

Qualitas Real Estate Income Fund (ASX: QRI): Successful completion of \$54m Placement

1 April 2021: QRI Manager Pty Ltd (“**Manager**”), the manager of the Qualitas Real Estate Income Fund (“**QRI**” or “**Trust**”), is pleased to announce the successful completion of a placement of \$54,000,000 in value of new fully paid ordinary units to select existing and new wholesale investors launched on 30 March 2021 (“**Placement**”) following QRI’s trading halt on the same day.

Given the Manager’s strong commercial real estate (“**CRE**”) debt pipeline and Trust’s capital is fully allocated to investments¹, the funds raised under the Placement will be used to undertake further CRE loan investments that are in line with the Trust’s investment strategy. Full details about the Placement are set out in the investor presentation attached to this announcement.

The Placement will be issued at a price of \$1.60 per unit which represents a discount of 0.94% to the \$1.6151 VWAP² up to 29 March 2021 and a 0.63% discount to the last closing price of \$1.61 on 29 March 2021. The estimated net asset value is \$1.6055 per unit as at 22 March 2021. The new units will rank equally with the existing units on issue.

Andrew Schwartz, Group Managing Director & Co-Founder, Qualitas, said, “we are very pleased with the response we have had to the Placement which was oversubscribed. Investors are increasingly seeking private debt investments such as QRI which offers attractive risk-adjusted returns where interest rates are at all time lows.”

QRI is expected to resume trading on the ASX at the commencement of trading on 1 April 2021. Settlement of the Placement is expected to occur on 13 April 2021 and new units under the Placement are expected to be allotted and commence trading on the ASX on 14 April 2021.

The Trust Company (RE Services) Limited ACN 003 278 831 AFSL 235 150 as responsible entity of the Trust confirms that, pursuant to ASX Listing Rule 7.1, new units issued under the Placement are within QRI’s existing 15% placement capacity and do not require shareholder approval.

“We are delighted that the Placement has strong support from the broker and independent financial adviser (IFA) network and has provided an opportunity to introduce new wholesale investors to the QRI unit register” said Kathleen Yeung, Global Head of Strategy, Qualitas.

- Ends -

¹ Allocated to investments is where the Trust has allocated capital to an investment which is yet to be invested. The Trust’s capital is fully allocated to investments when accounting for a ~3% cash buffer which is currently held for liquidity purposes.

² The volume weighted average price (“VWAP”) per unit for the 10 trading days prior to the date the trading halt became effective, being 30 March 2021.

About Qualitas Real Estate Income Fund

The Qualitas Real Estate Income Fund (“Trust” or “QRI”) seeks to provide monthly income and capital preservation by investing in a portfolio of investments that offers exposure to real estate loans secured by first and second mortgages, predominantly located in Australia.³

About QRI Manager Pty Ltd

QRI Manager Pty Ltd is the Manager of the Trust, and is wholly owned by the Qualitas Group (“Qualitas”).

Established in 2008, Qualitas has a 12-year track record in the real estate sector and currently manages approximately \$2.9 billion in committed capital. Comprising over 50 investment and fiduciary professionals, Qualitas has a disciplined approach to generating strong risk-adjusted returns for its investors.

Qualitas’ investment strategies include senior and mezzanine debt, preferred and ordinary equity investments in real estate development, value-add, repositioning, special situations and other opportunistic transactions.

About the Trust Company (RE Services) Limited

The Responsible Entity of the Trust is The Trust Company (RE Services) Limited, a wholly owned member of the Perpetual Group (“Perpetual”). Perpetual has been in operation for over 130 years and is an Australian public company that has been listed on the ASX for over 50 years.

Investor Queries

General

Phone: +61 3 9612 3900

Email: gri@qualitas.com.au

Trust website: www.qualitas.com.au/listed-investments/QRI

Responsible Entity

The Trust Company (RE Services) Limited

Level 18, Angel Place,
123 Pitt Street,
Sydney NSW 2000

Unit Registry

Phone: 1300 402 177

Email: qualitas@automicgroup.com.au

Website: www.automic.com.au

³ There is no guarantee the Trust will meet its Investment Objective. The payment of monthly cash income is a goal of the Trust only.

Notices and disclaimers

1. This communication has been issued and authorised for release by The Trust Company (RE Services) Limited (ACN 003 278 831) (AFSL 235150) as responsible entity of The Qualitas Real Estate Income Fund (ARSN 627 917 971) ("**Fund**"), has been authorised by the board of directors of the responsible entity and has been prepared by QRI Manager Pty Ltd (ACN 625 857 070) (AFS Representative 1266996 as authorised representative of Qualitas Securities Pty Ltd (ACN 136 451 128) (AFSL 34224)).
2. This communication contains general information only and does not take into account your investment objectives, financial situation or needs. It does not constitute financial, tax or legal advice, nor is it an offer, invitation or recommendation to subscribe or purchase a unit in QRI or any other financial product. Before making an investment decision, you should consider whether the Trust is appropriate given your objectives, financial situation or needs. If you require advice that takes into account your personal circumstances, you should consult a licensed or authorised financial adviser.
3. While every effort has been made to ensure the information in this communication is accurate; its accuracy, reliability or completeness is not guaranteed and none of The Trust Company (RE Services) Limited (ACN 003 278 831), QRI Manager Pty Ltd (ACN 625 857 070), Qualitas Securities Pty Ltd (ACN 136 451 128) or any of their related entities or their respective directors or officers are liable to you in respect of this communication. Past performance is not a reliable indicator of future performance.

Qualitas Real Estate Income Fund

(ASX:QRI)
ARSN 627 917 971

Placement



Agenda

1	The Offer
2	QRI Overview
3	Market Opportunity
4	Qualitas Group

Note: See page 37 for Important Information and page 38 for Risk Factors and International Offer Restrictions.

The Offer



QRI Investment Objectives Met



Target Return achieved RBA Cash + 5.0% - 6.5%

Consistently delivered returns¹ to unitholders:

Monthly cash
distributions

6.09%
Net Return p.a.
(Feb-21: 3 month)

6.32%
Distribution Return p.a.
(Mar-21: 3 month)²



Portfolio diversification

34 loans

Well diversified by loan type,
location, sponsor, property sector

Predominantly first mortgage



Capital preservation

\$1.60
Stable NAV

No impairments or interest arrears
since the IPO and during COVID-19

86% of loan portfolio³ reset to “in
COVID-19” security valuations

**All figures are based on QRI exposure, look through to Qualitas wholesale funds.*

¹ Past performance is not a reliable indicator of future performance.

² Includes the recent March distribution declared on 23 March 2021.

³% of the QRI loan portfolio, excluding AFWT notes, cash and the Trust loan receivable.

Key Offer Details: \$54m Placement

Trust	Qualitas Real Estate Income Fund (ASX:QRI) - ARSN 627 917 971
Manager	QRI Manager Pty Ltd
Responsible Entity ("RE")	The Trust Company (RE Services) Limited
Investment Strategy	To provide Unitholders with exposure to predominantly Australian CRE loans
Investment Objectives	To achieve the Target Return, provide monthly cash income ¹ , capital preservation and portfolio diversification
Offer	Placement of up to 33,750,000 new units to wholesale investors ²
Subscription Price	\$1.60 per unit
Total Subscription Size	\$54,000,000
NAV Pricing	Weekly
Target Return¹	RBA Cash + 5.00% - 6.50% (net of fees & expenses) - Current: 5.10% - 6.60%
Distribution Frequency³	Monthly
Distribution Entitlement	New units will be entitled to distributions from and including the month of April 2021
Management Fee⁴	1.50% p.a. (excl. GST) of the Trust's NAV; or 1.54% p.a. (incl. GST, less RITC) of the Trust's NAV
Performance Fee⁵	20% of any outperformance over a return hurdle of 8.0% p.a.
Offer Costs⁶	Paid in full by the Manager

¹ This is a targeted return only. There is no guarantee the Trust will meet its Investment Objective.

² That is, investors who qualify as "wholesale clients" under the Corporations Act who are not acquiring units for the sole or dominant purpose of sale to retail clients. The RE and the Manager will require acceptable certification of wholesale client status from wholesale investors invited to participate in the placement.

³ The payment of monthly cash income is a goal of the Trust only and neither the Manager or the Responsible Entity provide any representation or warranty (whether express or implied) in relation to the payment of any monthly cash income.

⁴ Management Fees form part of the Management Costs of the Trust which is 1.86% as of 28 February 2021.

⁵ Calculated and accrued monthly based on average adjusted NAV over a performance calculation period of 3 years with aggregate accrued amounts paid annually in arrears.

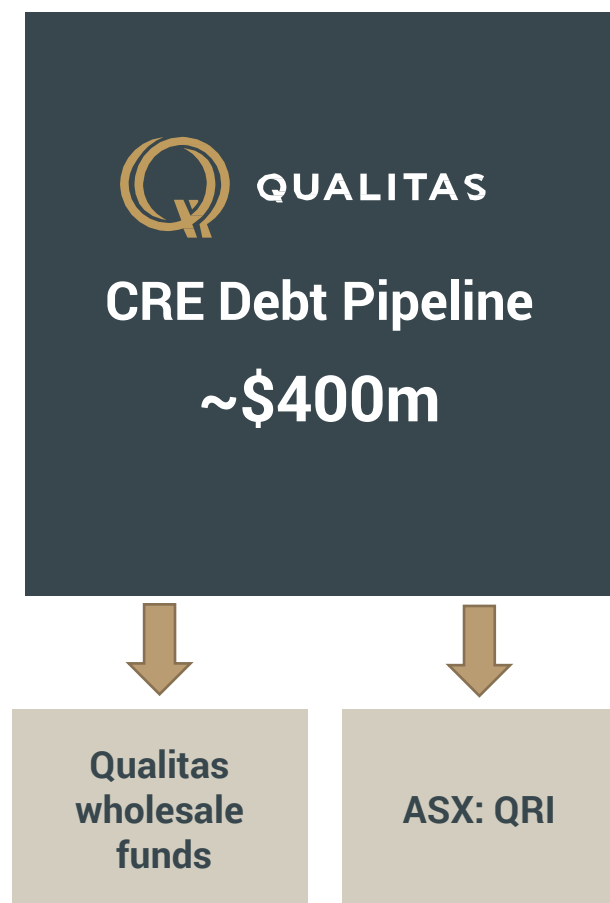
⁶ The Manager will request a new loan tranche which will be used to pay the Offer Costs, in accordance with the terms of the Trust Loan Receivable Agreement.

Key Dates & Timetable

Trading Halt	Tuesday, 30 March 2021
PLACEMENT OFFER OPENS	Tuesday, 30 March 2021
Bookbuild	Wednesday, 31 March 2021
Trading Halt lifts	Thursday, 1 April 2021
ASX announcement of completion	Thursday, 1 April 2021
Settlement Date	Tuesday, 13 April 2021
Issue & commencement of trading of New Units	Wednesday, 14 April 2021

**The dates above are indicative only and may be subject to change.*

Capital raising to invest in new loan investments



✓ QRI benefits from Manager's strong **commercial real estate ("CRE") debt pipeline:**

Actively originating new loan opportunities:

- for QRI and Qualitas **wholesale** funds
- across all loan types and sectors
- focusing predominantly on eastern seaboard
- ahead of scheduled loan repayments
- facilitate efficient deployment

QRI Total capital 84% deployed and remaining cash allocated to new investments²

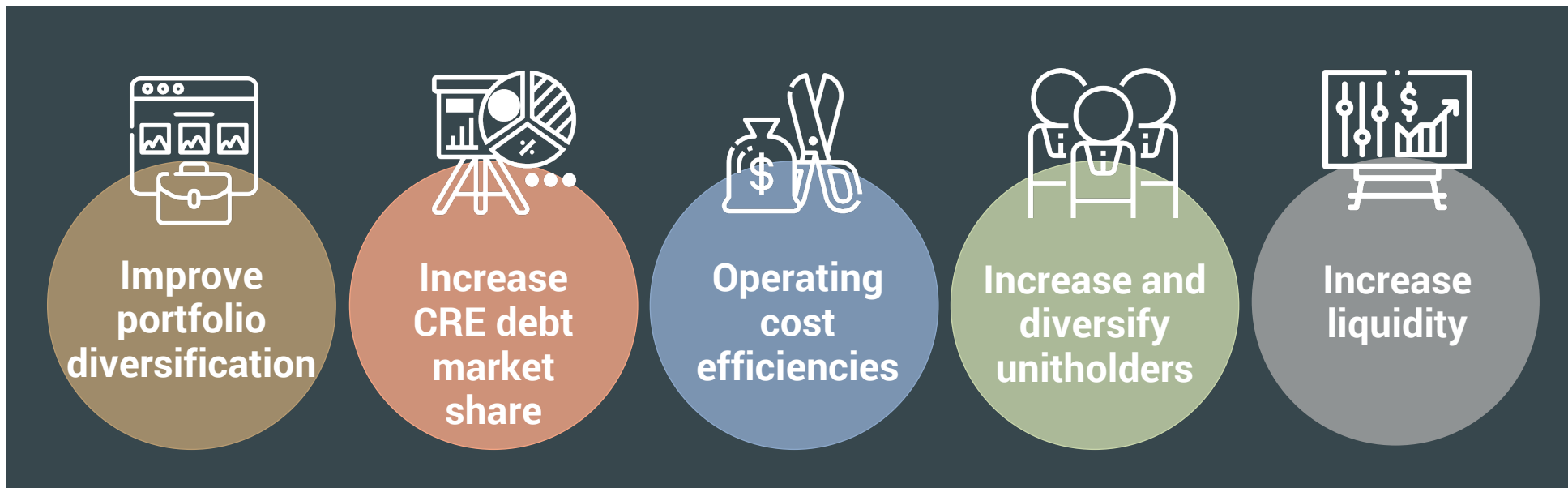
Placement capital to be deployed in ~2-3 months¹

¹ This is a forecast and deployment is not guaranteed.

² As of 23 March 2021. Allocated to investments is where the Trust has allocated capital to an investment which is yet to be invested. The Trust's capital is fully allocated to investments when accounting for a ~3% cash buffer which is currently held for liquidity purposes.

Benefits of growing QRI via capital raises

Manager's long term strategy for the Trust is to continue to capture opportunities that support **organic growth** and increase the **scale of investment activities, market presence** and **capital base**:



QRI Overview



QRI Summary

1

QRI provides exposure to the **Australian commercial real estate debt** market:

- in a **liquid, regular income**¹ paying form
- with **capital preservation** characteristics
- where each loan is secured via a **real property mortgage**

2

QRI is managed by Qualitas, an **Australian real estate financier and investment manager** with FUM \$2.9Bn

3

QRI invests only in **CRE loans** which are distinct from high yield fixed income bonds, equities and unsecured corporate loans

¹ The payment of monthly cash income is a goal for the Trust only and neither the Manager or the Responsible Entity provide any representation or warranty (whether express or implied) in relation to the payment of any monthly cash income.

QRI Benefits – why invest?

- ✓ Experienced Institutional, **local-based Manager** of Australian CRE loans
- ✓ Regular and stable **monthly cash distributions**¹ underpinned by loan interest income
- ✓ Returns are an **attractive premium** to the current low cash rate²
- ✓ **Capital preservation** characteristics as all loans secured by real property mortgages
- ✓ Provides exposure to **the property market** without the equity risk of direct property investing
- ✓ **Simple Credit strategy** of investing in only CRE loans
- ✓ **Alignment of investor interest**, Qualitas co-investment \$10m

¹ The payment of monthly cash income is a goal for the Trust only and neither the Manager or the Responsible Entity provide any representation or warranty (whether express or implied) in relation to the payment of any monthly or other periodic cash income.

² Returns are not guaranteed. The premium achieved is commensurate to the investment risk undertaken.

CRE Debt Market Outlook

Manager has a positive outlook...

Australian economy and CRE debt market conditions expected to remain stable

RBA hold interest rates for next few years¹...

will continue to support CRE investment and property valuations

Increasing demand for CRE debt...

borrowers increasingly seek alternative lenders as needs not met by banks

SECTOR OUTLOOK

PERFORMING

RESIDENTIAL (MULTI-DWELLING)

- Completed stock expected to continue to sell due to low interest rates and forecast low supply

INDUSTRIAL

- Structural shift away from in-store retail
- Fuelling warehouse demand from increased online retail activity

NEUTRAL

OFFICE

- Flexible office working conditions expected to continue
- Sector supported by long term fundamentals

INCREASED RISK

RETAIL

- Major repositioning of asset class
- Bank appetite reduced, providing select opportunities for alternative lenders

ACCOMODATION & HOSPITALITY

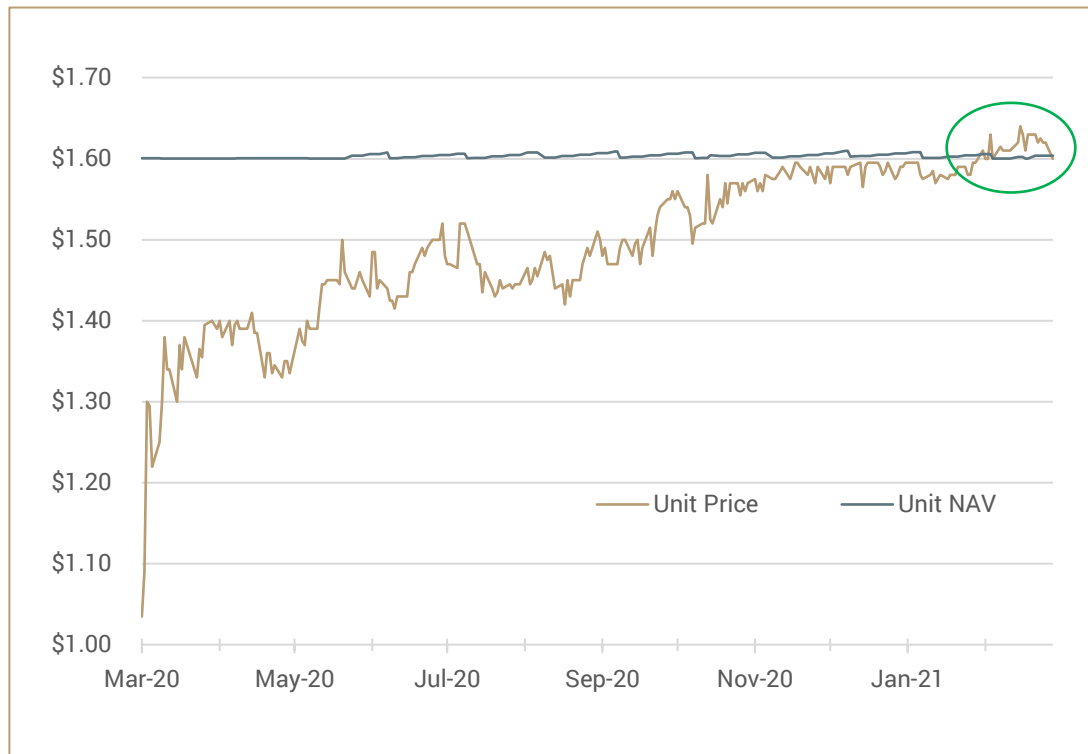
- Occupancy to remain under pressure
- Non-CBD hotels performing better off the back of domestic tourism

¹ As per RBA Monetary Policy Decision statement issued 2 February 2021, the RBA intention is to keep rates on hold until 2021.

Trading performance



NO IMPAIRMENTS SINCE THE IPO OR DURING THE COVID PERIOD

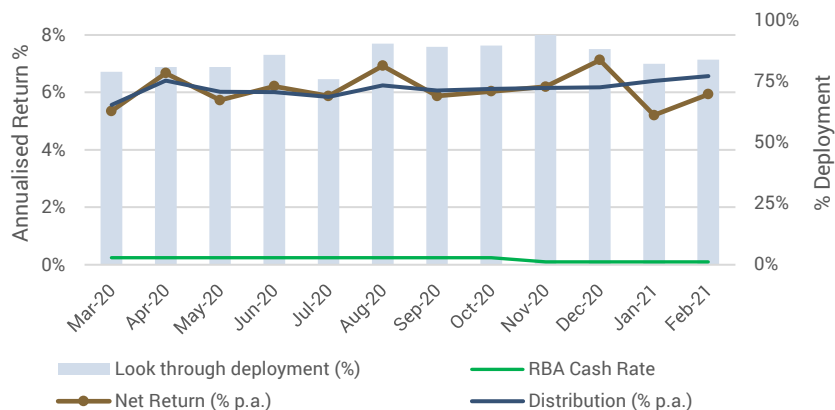


- QRI unit price¹ returns to par (NAV) as **market sentiment** improves
- Manager increased efforts to improve **secondary demand** and **liquidity** by leading CRE debt education, direct marketing, and increased investor communication
- **Stable NAV**, no impairments to QRI loan portfolio which is supported by the equity buffer of real property security

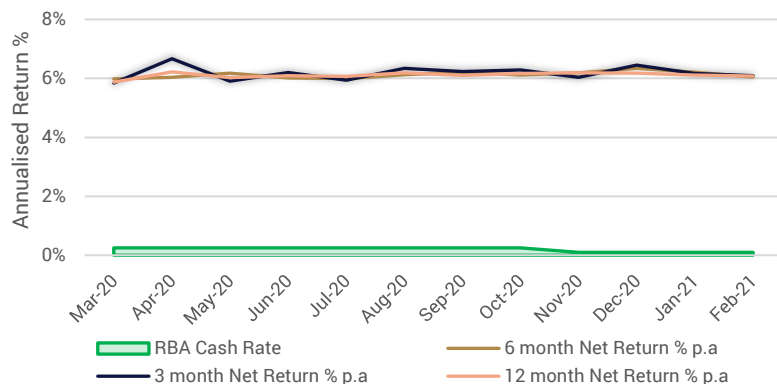
¹ As quoted on ASX.

Solid fund performance, delivered healthy returns

Monthly Return¹



Net Returns by period



*Past performance is not a reliable indicator of future performance.

¹ Deployment represents the % of the Trust's total capital that has been committed and invested as at month end in investments, including the Trust Loan Receivable.

² Includes the recent March distribution declared on 23 March 2021.

6.09%

Net Return p.a.
(Feb-21: 3 month)

6.32%

Distribution Return p.a.
(Mar-21: 3 month)²

6.08%

Net Return p.a.
(Feb-21: 12 month)

6.15%

Distribution Return p.a.
(Mar-21: 12 month)²

- ✓ Target Return **RBA Cash + 5.0% - 6.5%** achieved
- ✓ Increased mezzanine exposure expected to be **accretive to returns**

Portfolio targets achieved

PDS constraints ¹		28 February 2021
✓ Ranking	Predominantly focused on senior loans	67% (total capital) ² 89% (QRI loans) ³
	Mezzanine loans: target range 20%-35% (incl. AFWT notes)	15% (total capital) ² 11% (QRI loans) ³ UNDERWEIGHT
✓ Investment Type	≤ 40% in a single Qualitas wholesale fund	19% (total capital) across three funds (QSDF, QLDF, QMDF) ⁴
	≤ 15% AFWT notes	7% (total capital)
✓ Geography (security property)	≤ 30% Non-capital cities	5% ³
	Australian and NZ cities with ≥ 100,000 population	100% ³
	≤ 20% New Zealand	0%
Manager other key targets ⁵		
✓ Loan Type	≤ 40% Land loans	29%
	≤ 25% Construction loans	15%
	≥ 30% Investment loans	30%

¹ As outlined in Section 4.8 "Target Portfolio Composition" in the most recent PDS in respect of the Trust dated 11 September 2019.

² % of total Trust capital invested in direct loans and Qualitas wholesale funds (including uncommitted cash within those funds) which relate to senior or mezzanine loans as applicable.

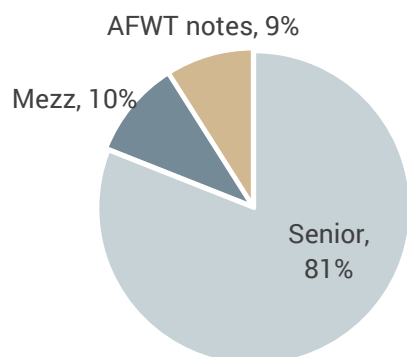
³ % of the QRI loan portfolio, excluding AFWT notes, cash and the Trust loan receivable.

⁴ Qualitas Senior Debt Fund, Qualitas Land Debt Fund, Qualitas Mezzanine Debt Fund

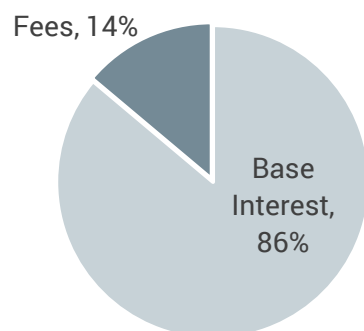
⁵ The Manager sets other QRI portfolio targets in addition to the PDS which are reflective of current risk appetite based on market conditions. These targets are reviewed on an ongoing basis with reference to market conditions and opportunities. Amendments to these targets are at the discretion of the Manager.

Portfolio and return breakdown

Ranking¹



Gross Income split



Portfolio Composition as at 28 February 2021	\$ millions	%
Cash (QRI)*	53.9	15%
Cash (Qualitas funds)*	4.0	1%
Senior Debt Investment Loans	106.3	30%
Senior Debt Construction Loans	25.5	7%
Senior Debt Land Loans	105.3	29%
Mezzanine Debt Construction Loans	28.7	8%
AFWT Notes	26.5	7%
Trust Loan Receivable ²	10.6	3%
Total	\$360.8	100%
Quarter ended 28 February 2021		
Gross Return	8.00% p.a.	
Mgt Fee and Overheads	(1.91% p.a.)	
Net Yield (Annualised)³	6.09% p.a.	

* Cash is allocated to two senior loans.

¹ Excludes Trust Loan Receivable & cash.

² The Trust has provided a working capital loan to the Manager to pay a portion of the costs and expenses incurred in relation to the IPO and subsequent capital raisings. The Trust Loan Receivable is limited to an amount of 3.5% of the Trust NAV at any time.

³ Net Yield is based on the net return of the Trust Portfolio for the reporting period and converts this into an annual yield as if the return was constant for 12 months. Past returns are not a reliable indicator of future returns.

Assessing CRE Debt Manager fees

Manager Fees should be assessed based on the total of the: **(1) Loan Arrangement Fee (“LAF”)**; and **(2) Management Fee:**¹

RETURN BREAKDOWN (12 months)	<u>QRI</u>	<u>Other Fund²</u>	<u>Notes</u>
Total interest rate and fees paid by Borrower	8.0%	7.0%	1
Upfront Loan Arrangement Fee (LAF) held by Manager	(1.5%)	(2.0%)	2
Fund Net Return	6.5%	5.0%	
Less: Manager Management Fee	(1.5%)	(1.0%)	3
Add: Fund share of LAF	1.0%	-	4
Fund Net Return (after LAF share and fees)	6.0%	4.0%	5
Fund Target Return (net of fees)	5.10% - 6.60%	4.0%	5
Gross to Net (leakage = Manager Fees)	2.0%	3.0%	6

Explanatory Notes

1. Interest rate and fees charged by Other Fund can offer a lower rate because the Fund has a lower Target Return
2. Loan Arrangement Fee is charged by the Manager (not Fund),
3. Management Fee is charged by the Manager
4. Manager elects to share a portion of the LAF to the Fund or keep the LAF
5. Target Return of Fund – lower target return funds can mis-price risk to win the transaction (refer Note 1)
6. Other Fund has higher total Manager Fees

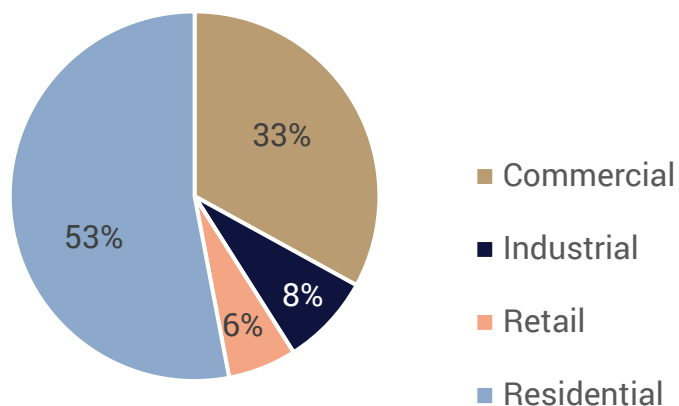
¹ The examples are not intended to be reflective of historical or forecast returns, or a guarantee of returns. For the purpose of these examples, the Manager Fees excludes performance fees which may be earned when the returns exceed a hurdle. The impact of GST is excluded.

² General representation of the market.

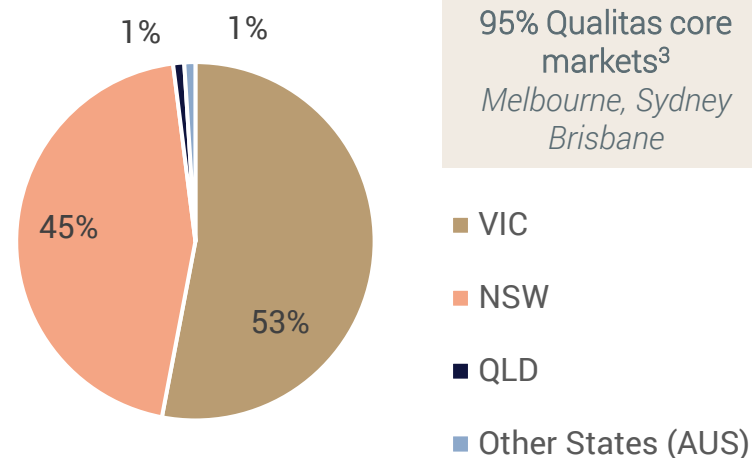
Loan portfolio metrics



Property Sector (Feb-21)²



Geography (Feb-21)²



*All investments including direct loans are made by the Sub-Trust (wholly owned by the Trust). Represents total loans in the portfolio on a look through basis, via investments in direct loans and Qualitas wholesale funds. Excludes the AFWT loan portfolio unless otherwise stated.

¹ Represents total LVR of loans in the portfolio on a look through basis, via investments in direct loans, Qualitas wholesale funds and AFWT loan portfolio.

² Excludes Trust Loan Receivable & cash. Adjusted for AFWT loan portfolio.

³ % of the QRI loan portfolio, excluding AFWT notes, cash and the Trust loan receivable.

Recent Investments



Melbourne CBD, VIC
Senior Investment

LVR 60%

24 months



Erskineville, NSW
Residual Stock

LVR 57%

24 months



North Sydney, NSW
Senior Land

LVR 65%

12 months



Fitzroy VIC
Mezzanine
Construction

LVR 79%
LTC 87%

27 months


Arch Finance

**Arch Finance
Warehouse Trust
note program**

Exposure to portfolio of ~200
senior first mortgage loans
originated by
Arch Finance, a wholly owned
subsidiary of Qualitas

**CAP OF 15% OF
TRUST CAPITAL**

Weighted average gross return (as at 28 February 2021)*

Senior Investment
Loans
7.4%

Senior Construction
Loans
9.7%

Senior Land
Loans
9.8%

Mezzanine
Construction Loans
12.7%

AFWT notes
6.3%

**Past performance is not a reliable indicator of future performance.*

Market Opportunity



How does private CRE debt compare?

CAPITAL STRUCTURE

Repaid first

Secured debt

CRE Debt

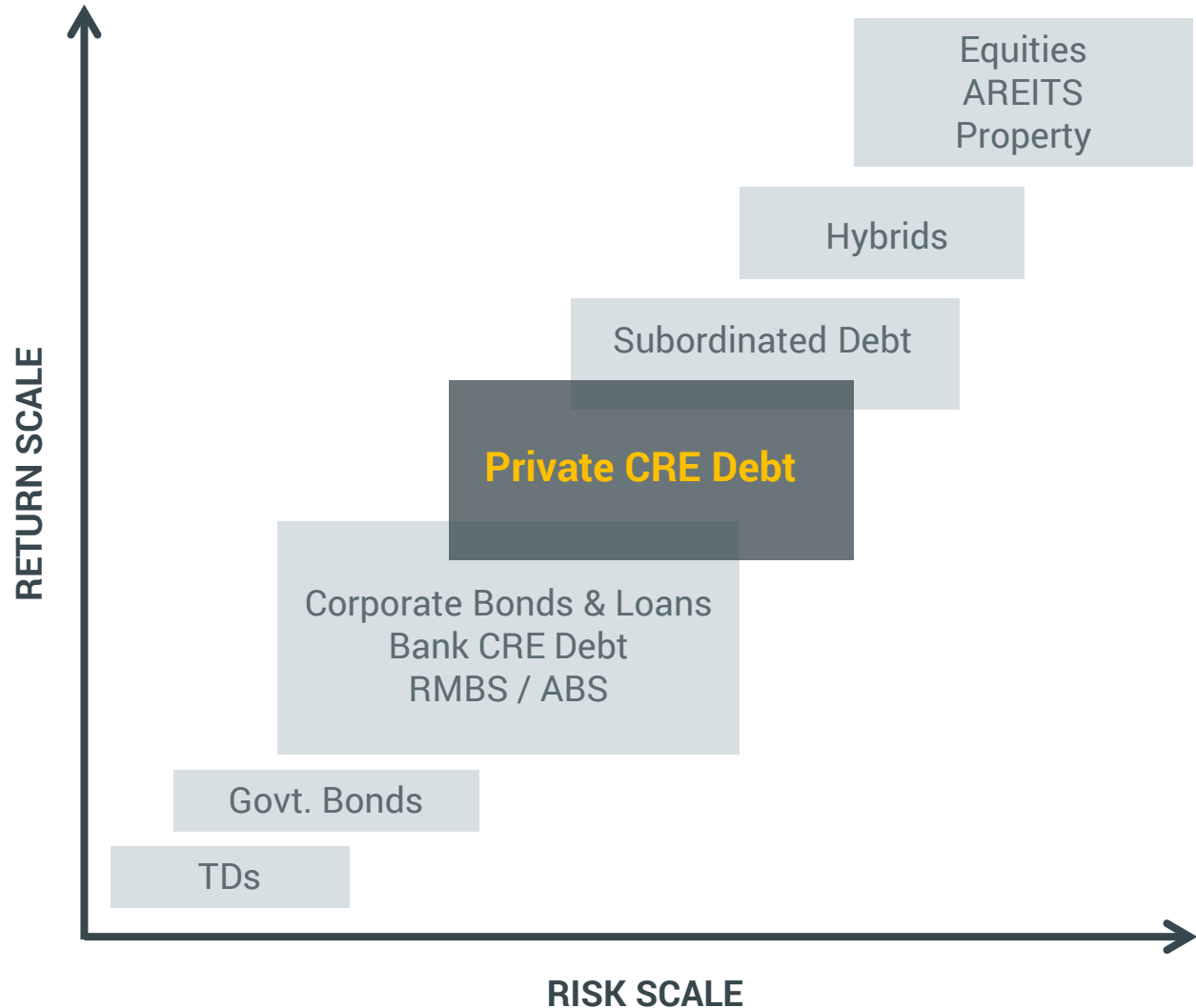
Unsecured debt

Subordinated debt

Hybrids

Equity

Repaid last



CRE debt market landscape



Private Debt Market Opportunity: Alternative Lenders



CRE Debt Market Growth



Supportive Macroeconomics



Bank Withdrawal increases the “gap”

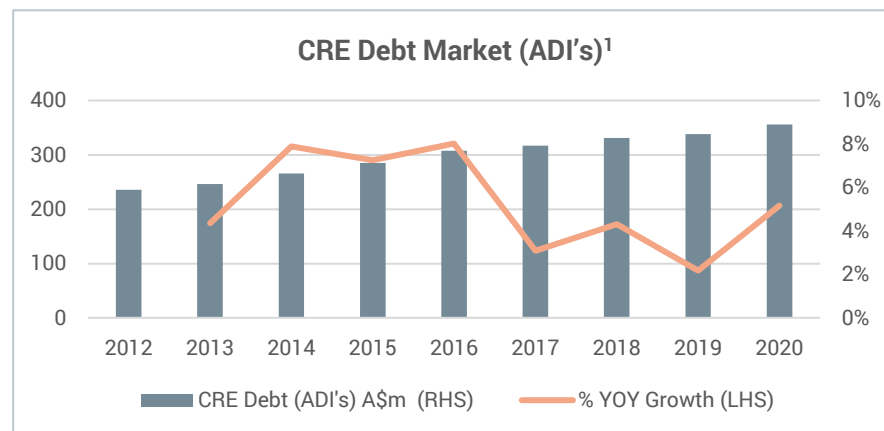
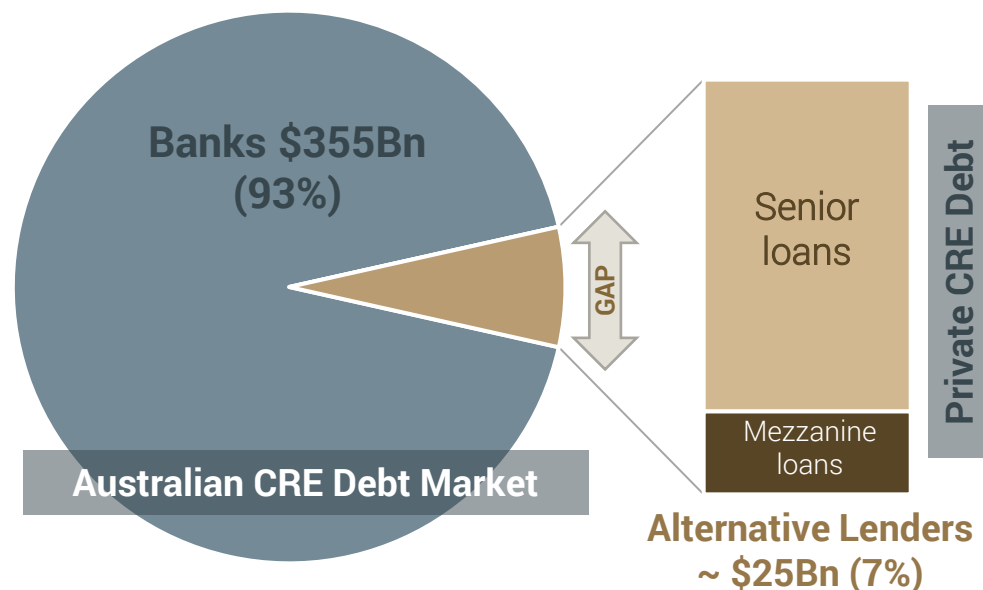


QUALITAS VALUE PROPOSITION

Deep borrower relationships built on trust

Repeat borrower lending

Long standing market presence



¹ APRA Quarterly Authorised Deposit-taking Property Exposures June 2020; RBA Financial Stability Review October 2019;

Attractive risk adjusted CRE debt returns continue...

in a low interest rate environment

DEMAND

Bank pull back and strong CRE investment activity had led to increased demand for alternative financing

PREMIUM

Borrowers pay a premium to access more flexible finance, e.g. higher leverage

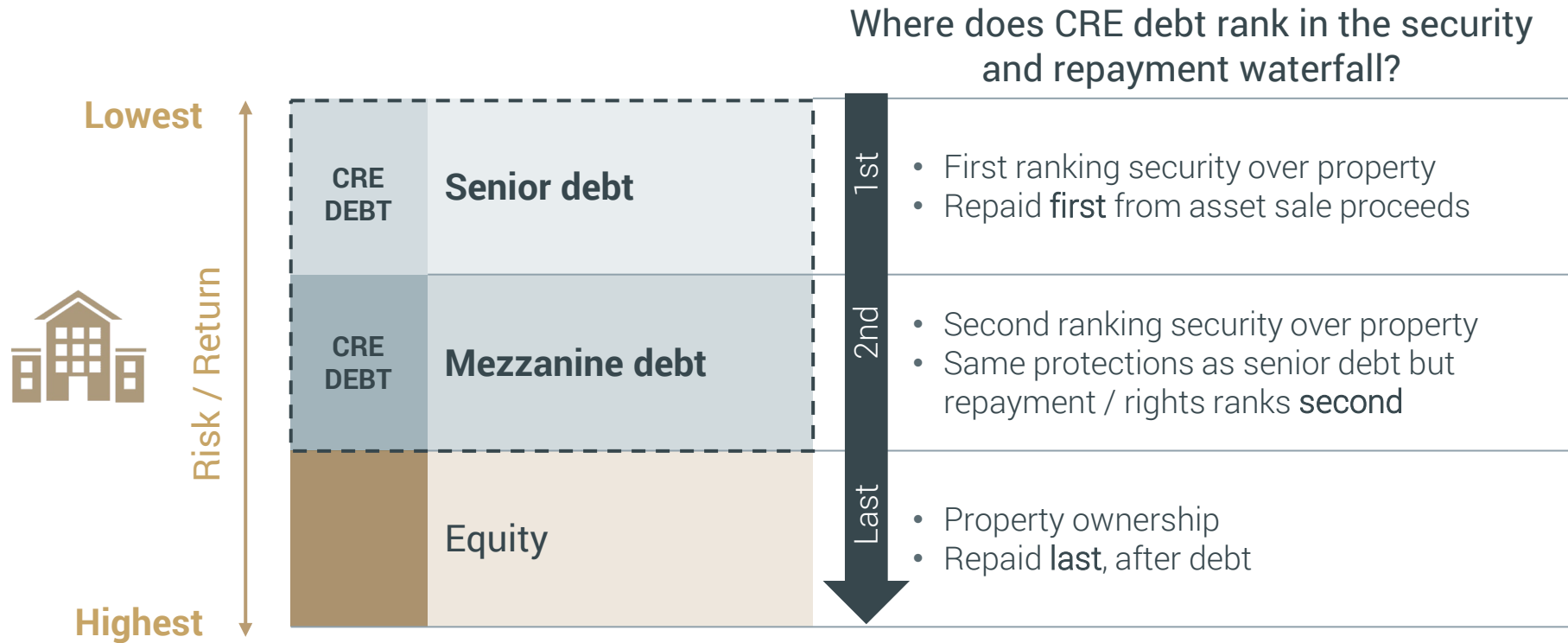
AVAILABILITY

Alternative financiers provide a range of financing solutions greater than what banks can provide

SECURITY

Relatively stable asset valuations underpinned by low interest rates supports equity buffer of security, low risk of impairment

CRE Capital Structure: **Debt is repaid first**

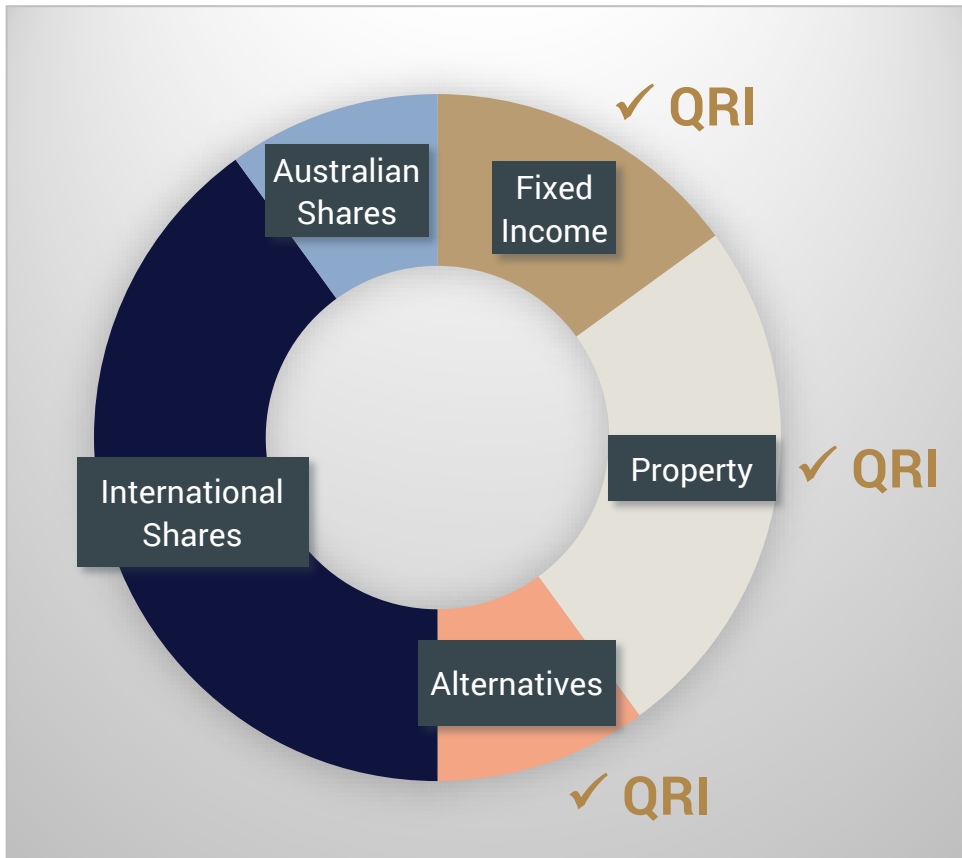


- Qualitas does not invest in more than one part of the capital structure for the same transaction / real estate asset.
- All loans benefit from Qualitas bilateral lender control, sole decision making and direct borrower relationships

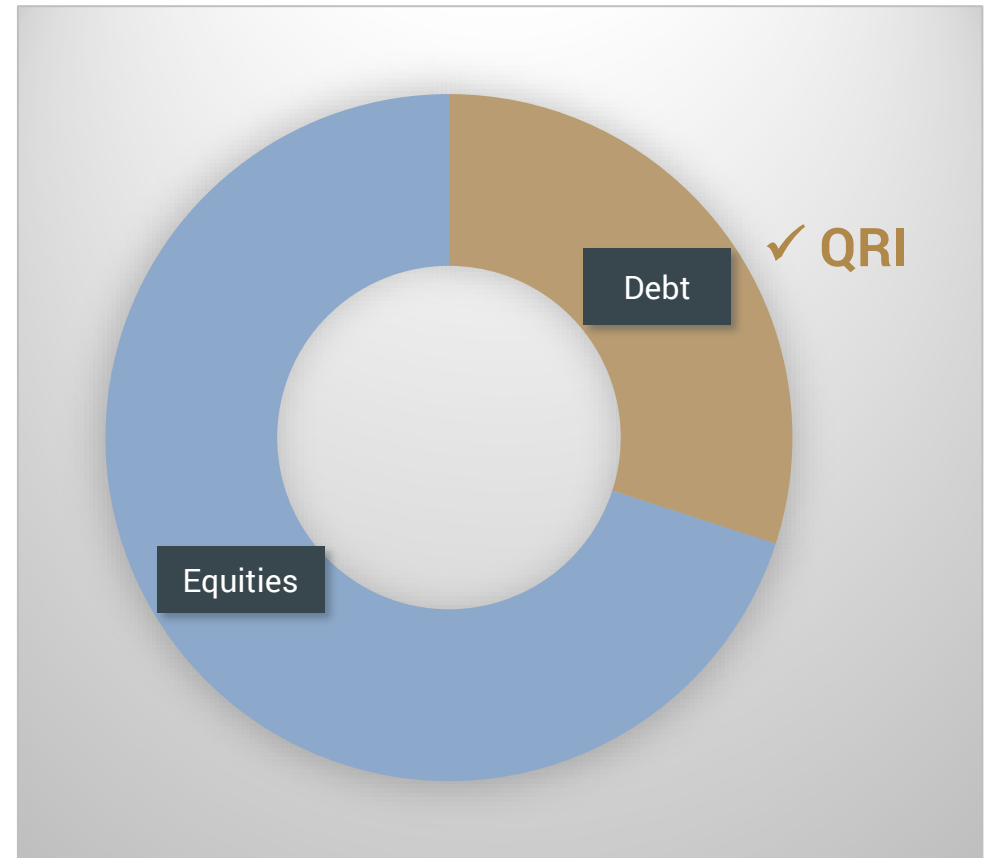
Where does QRI sit in an investment portfolio?

The below example investor portfolio is for illustrative purposes only. Actual asset allocations will depend on each investor's risk profile:

Asset Allocation



Equity vs. Debt



Qualitas Group



Qualitas track record

Historical Track Record Since Inception¹



VALUE PROPOSITION

- ✓ Specialised in property investing across the entire capital structure, both debt and equity
- ✓ Offers investors access to exclusive institutional real estate debt and equity investment opportunities
- ✓ Australian owned, on-ground investment manager, local knowledge

\$2.9 Bn

Funds under management³

10

Active managed fund strategies

350+

Wholesale Investors:
Global Institutional and
High Net Worth

Zero

Losses of capital in
Qualitas operating
history⁴

¹ Inception of Qualitas Group in 2008. Track Record as of 30 June 2020 as per independent external verification.

² Gross value is the aggregated value of the real estate asset as at the date of the investment, across both debt and equity investments.

³ Represents committed capital in which the Qualitas Group provides investment management services to deploy into investments. Committed Capital as of 31 January 2021.

⁴ There is a risk that invested capital may result in loss from investments. Past performance is not a reliable indicator of future performance.

Qualitas Advisory Board



Michael Schoenfeld
Chairman

Since April 2012

- Michael is a Chartered Accountant for over 38 years and is a member and fellow of Chartered Accountants Australia and New Zealand.
- He commenced his accounting career in 1970 before establishing his own practice which was ultimately sold to a publicly listed accounting practice.
- Industry experience centred on real estate developers, construction, manufacturing, telecommunications and financial services businesses.



Elana Rubin
Non-Executive

Since June 2013

- Elana is a Director of Mirvac Group, Chair of AfterPay Touch Group, Slater and Gordon, Victorian Funds Management Corporation and several unlisted and/or public-sector organisations in financial services, infrastructure and insurance sectors.
- Elana was previously Chair of AustralianSuper and WorkSafe Victoria. Previous roles include Director of MLC Life, TAL and TAC, and a member of Infrastructure Australia and the Climate Change Authority.



Brian Delaney
Non-Executive

Since March 2021

- Brian has more than 30 years of funds management experience and is a graduate from the Harvard Business School Executive Education Program, a life member of the Association of Superannuation Funds (ASFA), a Fellow of ASFA and has served as a Fellow of the Australian Institute of Company Directors, a Director of Lonsec Financial Group and the Trawalla Group.
- Brian has held executive and senior roles at QIC in Strategy and Global markets, and at AMP within the Client, Product & Marketing division, serving as a member of the Executive Team.



Andrew Schwartz
Group Managing Director

Founding Member

- Over 32 years experience in financial services with an extensive track record across real estate investments.
- Andrew is responsible for overseeing the group, setting the strategic direction of the business and transaction origination.
- Previously held positions as the Head of Asia Pacific Real Estate at investment firm Babcock & Brown, Director of Risk at AIDC and Senior Manager at Bank of America.



Alan Schwartz AM
Non-Executive

Founding Member

- Over the past 30 years, Alan has built, managed and sold a number of successful businesses.
- Alan is the MD of the Trawalla Group, co-founder of Armitage Associates, Non-Executive Director of ALI Group and Non-Executive Director of BagTrans Pty Ltd.
- Alan was awarded a Centenary Medal in 2003, followed by an Order of Australia in 2007.



David Krasnostein
Non-Executive

Since August 2011

- David held various senior executive roles including CEO of MLC Private Equity, Chief General Counsel of National Australia Bank, General Counsel of Telstra, Attorney at the Wall Street law firm Sullivan & Cromwell and a partner of the Chicago law firm Sidley Austin.
- He has been an advisor to the World Bank (IFC) for investing in Emerging Markets.

** Andrew is not related to Alan and Carol Schwartz. Alan and Carol Schwartz are married.*

Executive Team



Andrew Schwartz
Group Managing Director
& Co-Founder

32 years experience



Mark Fischer
Global Head of
Real Estate

16 years experience



Tim Johansen
Global Head of
Capital

30 years experience



Rob McLellan
Chief Risk Officer

28 years experience



Kathleen Yeung
Global Head of Strategy

19 years experience



Philip Dowman
Chief Financial Officer

30 years experience



Anna Wagner
Head of People &
Culture

16 years experience

~25

years of real estate investment
experience across the senior executive
team, on average

50+

investment and fiduciary
professionals.

22

dedicated Investment Team
members

Deal Origination & Asset Management

Investor Client Coverage

Risk Management

Portfolio Management

Corporate Services & Legal

Strategy, Finance, Operations, Marketing, HR, IT

Independent Directors of
Qualitas Trustee Board

Non-Executive
Andrew Fairley

Non-Executive
Lewis Bearman

Qualitas Advisory Board

Chairman
Michael Schoenfeld

Group MD & CIO
Andrew Schwartz*

Non-Executive
Elana Rubin

Non-Executive
Carol Schwartz*

Non-Executive
Alan Schwartz*

Non-Executive
David Krasnostein

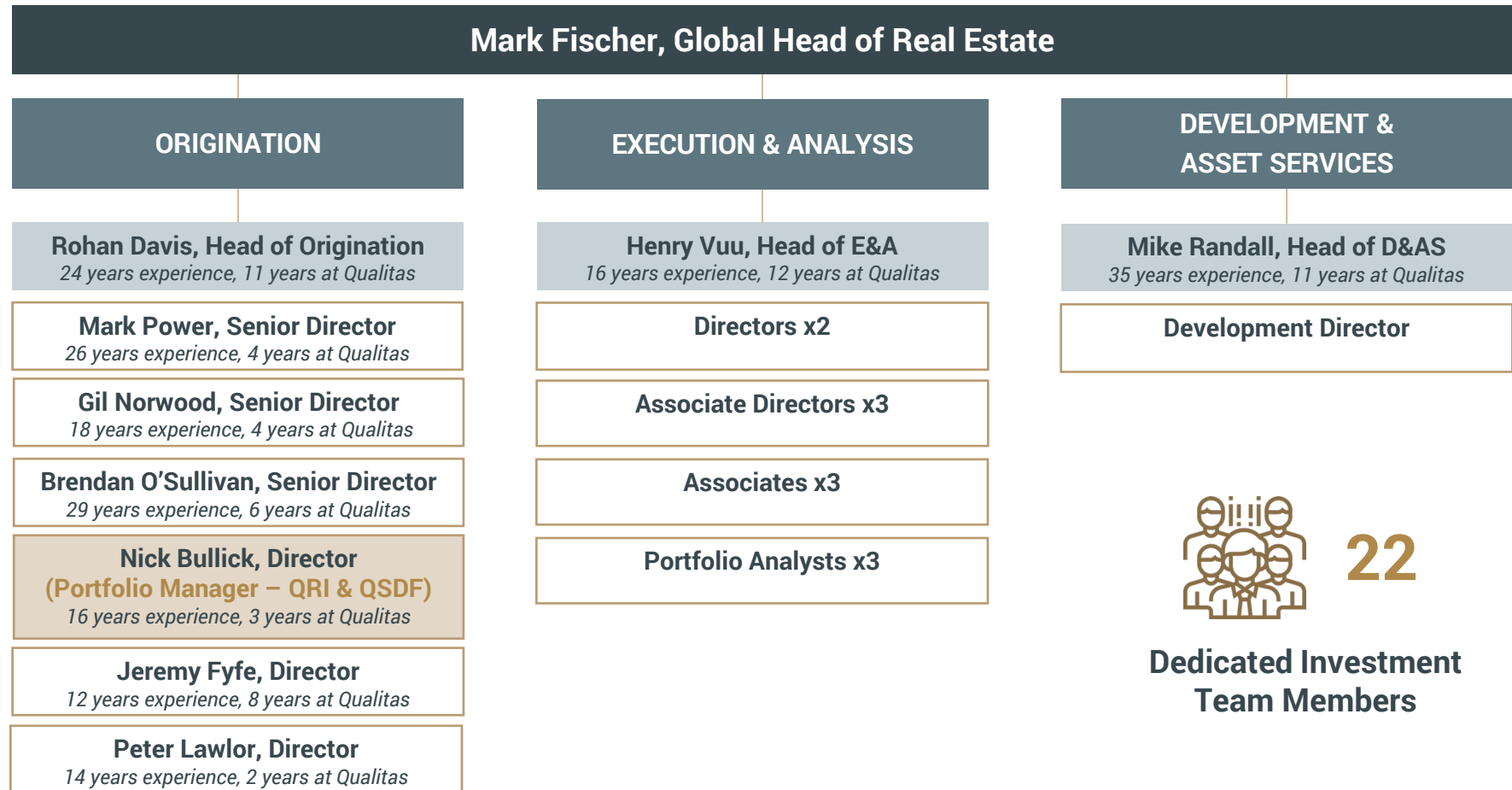
Qualitas Group Subsidiaries

Arch Finance

Peer Estate

* Andrew is not related to Alan and Carol Schwartz. Alan and Carol Schwartz are married.

Highly Experienced Investment Team



Institutional-Grade Governance

Corporate Governance & Oversight

Advisory Board

Group governance and oversight of business affairs

Independent, non-executive chairperson and majority non-executive members

Trustee Board

Governance and oversight of Qualitas wholesale funds

Independent non-executive chairperson and majority independent, non-executive members

People & Culture Committee

Group remuneration
Human capital affairs

Finance & Audit Committee

Statutory and regulatory responsibilities relating to financial reporting, external audit, operational control and taxation risk management

Disciplined Investing & Risk Management

Fund Performance Meetings

Portfolio Allocation Committee

Risk Committee

Investment Committee

Investment Policies

Sustainability Approach

Qualitas recognises the increasing importance of environmental, social and governance (ESG) factors and believes embedding these into its governance, culture and investing approach will improve performance over time.

Sustainability Beliefs

Sustainability creates value, supports better investment decisions and plays an important role in our ongoing growth and success.

Our approach will evolve.
We will continue to strengthen what we do with a mindset to innovate, test and integrate.

We are part of a real property ecosystem.
We will learn and collaborate alongside others to drive change.

Sustainability Priorities



Climate Change
To enable real Property Climate change action.



Integrity
To continue to have integrity and strong governance at the core of our business.



Diversity & Inclusion
To support a culture of diversity and inclusion for our business and communities.

Achievements

Sustainability Steering Committee established

Signatory to the United Nations Principles for Responsible Investment (UNPRI)

Sophisticated ESG assessment tool for investments

New Sustainability Policy published

Qualitas BTR Impact Fund launched with CEFC¹ as cornerstone investor

Charitable partner with Property Industry Foundation (PIF)

National Social Sustainability Committee

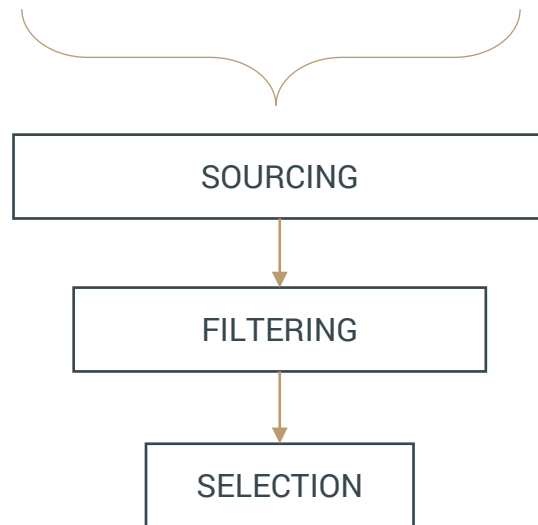
Member of Property Council of Australia (PCA) build-to-rent (BTR) roundtable

Member of the Investor Group on Climate Change (IGCC)

^{*}For further information, Qualitas' Sustainability Policy is available on its website: <https://www.qualitas.com.au/sustainability-policy/>

¹ Clean Energy Finance Corporation

Investment Process: Loan life cycle



Track the loan investment performance

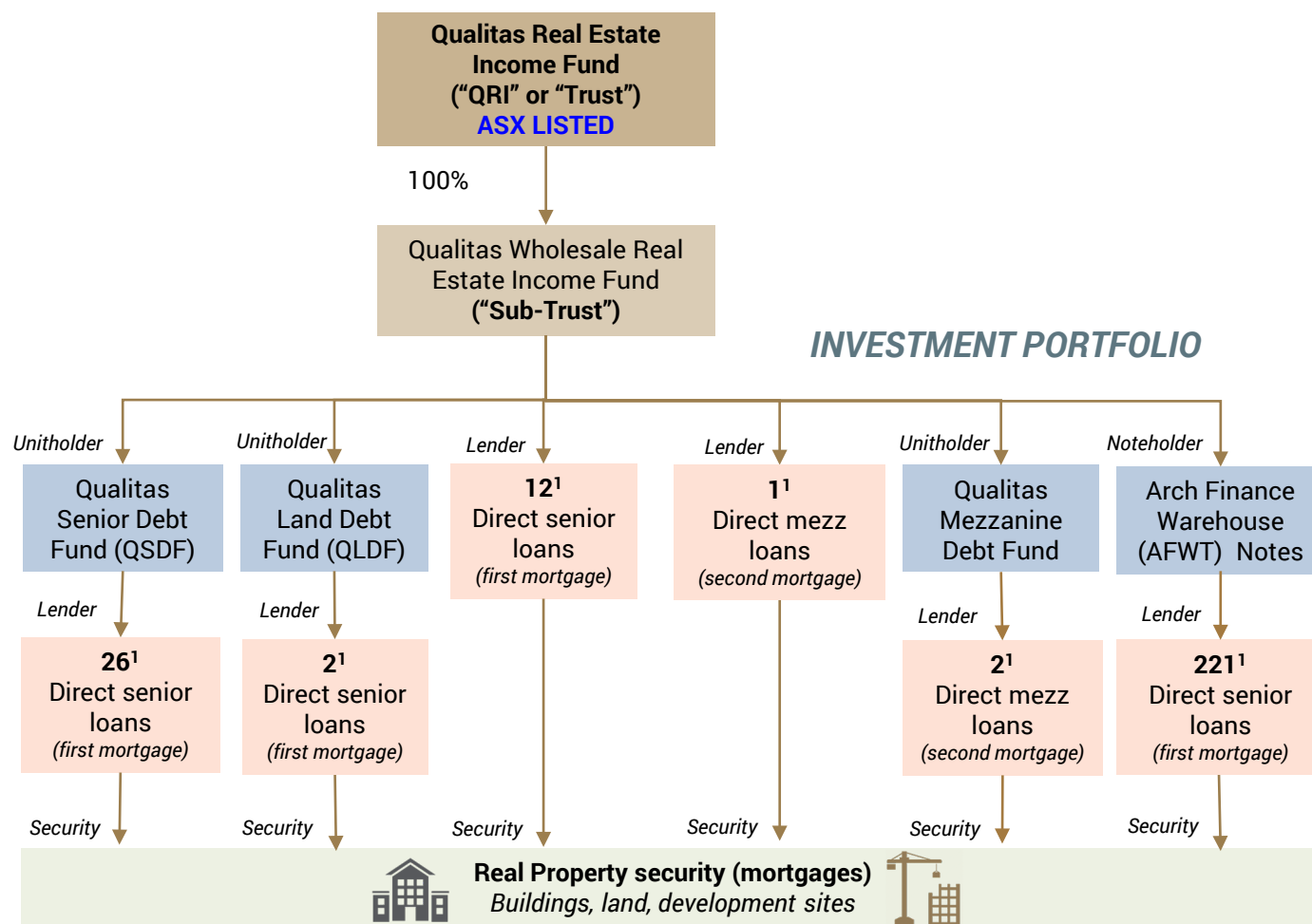
- Regular property inspections
- Leverages property equity capabilities
- Risk Team direct involvement on adverse issues
- Transparent and proactive reporting
- Ongoing loan reviews at individual level (monthly)
- Borrower compliance with their loan obligations



Appendix



QRI Structure: direct & indirect exposure to CRE debt



Number of loans (look through basis)¹

• Direct loans - QRI	13
• Indirect loans (SDF, MDF, LDF)	21
• Arch Finance	221
Total	255

*All numerical disclosures are as at 28 February 2021

¹ 9 loans are subject to co-investment between the Sub-Trust and the relevant Qualitas wholesale fund as applicable and is adjusted on the total No. of loans table.



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www.qualitas.com.au/listed-investments/QRI

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Important Information

The Trust Company (RE Services) Limited ABN 45 003 278 831 AFSL 235 150 (**Perpetual**) is the responsible entity of the Qualitas Real Estate Income Fund ARSN 627 917 971 (**Trust**). This document has been prepared by QRI Manager Pty Ltd ACN 625 857 070 (**Manager**), the investment manager of the Trust is a wholly owned member of the Qualitas Group and is an authorised representative of the Qualitas Securities Pty Ltd AFSL 342 242.

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Risk Factors

Investment in the Trust is subject to a number of risks and Investors should refer to Section 8 of the PDS dated 11 September 2019 (<https://www.qualitas.com.au/listed-investments/qri-overview/>) for further details in relation to the risks involved in an investment in Units.

The list below highlights the more significant and material risks; however, the list may not be exhaustive. Other less significant or less probable factors may also impact the Trust's financial performance, financial position or cash flow. Should any or all of these risk factors materialise, the value of Units may be adversely affected. The risks in this section are not an exhaustive list; not all risks can be predicated or foreseen.

Risks relating to the Investment Strategy and Manager

- Risks relating to the Investment Strategy
- Risks relating to the Investment Objective
- Risks relating to the Investment Management Agreement term
- Risks relating to key members of the Qualitas Group
- Trust Loan Receivable risk

Risks relating to the Trust

- Distributions may not be paid
- No guarantee the Manager will find appropriate investments or deploy capital within the Investment Timeline
- Hedging risk
- Service provider risk
- Potential conflicts of interest
- Regulatory approvals

Risks relating to the portfolio

- Risk of underperforming investments
- Borrowers unable to meet their financial obligations
- Due diligence process
- Insufficient underlying security
- Construction and development loans
- Interest rate risk
- Early repayment
- Collateral real estate is a relatively illiquid asset
- Collateral real estate valuation
- Force majeure risk
- Political risk
- Regulatory risk
- Fraud

Risks relating to Units listed on the ASX

- Unit trading price
- Unit price volatility
- Liquidity risk

General investment risks

- Economic risks
- Taxation risk
- Performance of other asset classes
- Litigation risk
- Cyber risk
- Reduction in voting interest risk

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