

ASX Announcement

Qualitas Limited (ASX: QAL)

7 May 2024

2024 Macquarie Conference Presentation

Qualitas Limited (ASX: QAL) (**Qualitas** or **Company**) provides the attached copy of Qualitas' 2024 Macquarie Conference presentation being given today.

Authorised for release by the Group Managing Director.

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About Qualitas

Qualitas Limited ACN 655 057 588 (**Qualitas**) is an ASX-listed Australian alternative real estate investment manager with approximately A\$8.1 billion¹ 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\$21 billion² 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.

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¹ FUM metrics as at 31 March 2024.

² As at 30 June 2023.

Qualitas
(ASX:QAL)

Macquarie
Australia
Conference

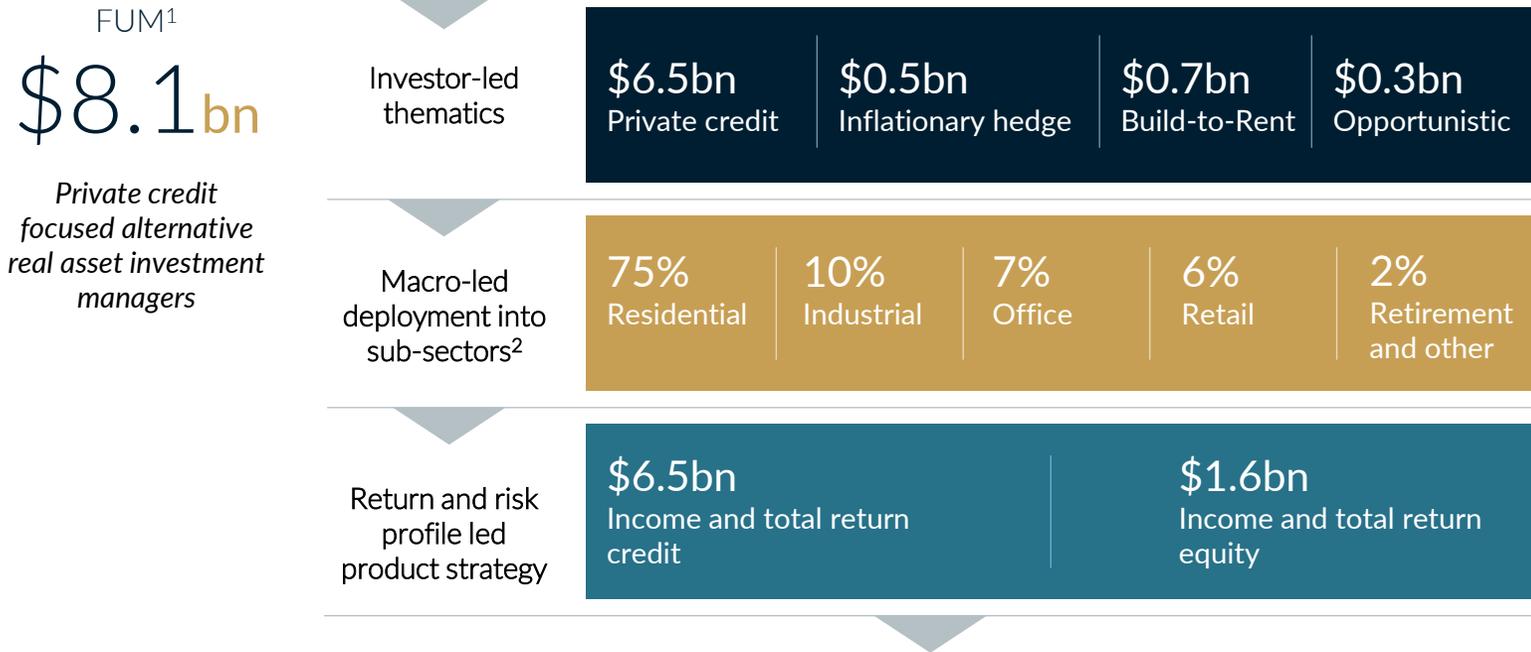
7 May 2024



High growth investment opportunity investing in multi-trillion dollar asset classes



QUALITAS OVERVIEW



Sector agnostic and traversing the capital stack

WHY QUALITAS AS AN INVESTMENT OPPORTUNITY?

- Founder-led with 15+ year track record of performance through market cycles
- Funds management earnings stability underpinned by long duration capital with limited redemption risk
- Deep bench of specialist talent with extensive knowledge and incumbent relationships in Australia
- Significant runway for organic growth with an expanding addressable market
- Backed by strong tailwinds directly linked to population growth, entrenched residential supply shortage and the rise of private credit

RECOGNISED AS LOCAL LEADER

PERE
AWARDS 2023

PERE REAL ESTATE DEBT 50 2024³

#1 Australia

#2 APAC

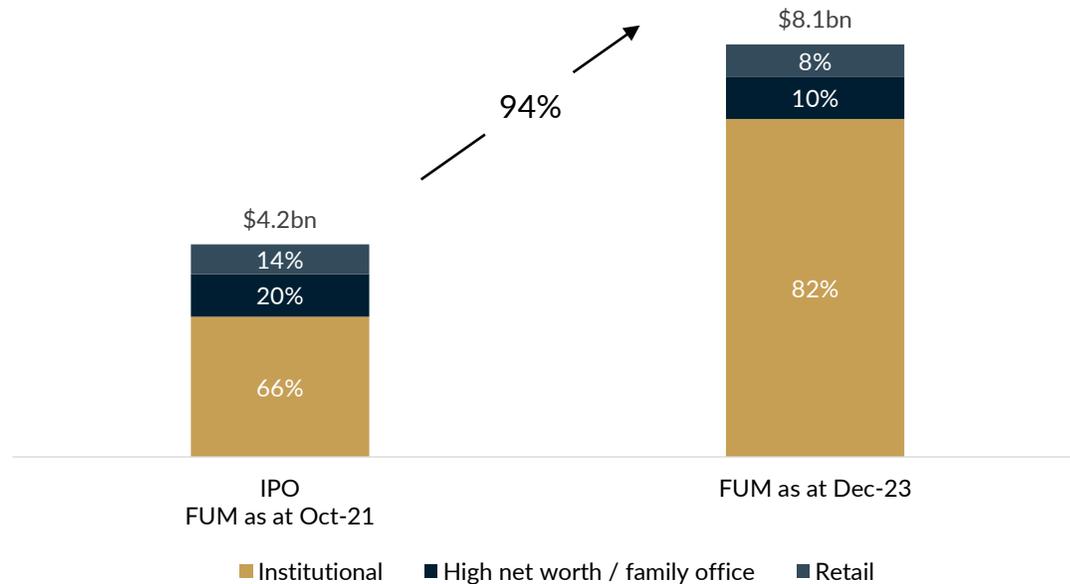
#14 Globally

Firm of the Year: Australia

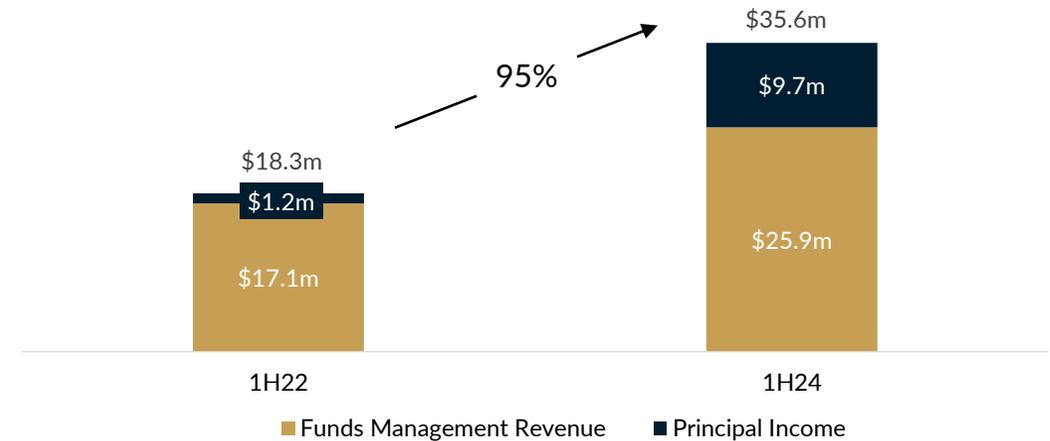
Note: 1. Funds under management represents committed capital from investors with signed investor agreements as at 31 March 2024. 2. Split based on allocated capital as at 31 December 2023 excluding the impact of unallocated / non-deployed capital and includes QCDF I. 3. Ranked globally by real estate private credit capital raised over the last five years to end of 2023.

Significant organic growth in core funds management business since IPO with long runway ahead

ATTRACTING DEEP POOLS OF NEW CAPITAL WITH EXISTING INVESTORS RECOMMIT AT INCREASING SIZE



STRONG GROWTH IN QUALITY RECURRING EARNINGS¹



LONG TERM KEY TARGET



Target \$18bn by FY28^{2,3}

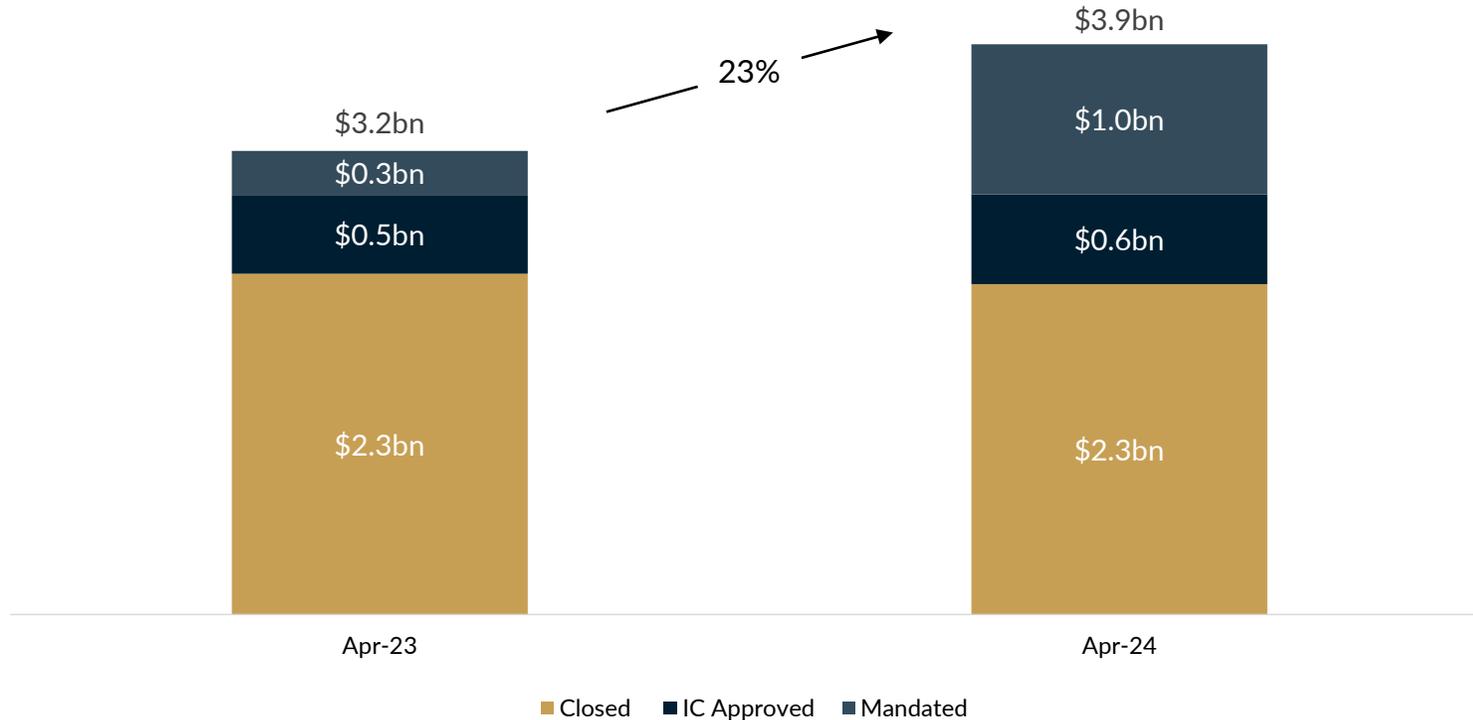


>50% funds management EBITDA margin⁴

Note: 1. Please refer to page 21 of 1H24 results presentation and page 15 of 1H22 results presentation for funds management revenue. Please refer to breakdown of principal income on page 22 of 1H24 results presentation. Principal income is referred to as "co-invest / fin. services / other income" on page 15 of 1H22 results presentation adjusted for 156k loss on mark to market value of QRI investment. 2. Excludes any potential inorganic opportunities. 3. 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. 4. 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 or outcomes. This is a target provided by way of example and illustration only.

Deployment pipeline linked to the rise of private credit, population growth and construction cost

DEPLOYMENT UPDATE¹



- 
Total deployment value linked to population growth, construction cost and demand for apartments – elevated construction costs and increasing demand for apartments translates to increasing cheque sizes
- 
Rising demand for private credit – strong deployment activity in the residential sector despite private dwelling commencement at its lowest point in nearly ten years²
- 
Increasing development feasibility – stabilising costs for developers with 60% of Australians intending to purchase a property in the next five years³

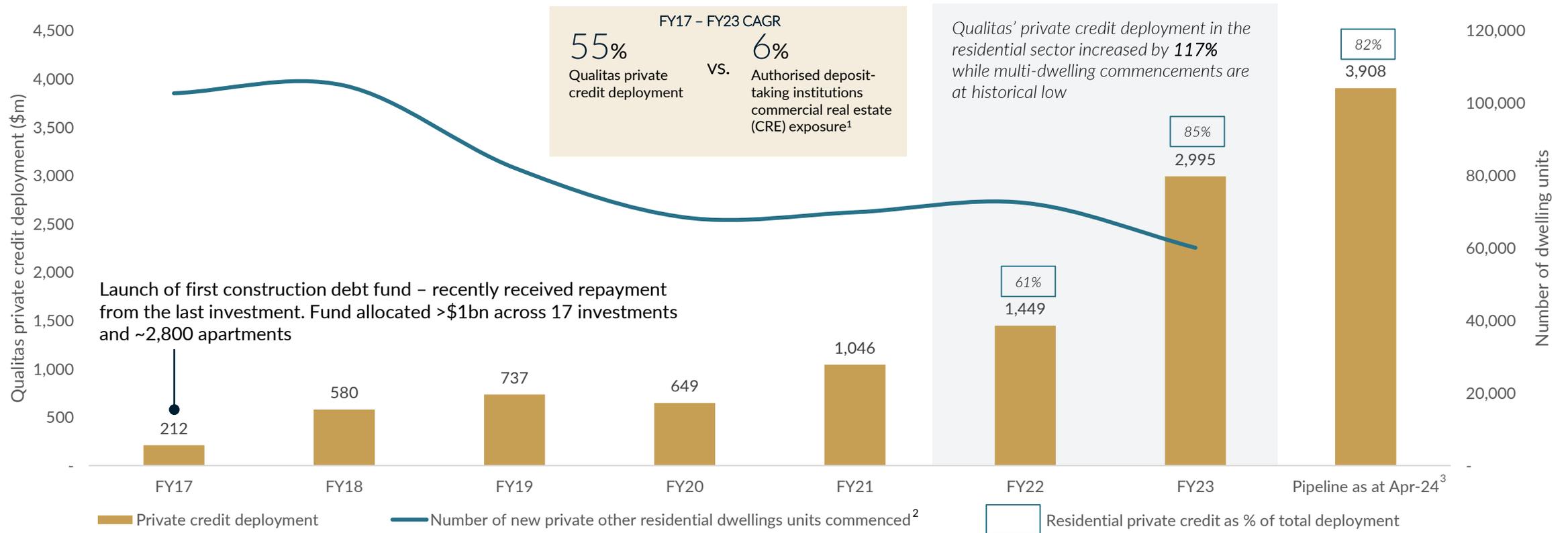
We deploy capital into the most attractive and fastest growing segments of the economy

Note: 1. Closed investments represent investments made financial year to date. IC approved investments and mandated investment opportunities are point in time figures. Mandated investment opportunities are subject to due diligence and IC approval. Our teams are focused on deploying fund investor capital while maintaining an uncompromising approach in risk assessment and due diligence. Some of these investment opportunities may not meet our screening requirements or could vary in timing of settlement and may not settle in FY24. 2. ABS, Building Activity, Australia December 2023. 3. Westpac, Housing Pulse Home Ownership, March 2024. Property includes house, apartment and townhouse.

Widening gap for capital in today's residential development market – ripe with opportunities



INVEST WHERE THE MOST ATTRACTIVE OPPORTUNITIES ARE



Notes: 1. APRA, Quarterly authorised deposit-taking institution statistics, December 2023. 2. ABS, Building Activity, December 2023. Other residential dwellings include apartments, terraces and townhouses. 3. Pipeline includes closed investments, IC approved investments and mandated investment opportunities. Closed investments represent investments made financial year to date. IC approved investments and mandated investment opportunities are point in time figures. Mandated investment opportunities are subject to due diligence and IC approval. Our teams are focused on deploying fund investor capital while maintaining an uncompromising approach in risk assessment and due diligence. Some of these investment opportunities may not meet our screening requirements or could vary in timing of settlement and may not settle in FY24.

Our private credit strategy is at the forefront of decade-long residential thematic

QUALITAS IS ONE OF FEW ALTERNATIVE FINANCIERS WITH LARGE-SCALE CAPITAL NEEDED TO FINANCE HIGH-DENSITY HOUSING

300k

Apartments needed
FY25-FY28¹

79k

Australian pipeline
FY25 - FY28²

221k

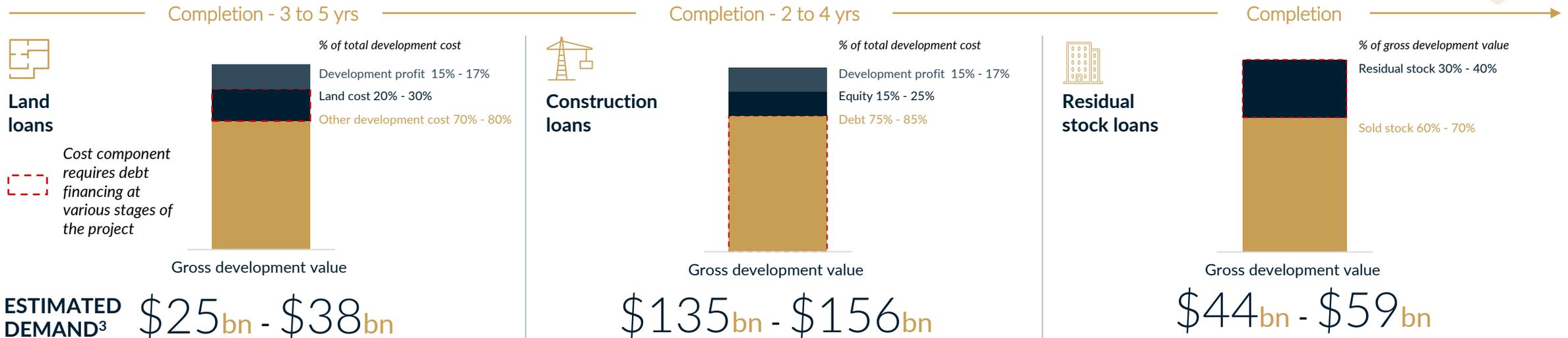
Supply shortfall
FY25-FY28

\$42bn - \$51bn

Construction financing needed for known FY26 and FY27 pipeline and residual stock financing for 79k pipeline apartments

\$204bn - \$253bn

Financing needed for the supply shortfall, ~3x current traditional financiers' exposure to residential and land development⁴

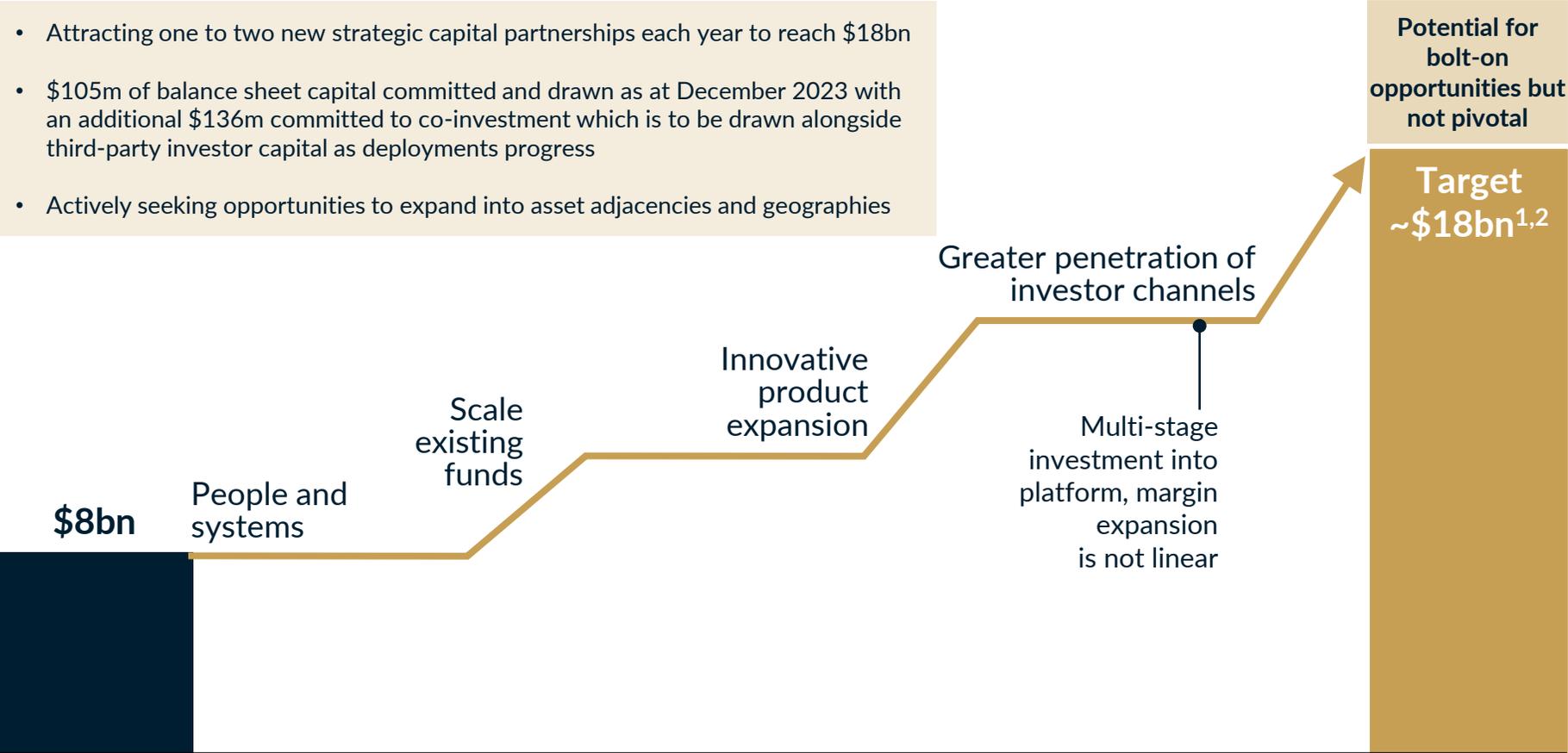


Notes: 1. CBRE. 2. Charter Keck Cramer. 3. Based on apartment shortfall of 221k, average per square meter sale price of \$14,000 for new apartments based on Urbis' Apartment Essentials National Snapshot Q4 2023 and then adjusted for GST. Apply LVR of 70% for land loans, 75% - 85% for construction loans and 70% for residual stock loans. 4. APRA December 2023.

Pathway to reach \$18bn² organically with near term focus on people and systems



- Attracting one to two new strategic capital partnerships each year to reach \$18bn
- \$105m of balance sheet capital committed and drawn as at December 2023 with an additional \$136m committed to co-investment which is to be drawn alongside third-party investor capital as deployments progress
- Actively seeking opportunities to expand into asset adjacencies and geographies



Illustrative Qualitas growth targets in the period to FY28²

NEAR TERM STRATEGIC FOCUS

- Expand investment team to position for the next phase of growth
- Invest and scale the capital team with a focus on private capital
- Investment in data management and information sharing platforms

Notes: 1. Excludes any potential inorganic opportunities. 2. 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.

No change to outlook and guidance



FY24 OUTLOOK

- Interim dividend of 2.25cps declared.
- FY24 dividend per share 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.

FY24 GUIDANCE

Estimated range

\$37m – \$41m

NPBT¹

Estimated range

8.75cps – 9.70cps

EPS^{1,2}

Notes: 1. Excludes any MTM movements for Qualitas' co-investment in QRI, MTM movement in co-investment in funds or investments held on balance sheet where assets have completed construction, and QRI capital raising costs. 2. Based on the current total number of ordinary shares on issue, that is subject to any future changes.

Key takeaways



1

Private credit focused fund manager on path to achieve significant scale

- Founder-led with 15+ year track record and earnings stability underpinned by long duration capital with limited redemption risk

2

Macro and thematic driven deployment pipeline

- Deployment pipeline backed by decade-long megatrends including population growth, entrenched residential supply shortage and the rise of private credit

3

Delivering our growth organically and setting the platform up for asset adjacencies

- Pathway to reach \$18bn^{1,2} organically with near term focus on people and systems

Note: 1. Excludes any potential inorganic opportunities. 2. 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.

Thank you

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