

Qualitas Real Estate Income Fund (ASX: QRI): Quarterly Update - March 2021

30 April 2021: QRI Manager Pty Ltd (“**Manager**”), the manager of the Qualitas Real Estate Income Fund (“**QRI**” or “**Trust**”), is pleased to release the QRI March 2021 quarter portfolio update. Please click on the following link <https://www.qualitas.com.au/qri-market-and-portfolio-update/> to access the video presentation. The presentation slides are attached to this announcement.

In this quarterly update, Mark Fischer (Global Head of Real Estate), Nick Bullick (Director, Real Estate) and Yin-Peng Chiew (Director, Strategy), present QRI’s stable portfolio performance and how investment objectives will continue to seek to be achieved having regard to the outlook for commercial real estate debt (“CRE”) debt market.

Investment objectives met

The Trust met its investment objectives of Target Return (RBA Cash Rate + 5.0% - 6.5%), portfolio diversification and capital preservation during the quarter..

The Manager is pleased to deliver consistent and attractive risk-adjusted returns for a well diversified 34 loan portfolio that is predominantly senior first mortgage. The Trust’s performance remains strong for the first quarter of 2021 with a **5.87% p.a.** net return and a stable **6.32% p.a.** distribution return achieved (3-month).

Based on the current loan portfolio, accounting for the recent \$54m placement capital raised and subject to no unexpected repayments, the Manager expects that the strong fully allocated capital position of the Trust will underpin a consistent level of distributions to investors of at least 6.00% p.a. until June 2021¹

The loan portfolio is performing as expected, there were no impairments or interest arrears and the conservative portfolio weighted loan to value ratio of 61% was maintained, which resulted in a stable NAV position for the Trust.

March quarter market & portfolio recap

In light of the Australian economic recovery which is underway, market conditions were favourable and characterised by very strong borrower demand which fuelled the Manager’s CRE debt pipeline which now stands at circa \$475m (up from \$400m as reported previously). The Manager leverages its sophisticated borrower network to access a broad spectrum of compelling CRE debt opportunities which underpins the pipeline .

Given the strong position with respect to the CRE debt pipeline, the Trust’s fully allocated portfolio, and recent favourable unit price trading, the Manager raised additional capital and successfully closed a \$54m private placement (“**Placement**”) on 1 April 2021 which increased the size of the Trust to \$415m. The capital raising also provided an opportunity to diversify the Trust’s unitholder base and introduce new wholesale investors, further supporting liquidity.

¹ Forecast about future performance are not guarantee and may not occur.

As of the date of this release, the Manager is pleased to report that on a proforma basis (to the 31 March 2021 position), that the Trust is 92% deployed as a result of a new sizeable \$83.5m senior investment loan that settled in April 2021 and that the remaining cash (including the capital raised from the recent Placement) is fully allocated to investments that are expected to settle from now until June 2021.

Due to the quieter period after the holidays, during the quarter, the Trust settled 3 loan extensions totalling \$21m as well as received \$49m of returned capital from loan repayments and fund redemptions.

Trust benefits to Investors

QRI seeks to continue delivering the following benefits to investors that are seeking attractive sources of income and capital preservation:

- **Steady and reliable income** in the form of regular monthly cash distributions²
- **Attractive and healthy premiums** above the current low cash rate³
- **Capital preservation**, as all CRE loans enjoy security by way of real property mortgages
- **Stable net asset value** at or above \$1.60 with no impairments since the IPO, supported by the Trust's simple and robust loan valuation process
- **CRE debt asset class differentiation** managed by a local property specialist with expertise in investing across both real estate debt and equity
- **Domestically focused investments** with 100% of the portfolio currently invested in Australia only

- Ends -

² 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.

³ Returns are not guaranteed. The premium achieved is commensurate to the investment risk undertaken.

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.⁴

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 13 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

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Responsible Entity

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123 Pitt Street,
Sydney NSW 2000

Unit Registry

Phone: 1300 402 177

Email: qualitas@automicgroup.com.au

Website: www.automic.com.au

⁴ 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)).
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Qualitas Real Estate Income Fund

(ASX:QRI)
ARSN 627 917 971

Quarterly Update – March 2021



Qualitas Presenters:

Mark Fischer

Global Head of Real Estate

Nick Bullick

Director, Real Estate (QRI Portfolio Manager)

Yin-Peng Chiew

Director, Strategy

March quarter highlights



Strong borrower demand for alternative financing

- Qualitas' sophisticated borrower network, broad spectrum of compelling CRE debt opportunities
- Underpins the growth in CRE debt pipeline ~\$475m



Unit price trading at or above net asset value

- Improved market sentiment and ongoing Manager efforts to support secondary market demand



Successful capital raise: \$54m Placement

- Placement launched 30 March, closed 1 April
- Fund size increases to \$415m



Total \$415m capital now fully allocated¹

- 3 loan extensions totaling \$21m
- Reinvested/re-allocated capital from \$27m of repayments and \$22m QSDF² redemption
- Fully allocated capital position currently underpins a forecasted distribution return of at least 6% p.a. to June 2021³

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

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 Qualitas Senior Debt Fund.

³ Based on the current loan portfolio and subject to no unexpected repayments. Forecast about future performance are not guarantee and may not occur.

QRI Investment Objectives Met



Target Return achieved
RBA Cash + 5.0% - 6.5%

Consistently delivered returns¹ to unitholders:

Monthly cash
distributions

5.87%
Net Return p.a.
(Mar-21: 3 month)

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



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

Conservative weighted LVR 61%

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

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

Market & Fund Update



CRE Debt Market Outlook

Manager has a positive outlook...

Australian economic recovery underway, stable CRE debt market conditions

Strong demand for CRE debt...

Borrowers see alternative lenders as a necessity as needs not met by banks

Bottom of interest rate cycle...

support CRE investment and property valuations, watching long term rates

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

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

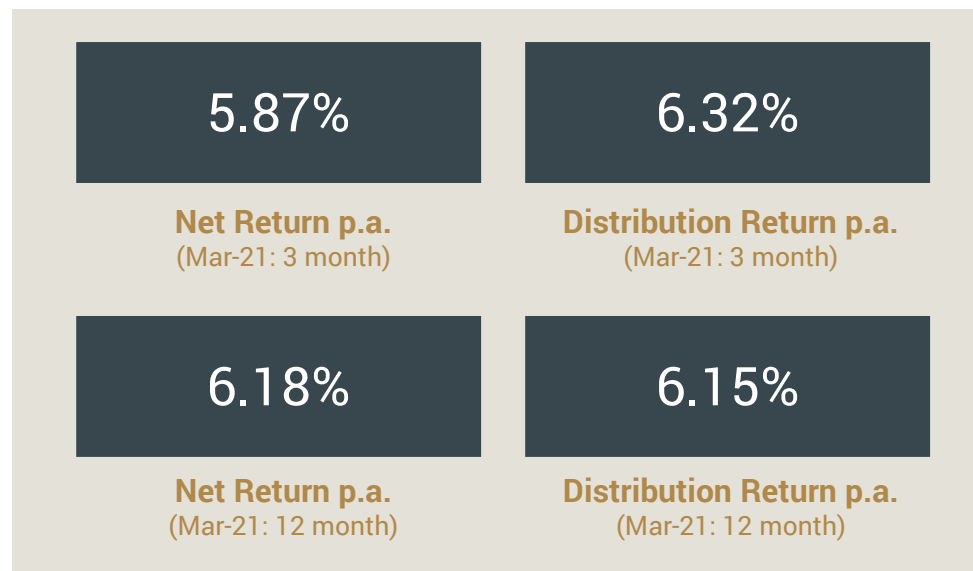
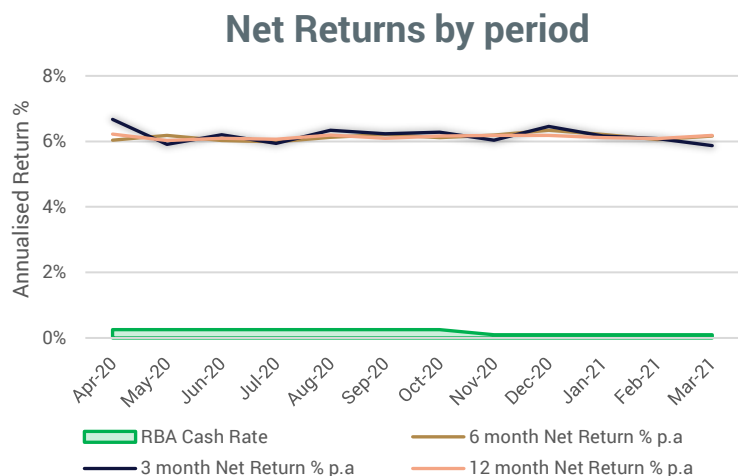
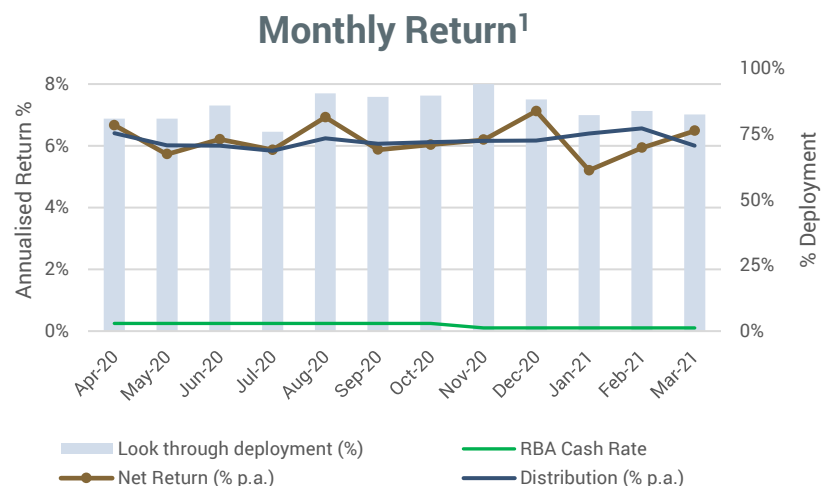
Trading performance since inception



1. Since IPO, predominantly **traded at a premium** to NAV
2. Impacted by COVID-19
3. **Stable NAV**, no impairments to QRI loan portfolio since IPO or during COVID-19, supported by the equity buffer of real property security
4. Manager increased efforts to improve **secondary demand** and **liquidity** by leading CRE debt education, direct marketing, and increased investor communication
5. QRI unit price¹ returns to par (NAV) as **market sentiment** improves

¹ As quoted on ASX.

Solid fund performance, delivering consistent returns



- ✓ Upper range of Target Return **RBA Cash + 5.0% - 6.5%** achieved
- ✓ Fully allocated capital position including the new placement capital raised currently underpins a **forecasted distribution return** of at least 6% p.a. to June 2021²

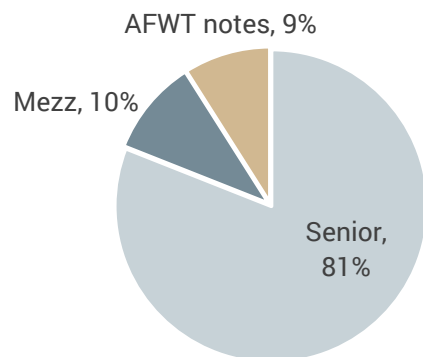
*Past performance is not a reliable indicator of future performance.

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.

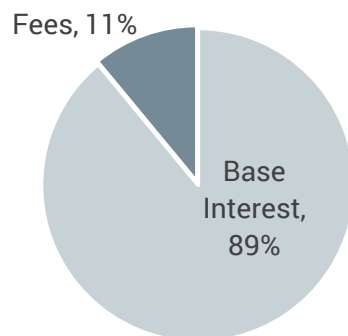
² Based on the current loan portfolio and subject to no unexpected repayments. Forecast about future performance are not guarantee and may not occur.

Portfolio and return breakdown

Ranking¹



Gross Income split



Portfolio Composition	31 March 2021		Proforma (PP) ⁴	
	\$ mil	%	\$ mil	%
Cash (QRI & Qualitas funds)	63.1	18%	33.6	8%
Senior Debt Investment Loans	100.7	28%	184.2	45%
Senior Debt Construction Loans	25.8	7%	25.8	6%
Senior Debt Land Loans	105.2	29%	105.2	25%
Mezzanine Debt Construction Loans	29.0	8%	29.0	7%
AFWT Notes	26.5	7%	26.5	6%
Trust Loan Receivable ²	10.5	3%	10.5	3%
Total	\$360.8	100%	\$414.8	100%
MAR-21 QTR (3 months)				
Gross Return	7.75% p.a.			
Mgt Fee and Overheads	(1.88% p.a.)			
Net Yield (Annualised)³	5.87% p.a.			

Key Proforma Updates since 31 March 2021⁴:

- \$54m Placement capital raised
- New \$83.5m senior investment loan settled in April
- Remaining cash is fully allocated to new loan investments expected to settle during May to June 2021.

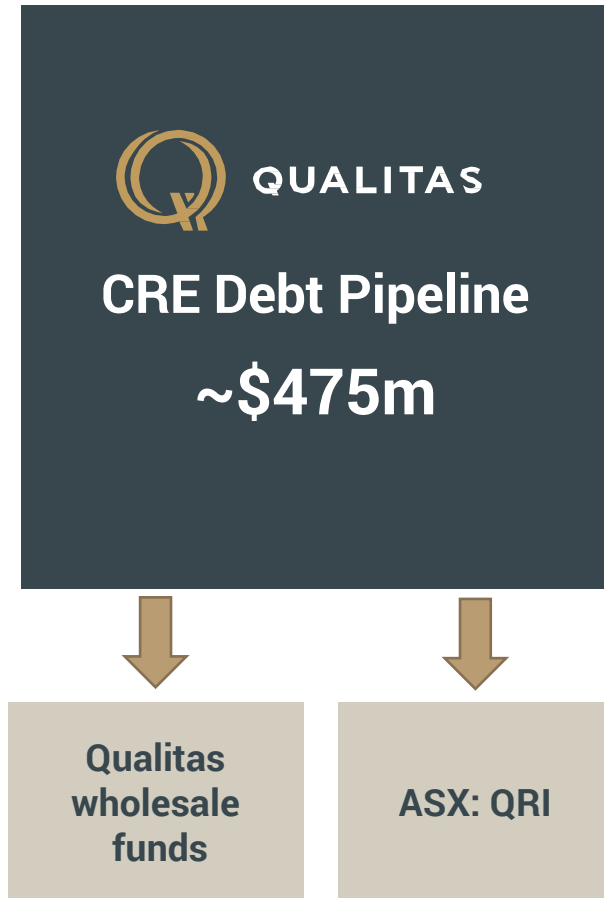
¹ Excludes Trust Loan Receivable & cash.

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.

⁴ Represents a proforma position of the Trust Portfolio composition as of 31 March 2021 demonstrating the impact of they key updates outlined above. New units from the Placement were issued on 14 April 2021. New loan settled represents QRI's look through exposure.

CRE debt pipeline and deployment



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

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.

QRI Portfolio

As at 31 March 2021



Portfolio targets met

PDS constraints ¹		31 March 2021
✓ Ranking	Predominantly focused on senior loans	66% (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	28%

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

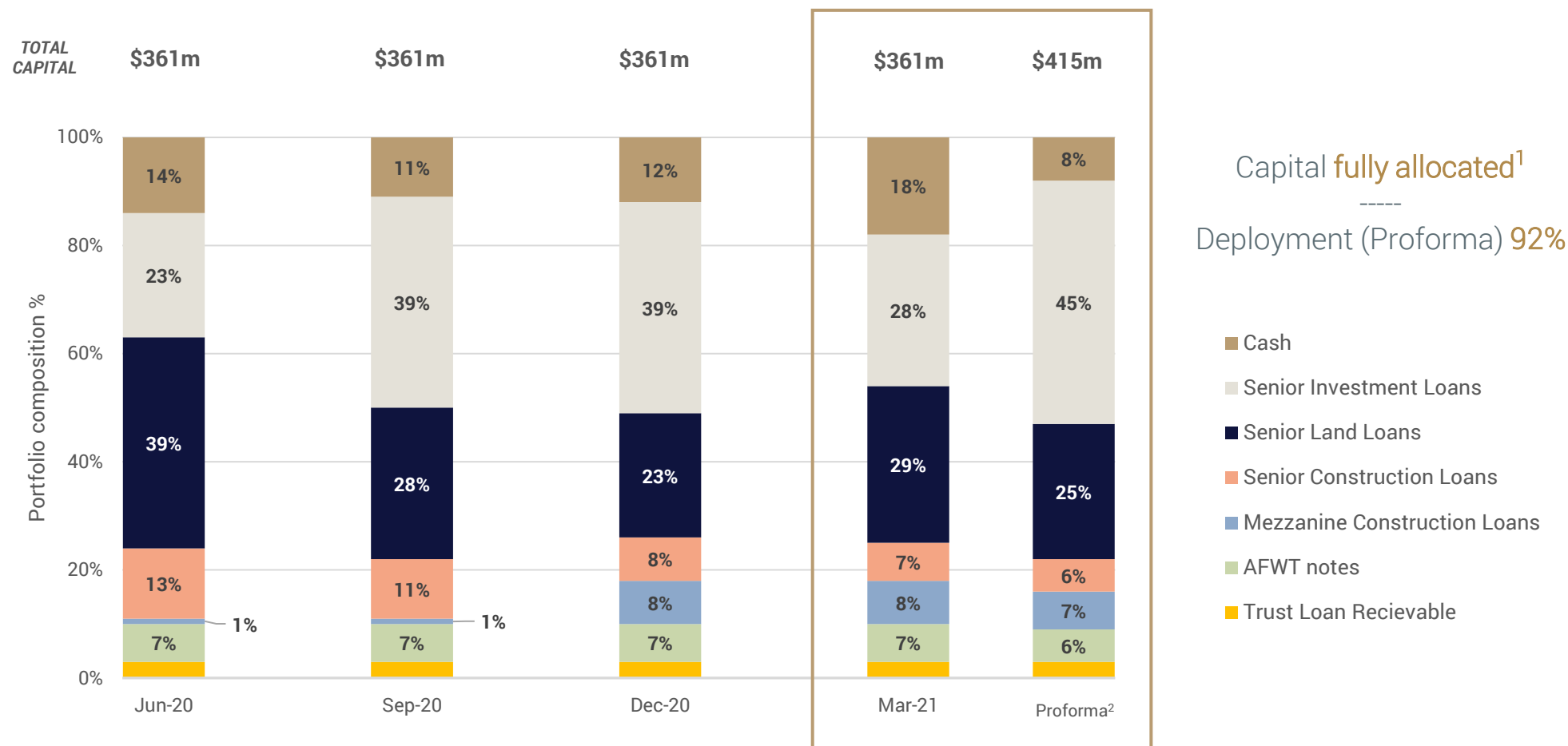
² % of total Trust capital invested in direct loans and Qualitas wholesale funds (including uncommitted cash within those funds) which relate to senior or mezzanine loans as applicable.

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 composition



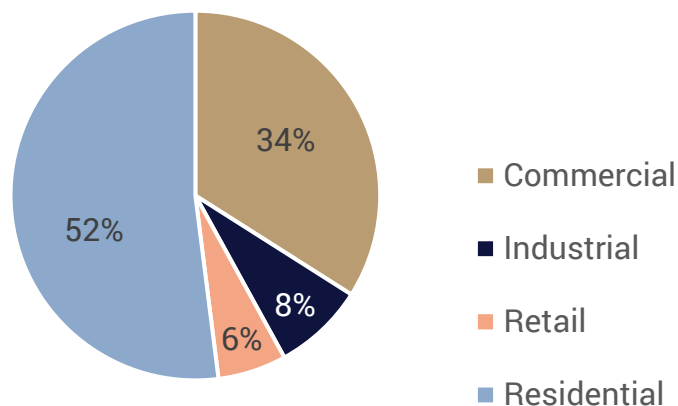
¹ Allocated to investments is where the Trust has allocated capital to an investment which is yet to be invested. The Trust's capital is fully allocated to investments when accounting for a ~3% cash buffer which is currently held for liquidity purposes.

² Represents a proforma position of the Trust Portfolio composition as of 31 March 2021 demonstrating the impact of they key updates outlined on slide 8.

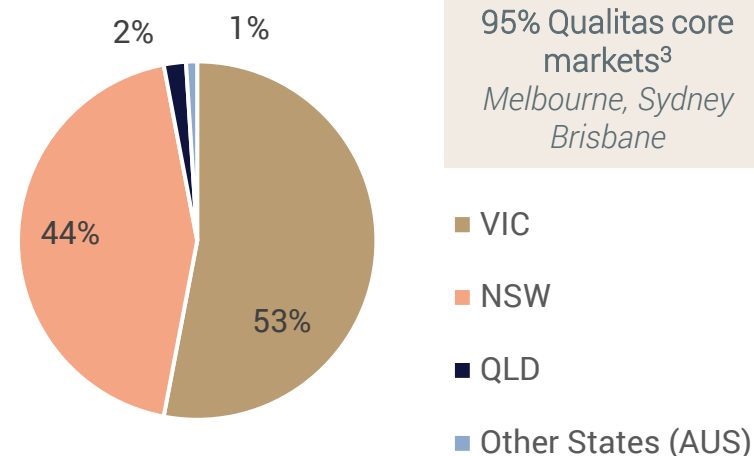
Loan portfolio metrics

	Total loans	New loans	Extended loans	No. of sponsors	Avg. loan exposure	Weighted LVR ¹	Weighted loan maturity
MAR QRT	34	0	3	29	\$7.7m	61%	0.9 years
DEC QRT	36	7	4	31	\$7.8m	62%	1.0 years

Property Sector (Mar-21)²



Geography (Mar-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.

Monthly loan reviews, no impairments



Asset review results (conducted monthly)

QRI Loan portfolio

- ❑ no interest arrears on any loan
- ❑ no impairments on any loan

AFWT¹ notes

- ❑ no interest arrears on notes
- ❑ no impairment on notes
- ❑ Individual loan reviews undertaken by Arch Finance
- ❑ Very low 0.5% of the underlying loan pool in arrears and does not impact note interest servicing

Impairment risk mitigants include:

- ✓ Equity buffer in security properties
- ✓ Sponsor guarantees
- ✓ Interest reserves
- ✓ Active management of loan and borrower
- ✓ Extensive loan obligations and covenants
- ✓ Regular revaluation of security
- ✓ Qualitas bilateral lender control, sole decision making

¹ Arch Finance Warehouse Trust

Senior Investment Loans



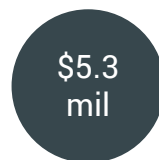
No. Loans



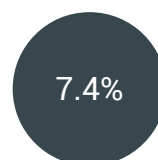
Portfolio
weighting



Total Loan
amount



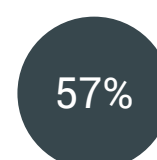
Avg. loan



Weighted avg.
return



Weighted avg.
duration left



Weighted avg.
LVR



Melbourne CBD, VIC
Senior Investment
LVR 60%
24 months



Erskineville, NSW
Residual Stock
LVR 52%
24 months

- No loan greater than 8% of Trust portfolio.
- Weighting:** Decrease in exposure to 28% to investment loans was due to redemption from Qualitas Senior Debt Fund, repayment of a material investment loan and residual stock repayments however pro-forma position is 45% following new \$83.5m loan settled in April.
- Income:** 35% of loans supported by tenanted, income producing properties and 65% are residual stock loans supported by sponsor cash flow and sales proceeds.
- Security:** 97% of loans are supported by personal guarantees by sponsors who have been assessed by the Manager as being substantial HNW individuals.
- Leverage:** 18 loans have an LVR \leq 70%. The loan with an LVR above 70% is supported by long leases with the federal government.

SECTOR

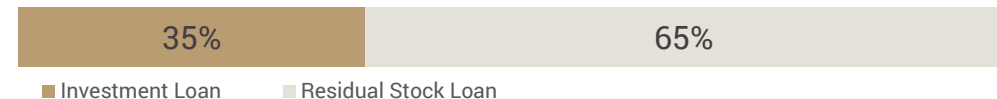
2%



LOCATION



TYPE



* Term is as at financial close of facility. All stats are on a look through basis, representing QRI's share of the loans

Senior Construction Loans



Neutral Bay, NSW
LVR 61%, LTC 73%
18 months



Melton South, VIC
LVR 57%, LTC 78%
13 months

- No loan greater than 4% of Trust portfolio.
- **Leverage:** Weighted average LVR is 51%. Max. LTC for a loan is 78%.
- The senior construction loan portfolio is performing to schedule.
- The Manager is satisfied with pre-sale levels, progress and in particular, how builders have managed through COVID-19 related impacts on site work.

SECTOR



LOCATION



* Term is as at financial close of facility. All stats are on a look through basis, representing QRI's share of the loans

Senior Land Loans



South Melbourne, VIC
LVR 60%
18 months



North Sydney, NSW
LVR 65%
12 months

- Increase in land loan exposure was due to increasing two existing loans in the portfolio during the quarter.
- No loan greater than 10% of Trust portfolio.
- **Leverage:** all loans have an LVR \leq 70%.
- **Tenor:** Short weighted average loan tenor provides the Manager the flexibility to reposition the portfolio into other loans, or to renew the land loan at improved risk-adjusted returns¹.
- **Security:** All loans have full recourse with personal guarantees from HNW individuals (experienced property developers).

SECTOR



LOCATION



* Term is as at financial close of facility. All stats are on a look through basis, representing QRI's share of the loans.

¹ Returns are not guaranteed.

Mezzanine Construction Loans



No. Loans



Portfolio weighting



Total Loan amount



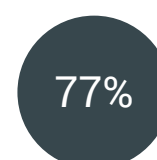
Avg. loan



Weighted avg. return



Weighted avg. duration left



Weighted avg. LVR



Fitzroy, VIC
LVR 79%, LTC 87%
27 months



West Melbourne, VIC
LVR 70%, LTC 81%
27 months

- **Presales:** All mezzanine loans have over 100% pre-sales debt cover (senior & mezzanine loan limits).
- The mezzanine construction loan portfolio is performing to schedule.
- The Manager is comfortable to increase weighting to mezzanine loans to **15%** for the right opportunities.

SECTOR

100%

■ Residential

LOCATION

100%

■ Melbourne

**Term is as at financial close of facility. All stats are on a look through basis, representing QRI's share of the loans..*

¹ Qualitas Mezzanine Debt Fund

Arch Finance Warehouse Trust (AFWT) Notes

214

No. AFWT
Loans

7%

Portfolio
weighting

\$26.5
mil

Total Notes

2.27x

Debt Service
Cover Ratio

6.31%

Weighted avg.
return to QRI

54%

Weighted avg.
LVR to QRI

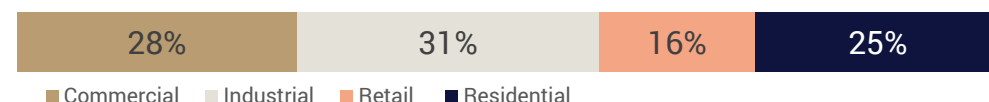


CAP OF 15% OF TRUST CAPITAL

- AFWT loan pool is well diversified by sector, borrower and geography with no individual loan greater than 70% LVR, or greater than 1.5% of the loan portfolio.
- The AFWT portfolio has performed well, recording exceptionally low arrears which has not impacted interest servicing of the AFWT notes.
- As at 31 March there is currently one loans in arrears totalling 0.5% of the loan pool. Arrears reduced from December quarter as a result of full loan recovery / repayment achieved on two loan with security enforced.

- QRI's note investment in the **AFWT notes** provides exposure to a diversified portfolio of cash paying, 1st mortgage CRE loan portfolio of 214 loans totalling \$416m.
- AFWT is a lender of senior CRE loans, originated and managed by Arch Finance², both entities owned by the **Qualitas Group**.
- Arch Finance is a **non-ADI** CRE loan originator and lender operating in the CRE debt market providing **investment loans <\$5m** secured against completed buildings only (no land loans, no construction loans).

AFWT PORTFOLIO - SECTOR



LOCATION



¹ As per the latest PDS dated 11 September 2019

² Arch Finance Pty Ltd as trustee for Arch Finance Unit Trust.

Manager wrap up

- Qualitas has a commitment to investors to provide the **highest level of transparency** to QRI's portfolio and performance
- Global credit markets continue to be impacted by COVID-19 however QRI continues to **perform to expectations**, delivering on its investment objectives
- We are pleased to see investors increasingly seeking private debt investments such as QRI which offers **attractive risk-adjusted returns** where interest rates are at all time lows
- As a leading investment manager in CRE debt, we are **passionate in educating** our investors in this specialised asset class



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Important Information

This document has been prepared by QRI Manager Pty Ltd ACN 625 857 070 (**Manager**), the investment manager of the Trust. 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**). QRI 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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Appendix 1: 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.
- 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 \$2.8Bn

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 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.

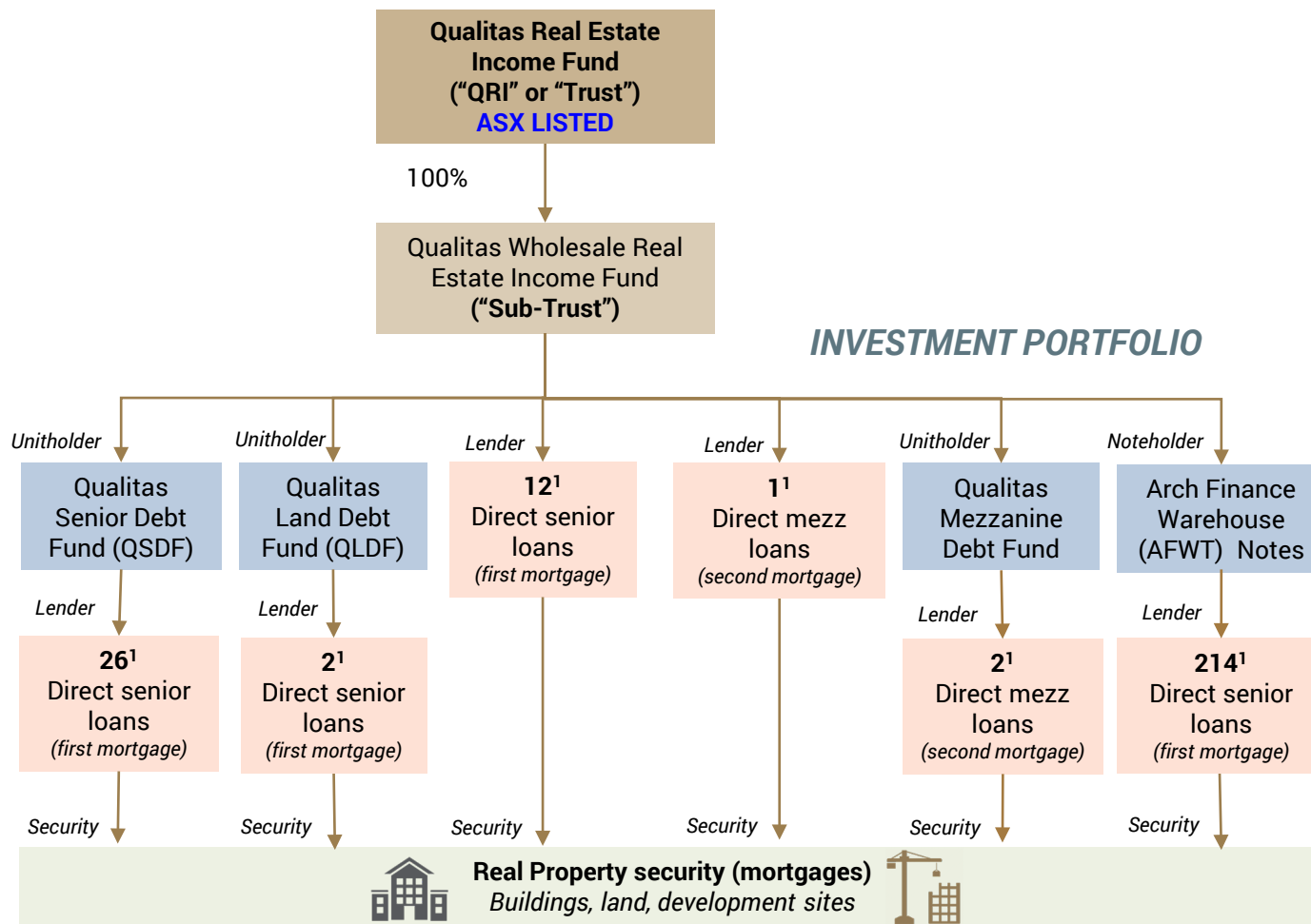
Appendix 2: QRI Benefits – why invest?

- ✓ Experienced Institutional, **local-based Manager** of Australian commercial real estate (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 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.

² Returns are not guaranteed.

Appendix 3: QRI Structure



Number of loans (look through basis)¹

• Direct loans - QRI	13
• Indirect loans (SDF, MDF, LDF)	21
• Arch Finance	214
Total	248

*All numerical disclosures are as at 31 March 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.

Appendix 4: Loan Definitions

INVESTMENT LOANS

Loans secured against real estate that is or potentially **income generating**.

Includes **residual stock loans** which are loans secured against completed construction projects made to developers for the purpose of holding and selling unsold stock (e.g. apartments) in an orderly fashion to maintain pricing levels.

CONSTRUCTION LOANS

Loans provided to **fund development** and **construction** costs, and secured against land with the potential for development, or real estate assets that are soon-to-be or are under construction.

Construction loans are typically **drawn down over time** as the project progresses.

LAND LOANS

Loans secured against infill **vacant land** with the potential for development.

This includes undeveloped land that can be subdivided, land approved for development and land yet to be approved for development.







MEZZANINE LOANS

Loans secured with a **second ranking mortgage**.

Mezzanine loans are usually associated with construction projects and ranks behind a senior lender who is typically a 'Big 4' retail bank.

Appendix 6: Stakeholder Engagement and Communication

Shareholder Engagement

	Regular unitholder emails		Investor presentations		Website News & Insights		Media
	Weekly NAV		Monthly, semi and annual financial results		Industry Conferences		Independent Research