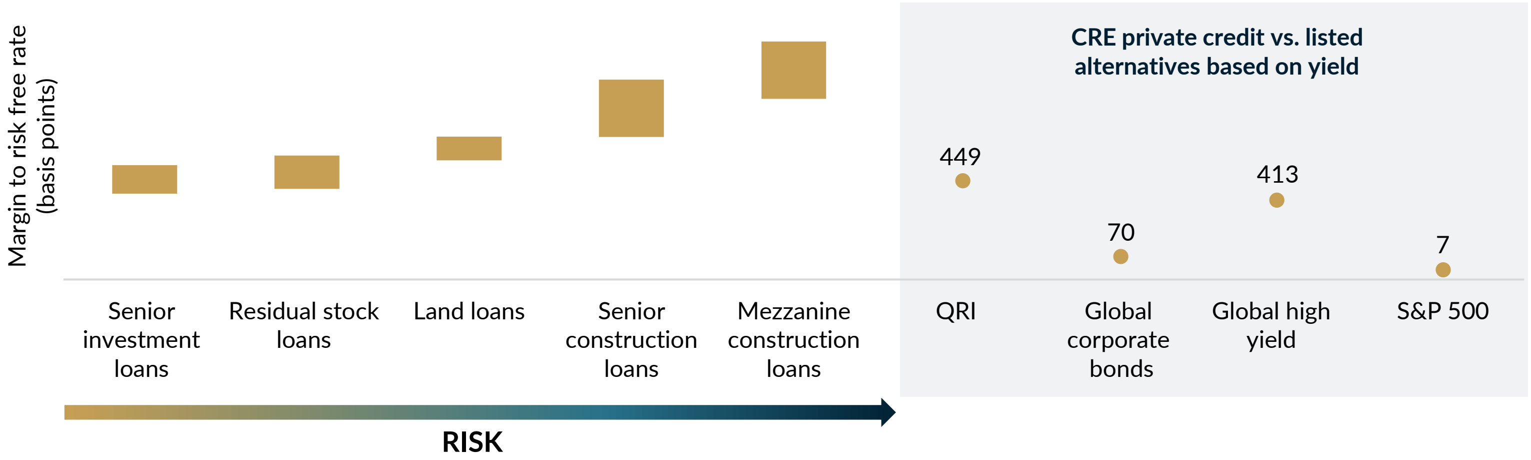
SHORT-TERM INVESTMENT IN DEAL FLOW WHILE TRANSITION TO LONGER TERM CO-INVESTMENT

- Co-investment in selected transactions beyond committed threshold with flexibility in tenure.
- Focus on maximising risk-adjusted return through senior credit investments.
- Increase in principal income delivers outsized margin accretion.
- Seeding product opportunities.

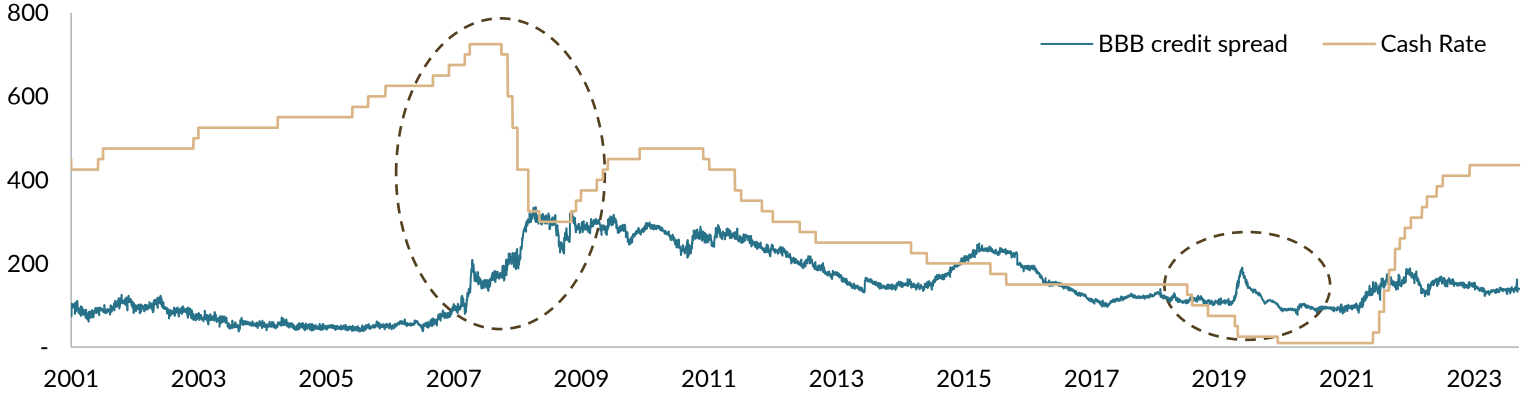
Note: 1. For the avoidance of doubt, this is not and should not be read as a forecast and is not intended to predict or provide any guidance on future events, rather to present an illustrative example and hypothetical FUM figure by FY28. Readers should not assume that the illustrative FUM amount will be achieved and no assurance is given about that or any other FUM amount at any future date.

Increase in private credit due to search for appropriate risk premium

CRE PRIVATE CREDIT OFFERS ATTRACTIVE PREMIUM PER INCREMENTAL RISK[1]



RAPID RATE CUTS WILL LIKELY TRIGGER CREDIT SPREAD EXPANSION[2]



Notes: 1. QRI July 2024 annualised distribution spread to RBA Cash Rate. S&P 500 last twelve-month earnings yield, Bloomberg Global Aggregates Corporate Bond Index and High Yield Index spread over 10yr US Treasury as at 15 August 2024. 2. Bloomberg BBB 5yr bond spreads to swap and RBA Cash Rate as at 16 August 2024.

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Given volatility in global markets, comparing to traditional asset classes private credit offers:

- Attractive risk premium.
- Shorter investment duration.
- Specialised asset management and due diligence.

Medium term economic backdrop supports increasing allocation into private credit.

Scenario of rapid cuts in cash rate implies:

- Significant downturn in the economy – expansion of credit spreads and impact on valuation of other asset classes.
- Increase in pipeline for Qualitas.

Long runway for Australian CRE private credit – ripe with opportunities for experienced managers

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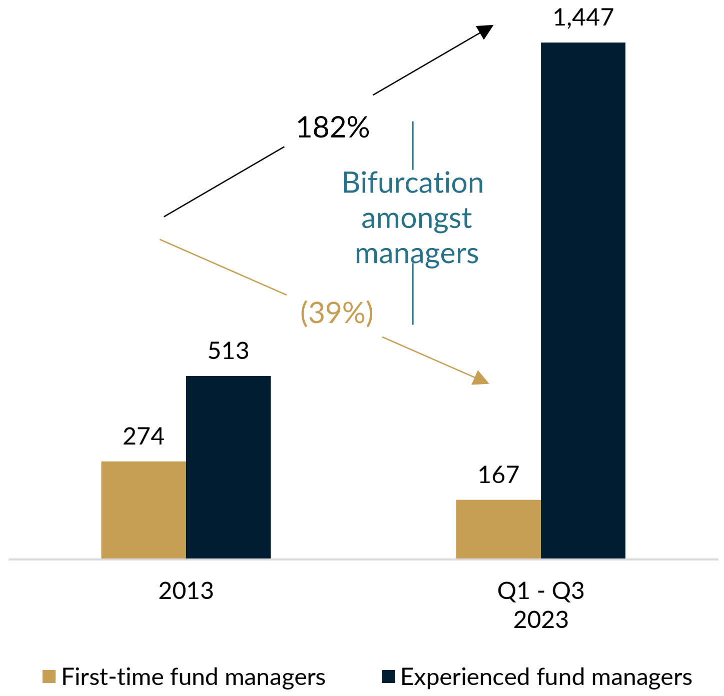
LARGE AND GROWING AUSTRALIAN CRE FINANCING MARKET

$7.2bn Qualitas CRE private credit FUM

Current traditional financier exposure to CRE[1]	Qualitas estimated demand for financing in the residential sector over next four years
$450bn	$204bn - $253bn

LARGE AND EXPERIENCED MANAGERS ARE SCALING UP

Global private credit average fund size (USD$m)[2]



- Investors are selecting managers with a focus on transparency, track record and reputation.
- Globally, bifurcation amongst private credit managers with larger firms taking market share from smaller managers.
  - Q1-Q3 2023, 10 largest global private credit funds closed represented 51% of capital raised[2].
  - First-time fund managers get a smaller slice of a larger pie with fund raising share reduced from 20% in 2016 to 2% in Q1-Q3 2023[2].

Scale and track record matter as capital is consolidating towards the largest and most experienced managers

Notes: 1. APRA, Australian deposit-taking institution property exposures as at 31 March 2024. 2. Preqin.

Robust investment fundamentals in Australian residential private credit

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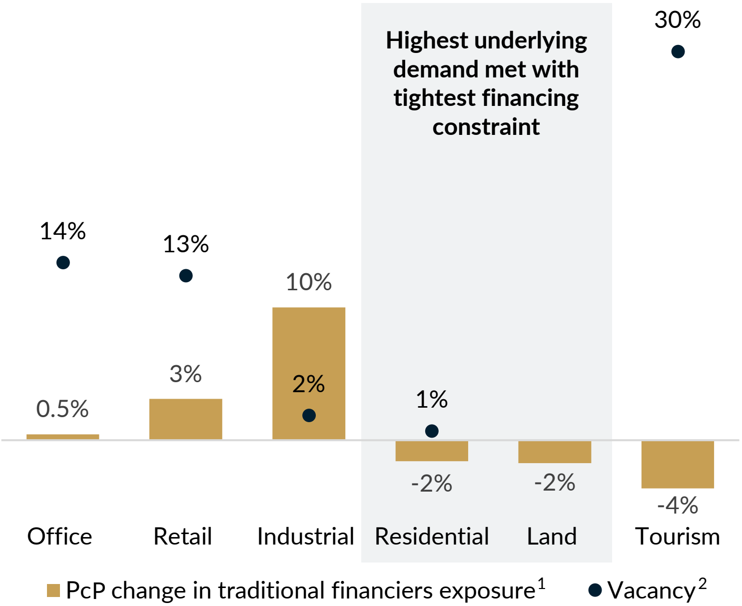
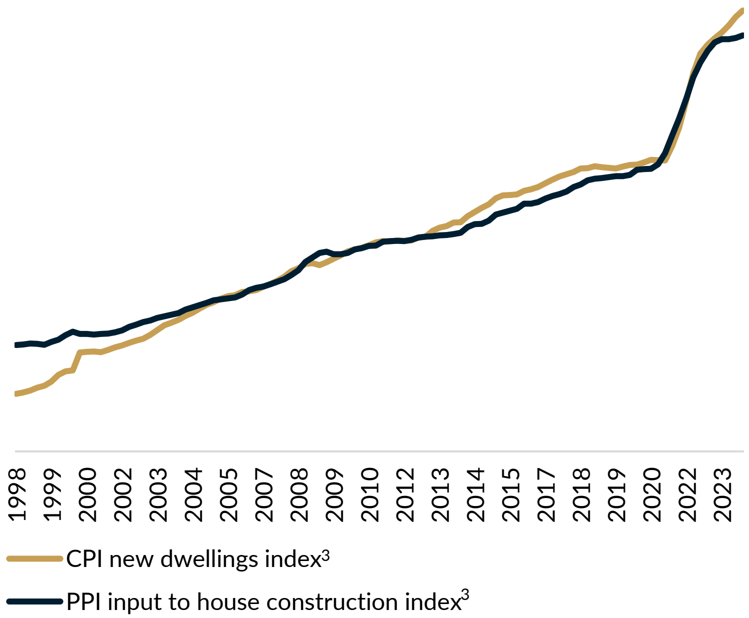
RESIDENTIAL SECTOR HAS THE WIDEST FINANCING DISLOCATION



ELEVATED CONSTRUCTION COSTS TRANSLATE TO LARGER INVESTMENTS



- QCDF II is the largest closed-ended Australia-focused private real estate fund established between 2020 and February 2024, with FUM of $1.8bn[4].
  - It can finance ~3,000 apartments over the 2 to 4 years construction period which provides housing for ~7,000 people.
  - This represents 3% of 235,000 normalised net overseas migration per year forecasted in the 2024-25 Federal Budget.

Compelling risk-adjusted return opportunities in residential private credit at this stage of the economic cycle

Notes: 1. APRA, Australian deposit-taking institution property exposures as at 31 March 2024. 2. Office, retail, industrial and hotel vacancy based on CBRE estimates. Residential vacancy based on Domain estimates as at February 2024. 3. ABS, June Quarter 2024. 4. Australian Private Capital Market Overview: A Preqin and Australian Investment Council Yearbook 2024.

Funds Management

High growth alternative investment manager investing in multi-trillion dollar asset classes

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QUALITAS OVERVIEW

$8.9bn
FUM[1]

Private credit focused alternative real asset investment manager

Investor-led thematics	$7.2bn Private credit	$0.7bn Inflationary hedge	$0.6bn Build-to-Rent	$0.4bn Opportunistic	
Macro-led deployment into sub-sectors[2]	77% Residential	8% Industrial	6% Office	4% Retail	4% Social infrastructure[4]
Return and risk profile led product strategy	$7.2bn Credit	$1.7bn Equity			

Sector agnostic and traversing the capital stack

PERE RED 50: LARGEST CAPITAL RAISERS OVER THE LAST FIVE YEARS IN REAL ESTATE PRIVATE CREDIT[3]

	A$bn	
AXA IM Alts	21.2	#1
PGIM Real Estate	19.9	#2
PAG	14.3	#3
Blackstone	13.6	#4
Goldman Sachs AM	9.0	#5
PIMCO	8.9	#6
Brookfield Asset Management	6.5	#12
Qualitas	**6.3**	**#14**
Ares Management	5.0	#21
Intermediate Capital Group	4.8	#24
Oaktree Capital Management	3.9	#28

RECOGNISED AS LOCAL LEADER

PERE AWARDS 2023
Firm of the Year: Australia

PERE REAL ESTATE DEBT 50 2024[3]

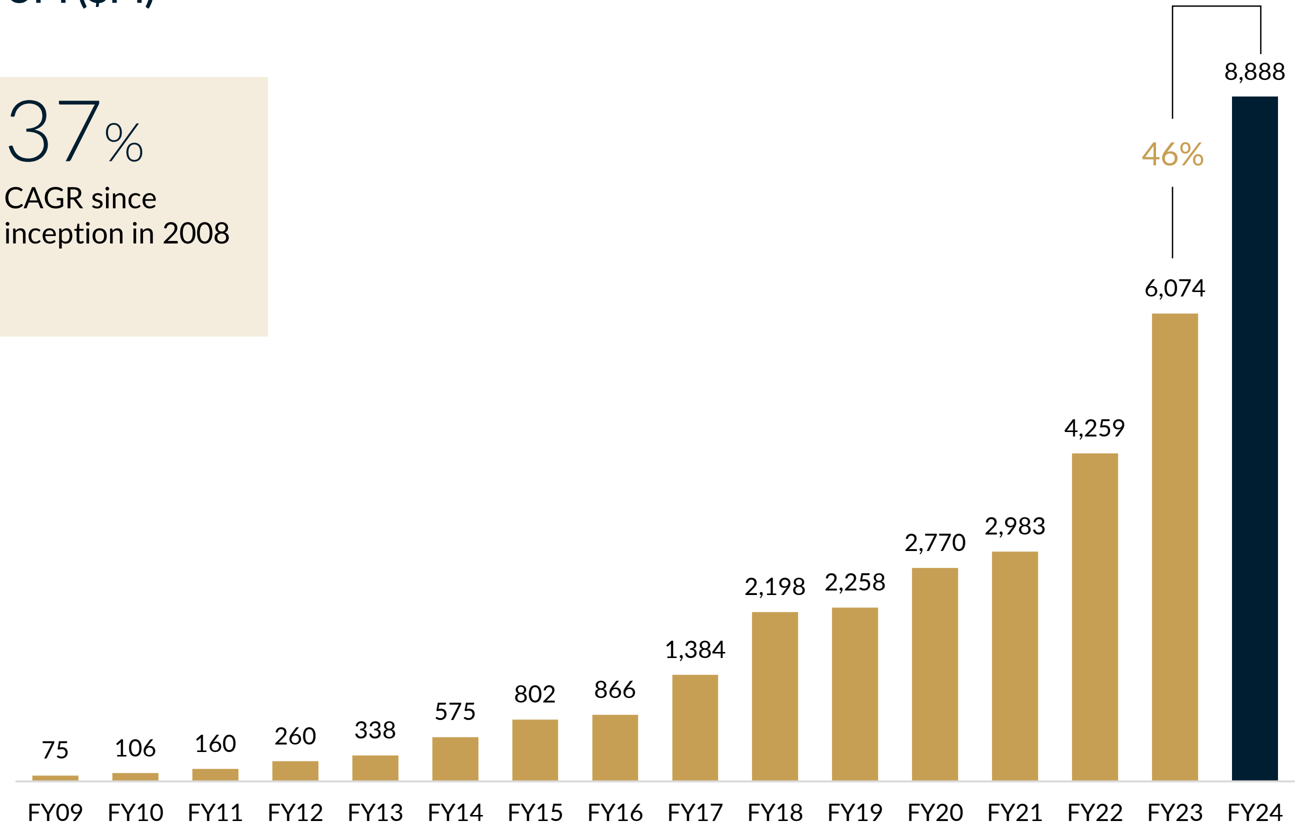
#1 Australia
#2 APAC
#14 Globally

Notes: 1. Funds under management represents committed capital from investors with signed investor agreements as at 30 June 2024. 2. Split based on allocated capital as at 30 June 2024 excluding the impact of unallocated / non-deployed capital. 3. Investment managers ranked globally by real estate private credit capital raised over the last five years to end of 2023. Ranking shown for managers that Australian investors are familiar with. 4. Social infrastructure and other.

Funds management model differentiated by long-term scalable capital…

FUM ($M)

37%
CAGR since inception in 2008



Track record of raising capital through-the-cycle:

- Two commitments from ADIA[1] totalled $1bn increased external FUM in QDCI by 143%, includes additional $80m activated recently.
- $550m from a new global institutional investor based in North America.
- $750m additional commitment from an institutional investor in QCDF II.
- $285m from retail and wholesale investors in QRI and QSDF.

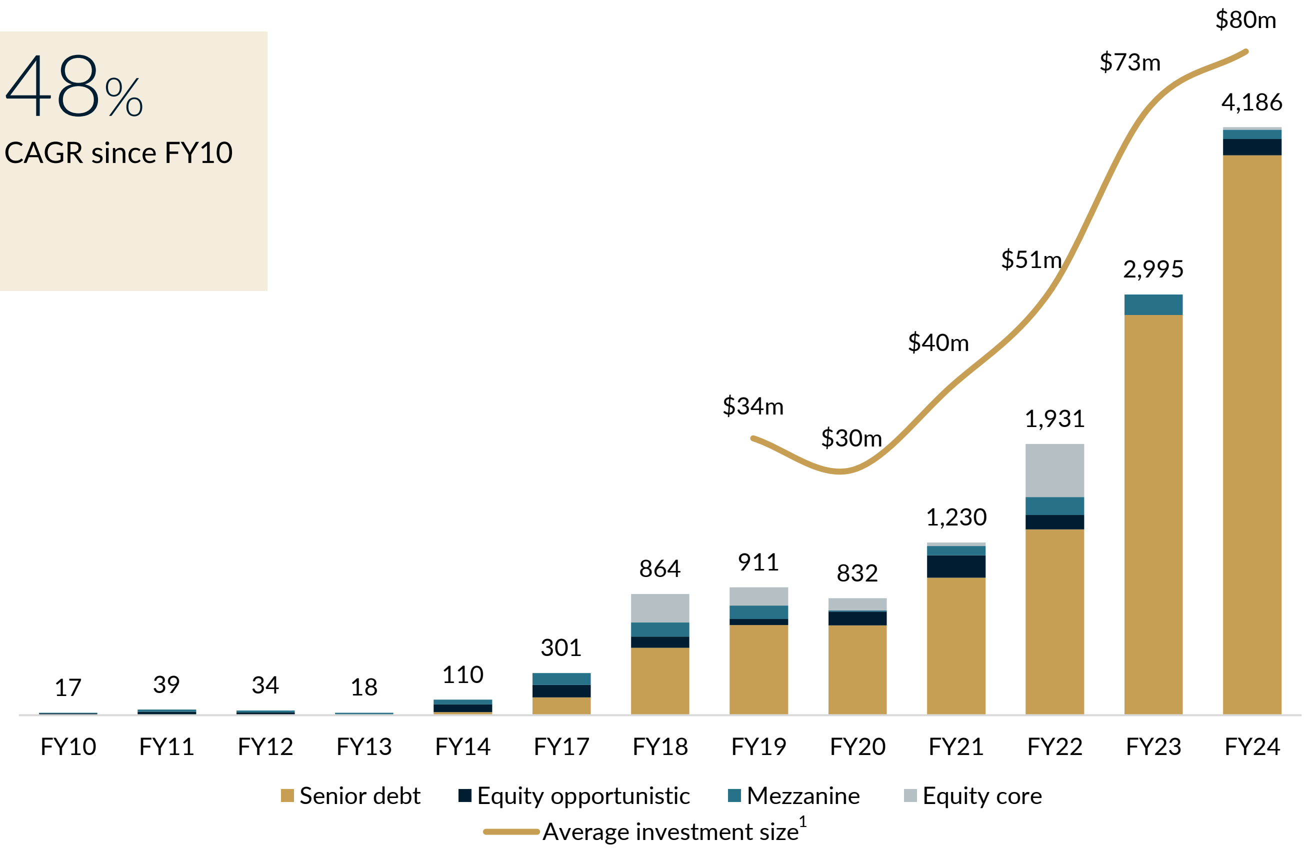
Flywheel driven by strong reputation and relationships with investors driving outsized FUM and earnings growth – challenging for new managers to replicate

Note: 1. Abu Dhabi Investment Authority.

…and ability to deploy into larger investments with high quality counterparties

DEPLOYMENT ($M)

48%
CAGR since FY10



- $585m loan for the 'Victoria & Albert' development project in Broadbeach, QLD.
- Well positioned to finance residual stock loans at scale as the incumbent construction financier.
  - Refinancing $600m construction loan for the 'AURA by Aqualand' project in North Sydney, NSW with a residual stock loan.
- Green shoots in the opportunistic strategy driven by partnership-oriented approach.

Note: 1. Excluding investments that are non-typical with significant size such as 'AURA by Aqualand' and 'Victoria & Albert'.

Strategic portfolio repositioning leads to increased portfolio churn – expected to normalise in FY25

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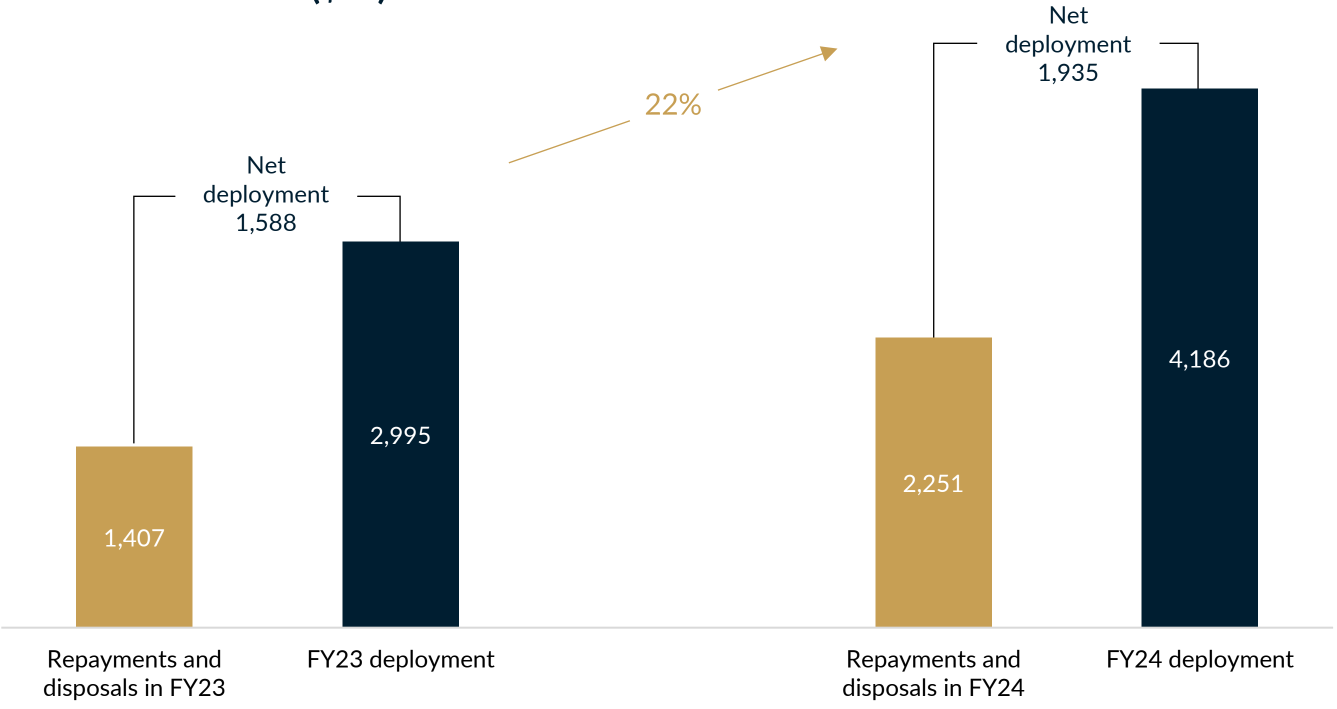
SCALING OUR DEPLOYMENT TO TARGET FEE EARNING FUM TO GROW IN LINE WITH FUM ($M)



Period start Fee Earning FUM – repayments and disposals + deployment = **Period end Fee Earning FUM**

- Elevated FY24 portfolio churn due to refinance of 'Aura by Aqualand', QCDF I rolling off and strategic portfolio repositioning.
- Deployment and fee earning FUM are expected to grow in line with FUM.
  - Increasing contribution from construction credit and other products with longer durations.
- Higher portfolio churn in the current market provides:
  - Higher transaction fees.
  - Ability to structure funds for shorter duration to realise performance fees with lower volatility.
  - Enhanced portfolio quality.

Advantage of institutional funds management platform – no capital raising required for deployment of recycled capital

Progressing our ESG vision

Leveraging our platform to support low carbon buildings, delivering impact for our communities and our people and striving for best-in-class corporate governance

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ENVIRONMENTAL

- **Carbon neutral organisation**
  Certified carbon neutral by Climate Active for FY23.
- **Aiming to lower emissions through investments**
  The QLCDF is focused on supporting developers to decarbonise the residential building sector.[1]
- **Integrating sustainability in our funds**
  All new investments in FY24 assessed using our sustainability rating tool.

SOCIAL

- **Furthering our commitment to reconciliation**
  In the process of advancing to an Innovate Reconciliation Action Plan (RAP).
- **Supporting our community partners**
  We continue to support our community partners, the Property Industry Foundation, Lighthouse Foundation and batyr with a focus on addressing youth homelessness and mental health.
- **Investing in our people**
  Launched our employee wellness allowance to enhance engagement and the mental wellbeing of our employees.

GOVERNANCE

- **First UNPRI Assessment**
  Policy Governance & Strategy ★★★★☆
  Direct – Real Estate ★★★☆☆
  Direct – Private Debt ★★★★★
  Confidence building measures ★★★★☆
- **Developing our sustainability reporting**
  Progressing our work on implementing ASRS[2] Climate-related Financial Disclosures.
- **RIAA member**
  Qualitas became a member of the Responsible Investment Association Australasia (RIAA)[3].

Carbon Neutral ORGANISATION Climate Active

Investor Group on Climate Change

PROPERTY INDUSTRY FOUNDATION

LIGHTHOUSE FOUNDATION for youth

batyr

Signatory of: PRI Principles for Responsible Investment

riaa Responsible Investment Association Australasia

Notes: 1. Fund is currently open for commitments. 2. Australian Sustainability Reporting Standards. 3. As at May 2024.

FY24
Financial Results

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Group earnings[1]

Increasing contribution from high quality recurring earnings driven by strong deployment and margin efficiencies

P&L BREAKDOWN ($THOUSANDS)	FY24	FY23[5]	% (YOY)
Net funds management revenue[2]	23,297	18,754	24%
Net performance fee revenue	2,421	3,212	(25%)
Principal income[3,4]	23,274	15,850	47%
Arch Finance EBITDA	1,588	3,879	(59%)
(-) Corporate costs	(8,685)	(8,064)	8%
Normalised EBITDA	**41,894**	**33,630**	**25%**
Normalised EBITDA margin	***50%***	***46%***	
Normalised EBITDA margin excl. performance fees	***48%***	***44%***	
Depreciation and interest expense	(2,889)	(2,769)	4%
Normalised net profit before tax (NPBT)	**39,005**	**30,861**	**26%**
Normalised net profit after tax (NPAT)	**27,281**	**21,858**	**25%**
Normalised earnings per share (EPS) (cents)	**9.1**	**7.4**	**24%**
Gain / (loss) on mark to market (MTM) value of QRI investment	613	481	
QRI capital raising costs	(1,714)	-	
Statutory NPAT	**26,180**	**22,340**	**17%**

Notes: 1. Please refer to Appendix 1 for reconciliation of statutory financial to normalised financial. 2. Net funds management revenue includes transaction fees. 3. $122k and $541k BTR equity JV losses in FY24 and FY23 respectively are reported in principal income. 4. $174k gain and $946k loss in FY24 and FY23 respectively attributed to non-cash mark to market valuation movements in the carrying value of co-investments in the equity funds. 5. Please refer to appendix 1 for voluntary restatement of FY23 financial.

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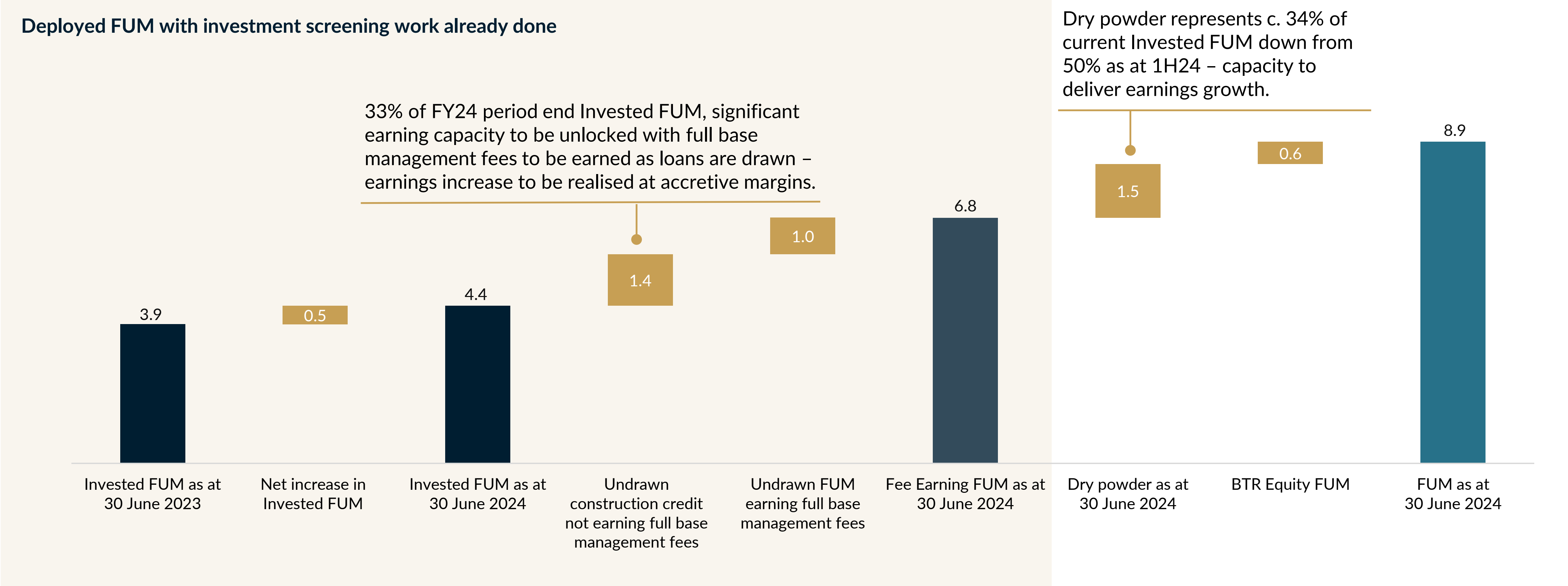
- **Normalised NPAT of $27m, increased by 25% on FY23 reflecting:**
  - Funds management fee growth driven by strong growth in deployment.
  - Increase in principal income underpinned by increases in drawn co-investment.
- **Normalised EBITDA margin excluding performance fees increased by 3% on FY23:**
  - Higher contribution from principal income.
  - Increase in funds management gross operating margin from efficiencies of scale.
- $6.1m reversal in net performance fees attributed to equity funds underlying asset revaluation is offset by $8.5m in net performance fees from credit funds.
- FY24 final dividend of 5.75cps, total FY24 dividend of 8.00cps, representing a payout ratio of 91%.

$2.4bn undrawn construction credit to be converted into Invested FUM over FY25

RECONCILIATION OF INVESTED FUM, FEE EARNING FUM AND COMMITTED FUM ($BN)



Funds management

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Increase in investment activity directly translates to growth in transaction fees with further growth in base funds management fees to be realised over the near term

P&L BREAKDOWN ($THOUSANDS)	FY24	FY23[4]	% (YOY)
Base funds management fees	37,542	32,343	16%
Transaction fees	16,144	11,788	37%
Funds management revenue	**53,686**	**44,131**	**22%**
(-) Core employee costs	(30,389)	(25,378)	20%
Net funds management revenue	**23,297**	**18,754**	**24%**
Funds management gross operating margin	*43%*	*42%*	
Performance fee revenue	1,029	4,284	(76%)
(-) Performance fee incentives	1,392	(1,072)	
Net performance fee revenue	**2,421**	**3,212**	**(25%)**
Performance fee gross operating margin	-	*75%*	
Principal income[1,2]	23,274	15,850	47%
(-) Corporate costs	(8,685)	(8,064)	8%
Funds management EBITDA[3]	**40,306**	**29,751**	**35%**
FM EBITDA margin	*52%*	*46%*	
FM EBITDA margin excl. performance fees	*49%*	*44%*	
Base funds management fees (BMF) as % of Average Invested FUM	*1.0%*	*1.1%*	
TF as % of deployment	*0.4%*	*0.4%*	
Average Invested FUM ($m)	*3,752*	*2,955*	*27%*

- Growth in base funds management fee and transaction fee driven by:
  - Deployment skewed towards last quarter of FY24 as per seasonality.
  - 27% increase in Average Invested FUM.
- Slower growth in Average Invested FUM compared to FY23 due to significant deployment in construction credit with delayed drawdown.
  - Expected to enhance growth in FY25.
  - Opportunities to provide residual stock loans which are fully drawn upon deployment.
- Disciplined cost management with a focus on growth and efficiency.
  - Investment into the platform through senior hires.
  - Increases in professional fees and marketing expenses to support growth of the platform.

Notes: 1. $122k and $541k BTR JV losses in FY24 and FY23 respectively are reported in principal income. 2. $174k gain and $94 6k loss in FY24 and FY23 respectively attributed to non-cash mark to market valuation movements in the carrying value of co-investments in the equity funds. 3. FY24 normalised earnings adjusted for abnormal items including QRI capital raising costs ($2.4m) and unrealised MTM gains from Qualitas' co-investment in QRI ($0.9m). FY23 normalised earnings adjusted for unrealised MTM gains from Qualitas' co-investment in QRI ($0.7m). 4. Please refer to appendix 1 for voluntary restatement of FY23 financial.

Principal income and Arch Finance

Optimising deployment of balance sheet capital to drive principal income growth

PRINCIPAL INCOME ($THOUSANDS)	FY24	FY23	% (YOY)
Income from investments[1,2]	10,921	3,175	244%
Cash interest income	8,953	4,938	81%
Underwriting income	3,400	7,737	(56%)
Total principal income	**23,274**	**15,850**	**47%**

ARCH FINANCE ($THOUSANDS)	FY24	FY23	% (YOY)
Financial services & net interest income	5,906	8,771	(33%)
(-) Credit loss provision	111	101	10%
(-) Arch Finance operating expenses	(4,429)	(4,993)	(11%)
Arch Finance EBITDA	**1,588**	**3,879**	**(59%)**
Arch Finance co-investment distribution	**1,932**	**827**	**134%**
Total return on co-investment	**18%**	**46%**	
Gross loans outstanding	276,490	317,570	(13%)

Notes: 1. $122k and $541k BTR JV losses in FY24 and FY23 respectively are reported in principal income. 2. $174k gain and $946k loss in FY24 and FY23 respectively attributed to non-cash mark to market valuation movements in the carrying value of co-investments in the equity funds. 3. 10.11% is calculated as the average of annualised return for each underwriting position weighted by the average drawn underwriting position during FY24.

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- 22 underwriting positions with average drawn balance of $34m in FY24.
  - Gross total deployment of $470m in underwriting up ~10% on FY23.
  - Weighted average yield of 10.11% p.a.[3]
- Elevated fundraising and deployment activity increased drawdown of co-investment and reduced need for underwriting.
- Reduction in Arch Finance portfolio is stabilising.

Operating performance – focus on quality and economies of scale

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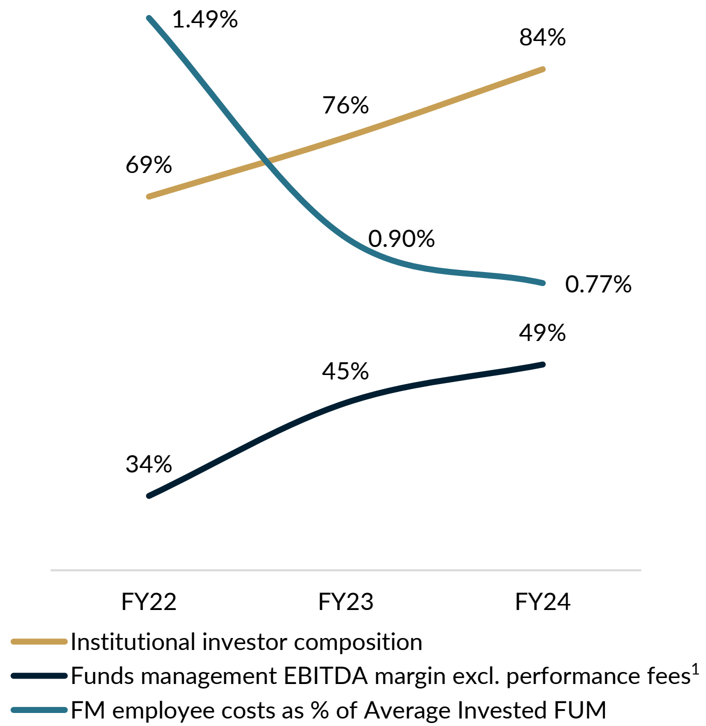
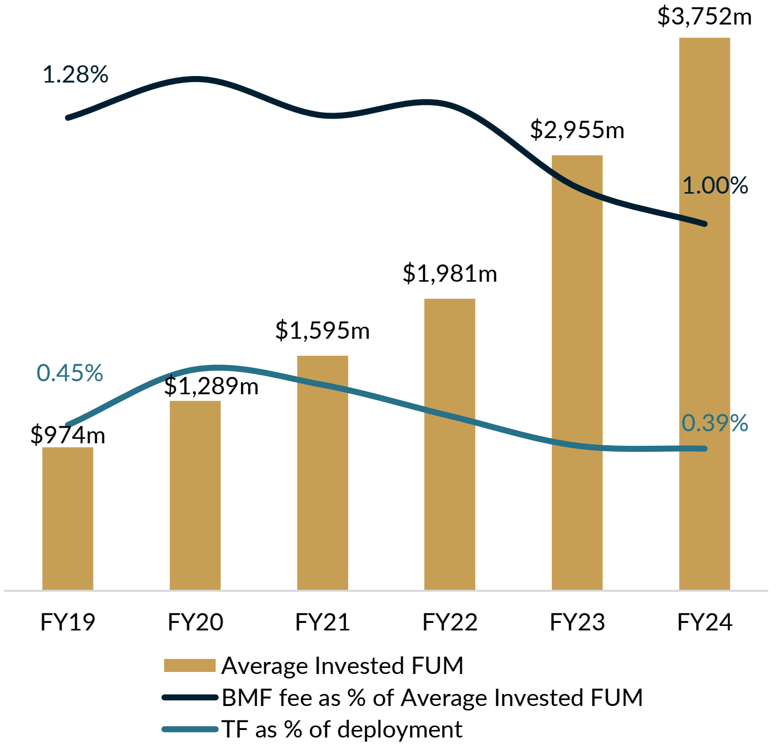
Fee margins trending towards long-term target compensated by scale benefits seen through decline in employee cost per dollar of Invested FUM

INSTITUTIONAL MANDATES DRIVE FUNDS MANAGEMENT MARGIN



NORMALISATION OF FEE MARGIN IS OFFSET BY GROWTH



- Average Invested FUM 5-year CAGR of 31%.
- BMF as % of Invested FUM declining due to the deployment of large institutional mandates. Expected to stabilise between 0.9% and 1.0% over the long term.
- Transaction fees as % of deployment directly linked to the fee structure of mandates that deployment is allocated to.
  - Mandates with back-ended fee structure may result in short term changes in reporting period fee margin, any softness in transaction fees is offset by performance fees which are back-ended.
  - Expected to stabilise between 0.3% and 0.4% over the long term.

Note: 1. FY24 normalised earnings adjusted for abnormal items including QRI capital raise costs ($2.4m) and unrealised MTM gains from Qualitas' co-investment in QRI ($0.9m). FY23 normalised earnings adjusted for unrealised MTM gains from Qualitas' co-investment in QRI ($0.7m). FY22 normalised earnings adjusted for abnormal items including QRI capital raise costs ($5.2m), unrealised MTM losses from Qualitas' co-investment in QRI ($1.6m) and Qualitas IPO cost ($3.9m).

Balance sheet

$155m net cash position with high cash flow for dividends and reinvestment in growth

QUALITAS GROUP BALANCE SHEET ($THOUSANDS)	FY24	1H24	FY23
Assets			
Cash and cash equivalents	194,381	200,511	192,369
Trade and other receivables	33,089	23,538	16,029
Loan receivables	14,238	7,241	87,451
Accrued performance fees	36,687	51,078	48,928
Inventories	25,473	24,522	24,462
Investments	110,429	105,213	38,209
Mortgage loans (Arch Finance)	276,490	281,235	317,570
Other assets	17,344	16,423	14,128[1]
Total assets	**708,131**	**709,760**	**739,146**
Liabilities			
Trade and other payables	23,108	12,118	8,386[1]
Deferred income	3,079	5,061	4,476
Provision for employee benefits	19,642	23,560	25,053
Loans and borrowings	295,290	310,035	340,741
Total liabilities	**341,118**	**350,774**	**378,656**
Net assets	**367,013**	**358,986**	**360,490**
Securities on issue	298,295	298,295	296,016

Note: 1. In 2024, Qualitas discovered that on adoption of AASB 16 there was an accounting misstatement resulting in the understatement of trade and other payables and understatement of expenses due to the incorrect recognition of lease outgoings. As the result of the voluntary restatement, FY23 other assets are reduced by $772k and trades and other payables increased by $797k.

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- Increases in trade and other receivables are mainly attributed to growth in management and transaction fees which are due for collection.
- Loan receivables of c.$14m represents underwriting positions to existing funds.
- $12m decrease in accrued performance fees on FY23 is related to receipt of performance fees.
- Loans and borrowings are attributed to:
  - $254m Arch Finance warehouse wholesale funding with limited recourse to QAL.
  - $15m QRI Manager Loan which is a loan from QRI to QAL to finance QRI capital raising costs.
  - $24m project funding loan.
  - $3m in lease liability.

Outlook and Guidance

We expect FY25 NPBT to grow 26% to 41% on FY24

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- FY25 guidance considerations:
  - Draw down profile of undrawn construction credit not earning full management fees, deployment timing and quantum are key variables of the guidance range.
  - Recurring base management fees and principal income to drive growth.
- FY25 dividend per share (DPS) in line with target dividend payout ratio of between 50% to 95% of operating earnings.

Outlook statements and guidance have been made based on no material adverse change in the current market conditions.

FY25 GUIDANCE

Estimated range

$49m - $55m

NPBT[1]

Estimated range

11.50cps – 12.91cps

EPS[1,2]

Notes: 1. Excludes any MTM movements for Qualitas' co-investment in QRI and QRI capital raising costs. 2. Based on the current total number of ordinary shares on issue, that is subject to any future changes.

MELBOURNE OFFICE

Level 38, 120 Collins Street,
Melbourne VIC 3000

SYDNEY OFFICE

Level 5, 1 Bligh Street,
Sydney NSW 2000

BRISBANE OFFICE

Level 14, 167 Eagle Street,
Brisbane QLD 4000

QAL INVESTOR ENQUIRES

P: +61 3 9612 3939
E: investor.relations@qualitas.com.au

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The information that relates to the Qualitas Real Estate Income Fund ARSN 627 917 971 ('QRI' or 'Trust') is issued by The Trust Company (RE Services) Limited ABN 45 003 278 831 AFSL 235 150 (Perpetual) as responsible entity of the Trust. Any information not in reference to QRI has been prepared and issued by and its sole responsibility of Qualitas Limited (ACN 655 057 588).

Appendix 1

Reconciliation of financials

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Reconciliation of restatement for FY23 financial and statutory financial to normalised financial

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In 2024, Qualitas discovered that on adoption of AASB 16 there was an accounting misstatement resulting in the understatement of trade and other payables and understatement of expenses due to the incorrect recognition of lease outgoings. FY23 earnings shown here are voluntarily restated on account of correction of errors. $199k additional occupancy expense after tax was included in the restated FY23 earnings.

($THOUSANDS)	FY23 (REPORTED)	ADJUSTMENT	FY23 (RESTATED)	FY24	FY24 / FY23 (RESTATED) %
Statutory EBITDA	34,598	(284)	34,314	40,320	18%
(Gain) / loss on mark to market (MTM) value of QRI investment	(688)		(688)	(875)	
QRI capital raising costs	-		-	2,448	
Normalised EBITDA	33,911	(284)	33,627	41,894	25%
Statutory net profit before tax (NPBT)	31,833	(284)	31,549	37,432	19%
(Gain) / loss on mark to market (MTM) value of QRI investment	(688)		(688)	(875)	
QRI capital raising costs	-		-	2,448	
Normalised NPBT	31,146	(284)	30,862	39,005	26%
Statutory net profit after tax (NPAT)	22,539	(199)	22,340	26,180	17%
(Gain) / loss on mark to market (MTM) value of QRI investment	(481)		(481)	(613)	
QRI capital raising costs	-		-	1,714	
Normalised NPAT	22,058	(199)	21,859	27,281	25%

Appendix 2

Segment information

Investor composition as at 30 June 2024

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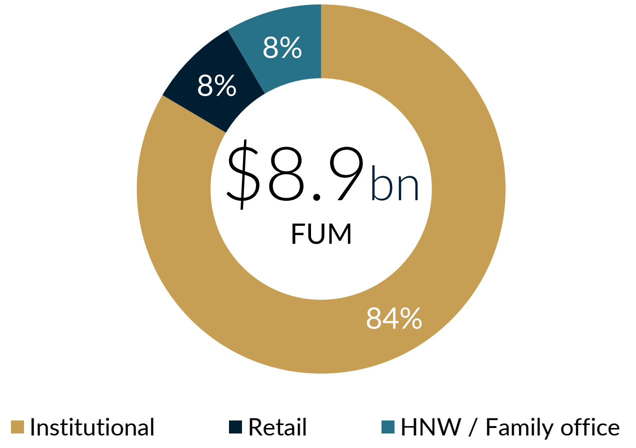
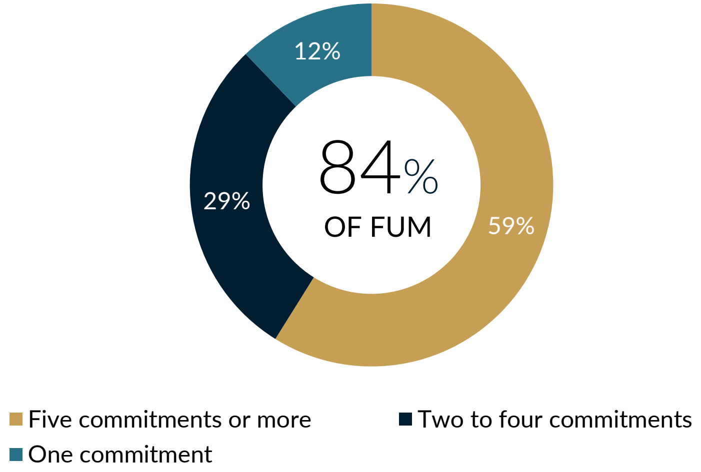
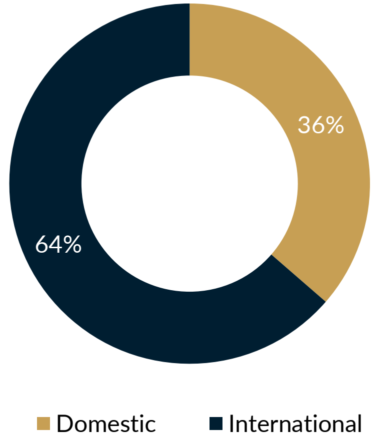
INVESTOR COMPOSITION OF FUM



INSTITUTIONAL CAPITAL BY CURRENT NUMBER OF COMMITMENTS



INVESTOR GEOGRAPHIC SPLIT OF FUM



- QRI entered into the ASX300 and ASX300 A-REIT indices.
- Qualitas products are available on a range of investment platforms including Netwealth, HUB24, Macquarie Wrap, Praemium, CFS FirstWrap, AMP North, BT Panorama and Mason Stevens.

- Deep relationships with institutional investors – 88% have multiple commitments with Qualitas.
- On track to establish up to two new strategic relationships per year.

- International segment has grown to 64% of FUM.

Diversified product and investment profile as at 30 June 2024

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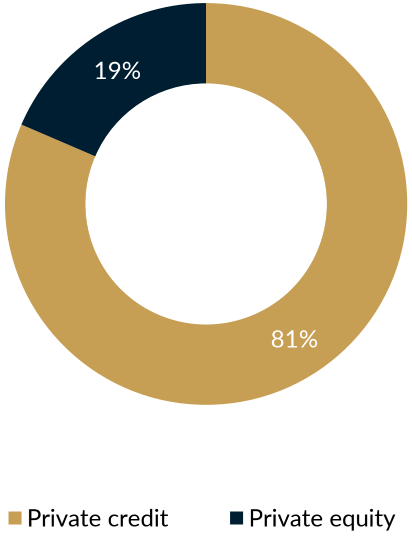
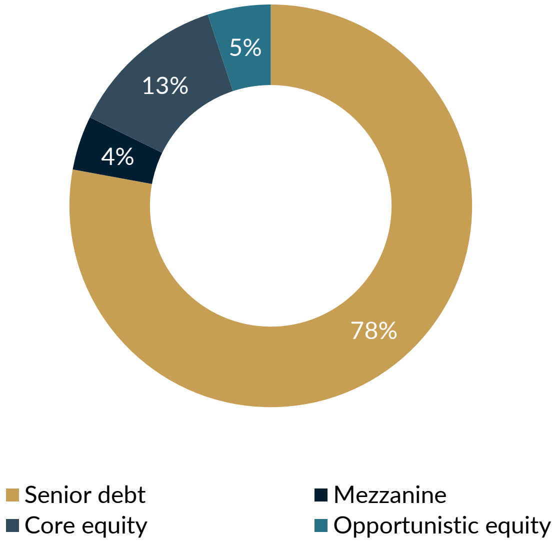
FUNDS UNDER MANAGEMENT[1]
(BY COMMITTED FUM)



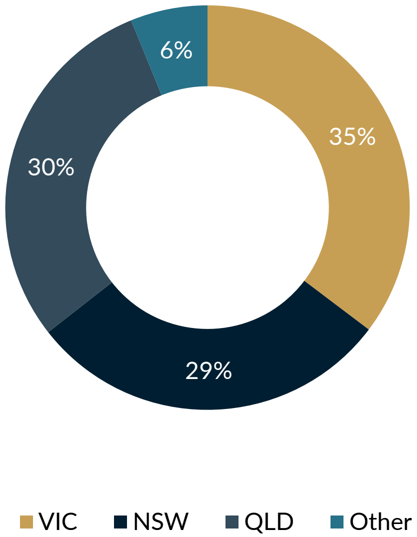
- $8.9bn of FUM across 18 active funds.

FUNDS UNDER MANAGEMENT RISK ALLOCATION[2]
(BY INVESTED FUM)



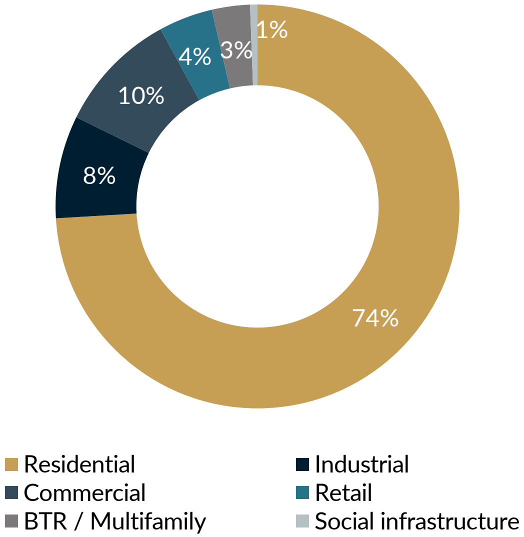
- 78% in senior credit with a significant equity buffer.

UNDERLYING GEOGRAPHIC EXPOSURE[2]
(BY INVESTED FUM)



- Broad geographic dispersion risk exposure.

UNDERLYING SECTOR EXPOSURE[2]
(BY INVESTED FUM)



- 77% exposure in residential.[3]
- 6% exposure in office grouped under commercial.

Notes: 1. Represents committed capital as at 30 June 2024. 2. Split based on allocated capital as at 30 June 2024 excluding the impact of unallocated / non-deployed capital. 3. Including BTR equity.

Appendix 3

FUM metrics

FUM overview as at 30 June 2024

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	FUND NAME	STRATEGY	INVESTMENT TYPE	FUM	EXPIRY[1]
CREDIT FUNDS	QRI (ASX listed)	Income	Senior debt / mezzanine	$713m	Perpetual
	QSDF		Senior debt – diverse	$876m	Perpetual
	QPICF 1A		Senior debt – diverse	$773m	May-31
	Senior Debt SMA		Senior debt – diverse	$211m	Perpetual
	Arch Finance		Senior debt – investment	$323m	Perpetual
	QCDF II	Total return	Senior debt – construction	$1,826m	Varied[2]
	QDCI		Senior debt / mezzanine – diverse	$1,750m	Jul-29
	QPICF 1B		Senior debt / mezzanine – diverse	$575m	Jun-31
	QBIF (QLCDF)		Senior debt – investment / construction	$110m	Feb-32
	Other credit	Total return / income	Various mandates[3]	$61m	Varied
	Total credit FUM			$7,218m	
EQUITY FUNDS	Opportunity I	Total return	Equity opportunistic	$78m	June-25[4]
	Opportunity II			$259m[5]	Sep-27
	BTR Equity (2 funds)		Equity core	$620m[6]	Perpetual
	QFIF	Income	Equity core	$205m	Apr-25
	QDREF		Equity core / long WALE retail	$118m	Perpetual
	Other equity	Total return / income[7]	Equity core / opportunistic	$388m	Varied
	Total equity FUM			$1,670m	
	Total FUM			**$8,888m**	

Notes: 1. Expiry refers to the fund term dates defined by the fund documentation, which may be amended from time to time and subject to extensions. 2. Initial tranche of $750m expires in June 2030. $440m additional commitment announced on 30 September 2022 expires in December 2027. The $750m announced on 16 August 2023 expires in September 2031. 3. Includes Peer Estate, Direct Real Estate accounts and Qualitas Tactical Credit Fund. 4. Qualitas has exercised its discretion to extend Opportunity I by one 12-month extension. A second 12-month extension is available to be exercised at the Manager's discretion. 5. Includes co-investments on certain assets. 6. Commitment to the two BTR funds is based on Gross Asset Value (GAV) and as such, Committed FUM (reported on committed equity basis throughout the presentation) is derived by assuming potential leverage within the funds (BTR fund one GAV commitment of $1.2bn and BTR fund two GAV commitment of $2.0bn). Further, management platform for the BTR equity funds is a 50/50 JV between Qualitas and a development / operating partner, and as such QAL is recognising 50% of assumed committed equity. 7. Includes equity funds with a focus on Australian retirement villages, US BTR/multifamily, US office, Australian convenience retail sector and social infrastructure sector.

Credit funds – FUM metrics as at 30 June 2024

QUALITAS

	FUND NAME	COMMITTED FUM	INVESTED FUM	FEE EARNING FUM	FUM NOT YET EARNINGS FEES	FUND FEE STRUCTURE	BASE FEE BENCHMARK
CREDIT FUNDS	QRI (ASX listed)	$713m	$619m[1]	$713m	-	base fee, PF, transaction fee	% on net asset value
	QSDF	$876m	$763m	$763m	$113m	base fee, transaction fee	% of Invested FUM
	QPICF 1A[2]	$773m	$487m	$487m	$285m		
	Senior Debt SMA	$211m	$137m	$137m	$73m		
	QBIF (QLCDF)	$110m	$68m	$68m	$42m		
	Other credit	$61m	$37m	$37m	$24m		
	QCDF II	$1,826m	$496m	$1,926m	-	base fee, PF, transaction fee	% of total facility limit
	QDCI	$1,750m	$397m	$1,414m	$336m	base fee, PF	
	QPICF 1B[2]	$575m	-	-	$575m		
	Arch Finance	$323m	$277m	$277m	$46m	net interest margin, transaction fee	net interest margin
	Total (Jun-24)	**$7,218m**	**$3,280m**	**$5,823m**	**$1,495m**		

FUM for credit funds = Fee earning FUM + FUM not yet earning fees - $100m QCDF II Commitment Over FUM

Notes: 1. Excludes QRI Manager Loan, capitalising interest and other minor facility uplift and loan repayments. 2. Refers to separate mandates within the QPICF Fund.

Equity funds – FUM metrics as at 30 June 2024

QUALITAS

	FUND NAME	COMMITTED FUM	INVESTED FUM	FEE EARNING FUM	FUM NOT YET EARNINGS FEES	FUND FEE STRUCTURE	BASE FEE BENCHMARK
EQUITY FUNDS	Opportunity I	$78m	$55m	$55m	-	base fee, PF	% of Invested FUM
	Opportunity II	$259m	$242m	$249m	-		% of committed FUM (Invested FUM post-investment period)
	BTR Equity (2 funds)[1]	$620m	$127m	-[2]	-	base fee, PF, transaction fee	% of land acquisition price (pre-completion) % of GAV (post-building completion)
	QDREF	$118m	$118m	$118m	-		% of GAV
	QFIF	$205m	$205m	$205m	-		% of acquisition price for QFIF Mix of acquisition price and GAV for other equity
	Other equity	$388m	$355m	$377m	-		
	Total (Dec-23)	**$1,670m**	**$1,104m**	**$1,005m**	**-**		

FUM for equity funds = Fee earning FUM + FUM not yet earning fees + BTR equity FUM + undrawn capital in funds due to roll-off

Notes: 1. Commitment to the BTR funds is based on Gross Asset Value (GAV) and as such, committed FUM (reported on committed equity basis throughout the presentation) is derived by assuming potential leverage within the funds (BTR fund one GAV commitment of $1.2bn and BTR fund two GAV commitment of $2.0bn). Further, management platform for the BTR funds is a 50/50 JV between Qualitas and a development / operating partner, and as such QAL is recognising 50% of assumed committed equity. 2. BTR equity JV earnings are reported in principal income instead of funds management revenue, therefore BTR Equity funds are not included in Fee Earning FUM and FUM not yet earning fees.

Closing period FUM

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$M	FY19	FY20	FY21	FY22	FY23	FY24
Committed FUM						
Funds management	1,810	2,290	2,503	3,794	5,674	8,565
Arch Finance	448	480	480	465	400	323
Total Committed FUM	**2,258**	**2,770**	**2,983**	**4,259**	**6,074**	**8,888**
Invested FUM						
Funds management	1,086	1,444	1,660	2,458	3,448	3,980
BTR equity	-	-	-	46	101	127
Arch Finance	399	440	423	380	320	277
Total Invested FUM	**1,485**	**1,884**	**2,083**	**2,884**	**3,868**	**4,384**
Fee Earning FUM						
Funds management[1]				2,944	4,573	6,551
Arch Finance				361	320	277
Fee Earning FUM				**3,305**	**4,893**	**6,828**

Note: 1. BTR equity JV earnings are accrued in principal income, not in funds management revenue. It is therefore excluded from Fee Earning FUM.

Fund key

LISTED ENTITY

ASX: QAL	Qualitas Limited

LISTED FUNDS

ASX: QRI	Qualitas Real Estate Income Fund

UNLISTED FUNDS

QSDF	Senior Debt Fund
BTR	Build-To-Rent equity
QBIF	Build-to-Rent Impact Fund
QCDF	Construction Debt Fund
QCDF II	Construction Debt Fund II
QDCI	Diversified Credit Investments
QDREF	Diversified Real Estate Fund
QFIF	Food Infrastructure Fund
QLCDF	Low Carbon Debt Fund
QPICF	Private Income Credit Fund
QREOFI	Real Estate Opportunity Fund I
QREOFII	Real Estate Opportunity Fund II
QTCF	Tactical Credit Fund
Senior Debt SMA	Senior Debt Separately Managed Account

Glossary

QUALITAS

AUM	Assets under management
Average Invested FUM	Average monthly Invested FUM excluding BTR equity and Arch Finance
BMF	Base management fee
CAGR	Compound annual growth rate
CRE	Commercial real estate
Closed-end fund	Fund with expiry date
Committed FUM	Committed capital from investors with signed contracts
Dry Powder	FUM not yet earning fees is used as a proxy for dry powder
EBITDA	Earnings before interest tax depreciation & amortisation
ESG	Environmental, social, and governance
Fee Earning FUM	Amount earning base management fees. Base management fee structures vary across investment platform including committed FUM, Invested FUM, net asset value, gross asset value, acquisition price and other metrics used to calculate base management fees
FM	Funds management
FUM	Represents committed capital from investors with signed investor agreements
FUM not yet earning fees	Undeployed committed capital that is not yet earning base management fees
GAV	Gross asset value
HNW	High net worth
Invested FUM / capital drawn	Funds currently deployed. Capital drawn for equity funds. Funds drawn on live deals / loans less repayments for credit funds
IC approved investments	Investments approved by fund Investment Committee with financial close subject to satisfaction of condition precedents
JV	Joint venture
Mandated investments	Qualitas entered into exclusivity with borrowers with financial close subject to due diligence and fund Investment Committee approval
MREIT	Mortgage Real Estate Investment Trust
Normalised earnings	Normalised earnings include normalised EBITDA, normalised NPBT, normalised NPAT and funds management EBITDA are adjusted for gain and losses on mark to market value of QRI investment and QRI capital raising costs. Please refer to the reconciliation in the appendix section.
Open-ended Fund	Fund without an expiry date
Perpetual capital	Open-ended fund with no mandated expiry date
PF	Performance fee
Total return credit	Construction and opportunistic credit
TF	Transaction fee
Underwriting	Warehousing, underwriting or bridging assets or loans for a fund prior to the completion of a capital raising or receiving an anticipated repayment for a fund or the launch of a new fund following which the fund will take out or refinance the warehousing, underwriting or bridging arrangement (including by repayment or acquiring or directly pursuing the investment opportunity).
WALE	Weighted average lease expiry

Appendix 4

Recent investments

Case study: Large scale residential construction project

Victoria & Albert – a luxury residential development located in Broadbeach, QLD

QUALITAS

$585m
Peak debt facility limit

425
Apartments

48 months
Loan term

150 of 425
Apartments pre-sold

Two towers
Victoria (66-storey) and Albert (42-storey)

THE OPPORTUNITY

- Full recourse with significant balance sheet and three decades experience in development
- Large portion of pre-sales from domestic purchasers
- Builder owned by the borrower with strong construction management team and financier step in rights
- Targeting owner occupier market across various price points with different specifications
- Substantial early works completed and excavation commenced
- Highly amenitised offering within walking distance to the beach and shopping centre

Case study: Large scale residential construction project

Victoria & Albert – a luxury residential development located in Broadbeach, QLD

QUALITAS

WHY DID THE BORROWER CHOOSE AN ALTERNATIVE FINANCIER?

- Pre-sales below bank threshold, typically >70% debt cover.
- Larger debt size required multiple traditional financiers which increases deal complexity.
- Related-party builder.

Artists impression for illustrative purposes only.

WHY QUALITAS?

- Qualitas was first mandated on the investment in 2022 and project was put on halt due to issues with the previous third-party builder.
- Qualitas worked with the borrower on a project delivery plan over the last 18 months.
  - Significant incumbent knowledge and work completed on the investment.
  - Confidence provided to the borrower on certainty of capital sources across multiple large institutional mandates.
  - Limited parties can finance projects at this scale.