

ASX Announcement

Qualitas Limited (ASX: QAL)

16 August 2023

Qualitas secures additional A\$750 million private credit commitment

Key Highlights

- Qualitas secures additional A\$750 million commitment from an institutional investor for the existing Qualitas Construction Debt Fund II (Fund) bringing total committed funds under management (FUM)¹ to approximately A\$6.8 billion²
 - c.12% FUM growth from 8 May 2023³
 - c.59% FUM growth since 30 June 2022
- Commercial Real Estate (CRE) private credit in Australia continues to attract large-scale institutional capital

Qualitas Limited (ASX: QAL) (**Qualitas** or **Company**), a leading Australian alternative real estate investment manager, is pleased to announce that it has secured an increased capital commitment from an institutional investor of A\$750 million in the Qualitas Construction Debt Fund II, enabling the Fund to capitalise on upcoming attractive opportunities in the CRE private credit sector. This increases the size of the Fund to approximately A\$1.95 billion of committed capital and Qualitas will increase its co-investment in the Fund to A\$10 million⁴.

Consistent Growth in FUM

FUM has increased to approximately A\$6.8 billion², representing FUM growth of c.12% since 8 May 2023³ and c.59% since 30 June 2022.

This increased capital commitment follows the recently announced A\$1 billion CRE private credit mandate with A\$220 million activated commitment⁵ on 8 May 2023 and demonstrates the growing interest from institutional investors in the Australian CRE private credit sector.

The proportion of Qualitas' FUM managed on behalf of local and international institutional investors has increased to approximately 79%.

Andrew Schwartz, Group Managing Director, and Co-Founder of Qualitas, said:

“This additional capital commitment highlights Qualitas' position as a leading alternative real estate investment manager in the Australian CRE sector. We place a high value on our long-term established relationships with institutional investors, our strong balance sheet and deep bench of talent, which we believe continue to support our consistent growth in a sector that has a widening addressable market.

The last twelve months have been represented by a dynamic macroeconomic environment driven by tightening fiscal policy and elevated inflation. Notwithstanding these factors, the undersupply

¹ FUM represents committed capital from investors with signed investor agreements throughout this announcement unless stated otherwise.

² Based on FUM as at 31 March 2023 and adjusted for the active component of the A\$1 billion credit mandate announced on the 8 May 2023 and the increased commitment of A\$750 million in QCDF II (the subject of this announcement).

³ The Company's ASX announcement dated 8 May 2023.

⁴ Representing 0.5% co-investment.

⁵ A\$220 million is activated and available for deployment as set out in the 8 May 2023 ASX announcement. The balance of A\$780 million is subject to further approvals and conditions and there is no certainty that it will be activated in whole or in part.

of housing is a key driver of the tight rental vacancy levels we are currently experiencing and we are starting to see increases in off the plan apartment sale prices in certain areas with deep supply shortage. This has assisted sponsors⁶ in restarting projects that may have been on hold. We're also seeing increased caution as part of the development preparation and execution process. Australia's construction financing sector is underpinned by a strong and well-regulated financial system. Qualitas implements effective structuring to mitigate risks while providing financing solutions to quality sponsors with increasing requirements unmet by traditional financiers.

A\$750 million increase in dry powder heading into a new financial year allows us to take advantage of further dislocation in the CRE credit market. We continue to be cautious in deployment and remain vigilant in asset selection by applying an equity lens on our credit investments. Progress on deployment depends on the timing of settlement on investment opportunities that align with our risk framework and appetite.”

This announcement is authorised for release by the Board of Directors of the Company.

For more information, please contact:

Investor Enquiries

Kathleen Yeung
Global Head of Corporate Development
Qualitas Limited
T: +61 3 9612 3939
E: kathleen.yeung@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

Investor Website:

<https://investors.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\$6.8 billion² 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 15 years Qualitas has been investing through market cycles to finance assets with a combined value of over A\$19 billion⁷ 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 of more than 80 professionals provides a unique offering in the market to accelerate business growth and drive performance for shareholders.

⁶ Borrowers at Qualitas, typically referring to developers and financial investors.

⁷ As at 31 December 2022

Disclaimer

This announcement contains general information only and does not take into account your investment objectives, financial situation or needs. Qualitas is not licensed to provide financial product advice in relation to Qualitas shares or any 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 takes into account your personal circumstances, you should consult a licensed or authorised financial adviser. Past performance is not a reliable indicator of future performance.