QUALITAS

Qualitas Limited (ASX: QAL)

ASX Announcement

20 October 2025

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Qualitas Limited – 2025 Annual Report

Qualitas Limited (ASX: QAL) provides the attached 2025 Annual Report.

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

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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 $9.5 billion of committed funds under management[1].

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 17 years, Qualitas has been investing through market cycles to finance assets, now with a combined value of over $34 billion across all real estate sectors[1]. 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.

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.

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[1] As at 30 June 2025.

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Annual Report 2025





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QUALITAS



About this report

This annual report provides a summary of Qualitas and its subsidiary companies' operations, activities, financial performance, and position for the year ending 30 June 2025. In this report, references to 'Qualitas', 'the company', 'the Group', 'we', 'us', and 'our' refer to Qualitas Limited (ACN 655 057 588), unless otherwise stated.

All references to "Indigenous" people are intended to include Aboriginal and/or Torres Strait Islander people.

References in this report to a 'year' or 'this year' refer to the financial year ending 30 June 2025 (the previous corresponding year to 30 June 2024), unless stated otherwise. All years mentioned are financial years concluding on 30 June, unless stated otherwise. All dollar amounts are in Australian dollars (AUD) unless stated otherwise.

References to 'AASB' refer to the Australian Accounting Standards Board and 'IFRS' refers to the International Financial Reporting Standards. The report references 'IFRS' and 'non-IFRS' financial information.

Corporate Governance Statement

Qualitas meets the requirements of the ASX Corporate Governance Principles Recommendations (4th edition), except in part where stated in the Statement. All corporate governance policies and charters, including our 2025 Corporate Governance Statement, are available on the Qualitas Investor Centre.

Non-IFRS

Qualitas results are reported under International Financial Reporting Standards ("IFRS"). This report also includes certain non-IFRS measures including Normalised earnings before interest, taxes, depreciation and amortisation ("EBITDA"), Normalised net profit before tax ("NPBT") and Normalised net profit after tax ("NPAT"). These measures are used internally by management to assess the performance of our business, make decisions on the allocation of our resources and assess operational management. Non-IFRS measures have not been subject to independent audit. All non-IFRS information unless otherwise stated has not been extracted from Qualitas' financial statements and has not been subject to audit or review. Certain figures may be subject to rounding differences. Refer to the reconciliation of statutory earnings to normalised earnings table on page 35, and as included on page 10. All amounts are in Australian dollars unless otherwise stated.

Forward-looking statements

Statements contained in this report may be forward-looking statements. Such statements are inherently speculative and always involve some risk and uncertainty as they relate to events and depend on circumstances in the future, many of which are outside the control of Qualitas. Any forward-looking statements contained in this report are based on a number of assumptions that may prove to be incorrect, and accordingly, actual results or outcomes may vary. Past performance is not indicative of future returns. No representation or warranty is made by or on behalf of Qualitas that any projection, forecast, calculation, forward-looking statement, assumption or estimate contained in this report should or will be achieved.

Our firm

Qualitas Limited (Qualitas or Company) is an ASX-listed Australian alternative investment manager offering clients domestic and global investment strategies across real assets and private credit.

With approximately $9.5 billion[1] of committed funds under management, of which 83 per cent is in real estate private credit and 17 per cent is in real estate private equity, Qualitas matches global capital with access to attractive risk-adjusted investments for institutional, wholesale and retail clients. Qualitas offers flexible capital solutions for its borrowers and partners, creating long-term value for shareholders and the communities in which it operates.

For 17 years, Qualitas' funds management platform has been investing through market cycles in assets with a combined value of over $34 billion[1]. Qualitas currently has investments focused 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 provide a unique offering in the market to accelerate business growth and drive performance for shareholders.

Vision

We are driven to be a dominant, global, client-led investment manager generating best-in-class long-term value, a magnet for talent.

Purpose

A leading, trusted investor delivering access to long-term returns through focused, responsible and sophisticated real asset strategies.

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1. As at 30 June 2025.

Our values underpin our success

Qualitas' success since inception is a true reflection of our team, their levels of engagement and our five core values, which they uphold:

Lead with respect

We embrace diversity and treat everyone with fairness.

Act with integrity

We honour our commitments and operate ethically and transparently.

Push for excellence

We go beyond expectations, continuously striving to perform at our best.

Collaborate proactively

We believe building strong and trusting relationships enhances the value we create together.

Be enterprising

We embrace our entrepreneurial spirit to build a better future for all.



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A 17-year history of outperformance

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2008
Qualitas established in Melbourne

2009
First mezzanine debt fund

2010
First equity deal with investments in NSW, TAS and QLD

$106m FUM

2011
Sydney office established

2013
First senior debt deal

2014
Launch of first single asset fund

Launch of first discretionary debt fund

$575m FUM

2018
Launch and close of Qualitas Food Infrastructure Fund

Launch of Qualitas Real Estate Income Fund (ASX:QRI)

$2.2bn FUM

2019
Qualitas Real Estate Opportunity Fund 2

2020
Launch of Qualitas Build-to-Rent Impact Fund

$2.8bn FUM

2021
16 Dec: Qualitas Limited (ASX:QAL) initial public offering (IPO)

Close of Qualitas Real Estate Opportunity Fund 2 raising

QRI became 4th largest LIT on ASX

Launch of Qualitas Build-to-Rent Equity strategy

Launch of Qualitas Diversified Real Estate Fund

$3.0bn FUM

2022
$700m fully discretionary mandate from a wholly owned subsidiary of Abu Dhabi Investment Authority (ADIA)

Brisbane office established

Secured $440m commitment from global institutional investor

$4.3bn FUM



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2015

Launch of Qualitas Real Estate Opportunity Fund 1

2016

Launch of Qualitas Construction Debt Fund

$866m FUM

2017

Launch of open-ended Qualitas Senior Debt Fund

Close of Qualitas Real Estate Opportunity Fund 1 raising

International mandate with foreign sovereign fund

2023-24

Announced $1.0bn credit mandate with institutional investor

Launch of Reflect Reconciliation Action Plan (RAP)

Established Qualitas ESG Advisory Group

Secured additional $700m commitment from ADIA

QRI enters S&P/ASX 300 and S&P/ASX 300 A-REIT indices[1]

Secured additional $550m private credit commitment from a North American-based global institutional investor

$8.9bn FUM

2024-25

QRI now $1bn in size

Qualitas Private Income Credit Fund (QPICF) continues to scale with increased demand for private credit from the wholesale channel and investment platforms

Progressed our reconciliation journey, launching our Innovate RAP

$9.5bn FUM + $1bn peak draw[2] capital deployed



1. Effective 18 September 2023.
2. Refers to an allocation methodology applicable to institutional construction loan mandates.

Chair's letter

Leading with trust, discipline, and opportunity, Qualitas delivers another year of strong performance.

Andrew Fairley AM | Independent Chair



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Qualitas has again demonstrated its position as a leading Australian alternative real estate investment manager, delivering strong financial results in FY25.

Several key differentiators support Qualitas' position and have contributed to year-on-year growth in funds and investments under management. These include our long track record that has established a strong reputation and trust among investors, and our ongoing focus on quality and discipline.

The consistency of growth across all key earnings drivers gives us confidence that the business is well positioned to continue this growth trajectory.

Positively, we have observed a shift of private credit capital towards the European and Asia Pacific regions, with Australia emerging as a preferred growth frontier because of its stable regulatory environment, structural housing undersupply, and attractive yield premiums. Our 17-year track record in Australia positions us well to capitalise on this opportunity.

Qualitas continues to focus on integrating and managing appropriate ESG measures across the organisation, our funds, and investment processes.

This year, key measures included supporting the decarbonisation of our built environment through our Sustainable Finance program, prioritising First Nations reconciliation through the initiatives of our Innovate RAP, and maintaining support for charitable partnerships addressing youth homelessness, youth mental health, and children's health. We joined UNPRI's Private Debt Advisory Committee this year as the sole Australian credit manager in representation.

Effective corporate governance remains central to our approach. The Board and its Committees regularly review our governance and risk management processes, including Board Composition, to ensure they remain effective and aligned with industry best practices.

These strong results reflect the dedication of our entire team. On behalf of the Board, I extend our thanks to the entire Qualitas team for your dedication, enthusiasm, and hard work. Your efforts have been instrumental in delivering another successful year of strong financial results for our shareholders. We sincerely appreciate your commitment.

This year brought important changes to our Board composition. In October 2024, we welcomed Darren Steinberg as an Independent Non-Executive Director, bringing extensive experience from his diverse 30-year career in the property industry. We also bid farewell to Brian Delaney, who retired after three and a half years of valuable service – I thank Brian for his significant contributions and guidance.

In April 2025, Bruce MacDiarmid joined us as an Independent Non-Executive Director, adding his expertise as a highly regarded investment professional with over 30 years in investment banking and capital markets.

These appointments further strengthen the depth and knowledge of our Board, as we continue to focus on delivering long-term value to our clients, investors and shareholders. Both Darren and Bruce have been appointed to key Board Committees where their expertise is particularly valuable.

In closing, I sincerely thank all my fellow Board Members. Your collective experience and individual wisdom is hugely important to the business and our Board decisions.



Andrew Fairley AM
Independent Chair

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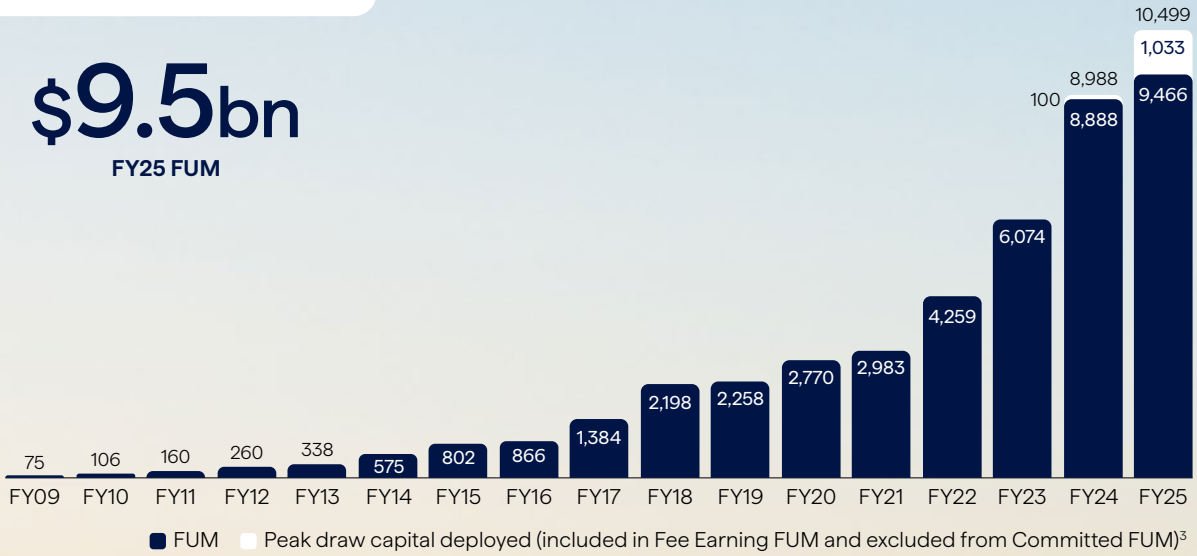
Funds under management ($m)[1,2]

$9.5bn
FY25 FUM





1. As at 30 June 2025.
2. Represents committed capital from investors with signed investor agreements.
3. Refers to an allocation methodology applicable to institutional construction loan mandates.

CEO's letter

The 2025 financial year results reflect another year of strong recurring earnings growth- supported by our disciplined deployment and our deep institutional investor base.

Andrew Schwartz | Group Managing Director & Co-Founder



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Qualitas is benefiting from the global bifurcation of private credit, with large institutional investors concentrating capital with a select group of managers who have proven track records, strong reputations and high-quality platforms. Through these strategic capital relationships, we maintain a distinct capital advantage and the flexibility to offer customised funding solutions to our borrowers.

FY25 performance

This year's financial results delivered strong top-line growth in all key revenue categories.

Our exceptional growth in Fee Earning FUM continued, increasing 28 per cent to $8.7 billion. This underpinned an increase in base management fees and principal income, which both increased by over 30 per cent year on year. Our performance fee revenue also grew significantly, reflecting the strong returns and track record of our credit funds.

The increased Fee Earning FUM led to further growth in our normalised Group EBITDA to $56.5 million[1], compared to $41.9 million in FY24, and saw our total Funds Management EBITDA grow by 39 per cent to $55.9 million.

We continue to build institutional loyalty and borrower trust. This year, we deployed a total of $4.6 billion, with 77 per cent originated from repeat borrowers. Our strong deployment performance reflects heightened activity across the commercial real estate (CRE) sector, particularly within the residential segment, which accounted for 79 per cent of deployment.

At the end of FY25, our total committed funds under management and peak draw capital deployed together reached $10.5 billion, up 17 per cent from FY24 on a like-for-like basis.

A final fully franked dividend of 7.5 cents per share (CPS) was declared, bringing the total dividend for the year to 10.0 cents per share, a 25 per cent increase over FY24. The increased dividend reflects our robust balance sheet, strong cash flow, and the growth momentum at Qualitas.

We ended the financial year with a cash balance of $149 million. Balance sheet yield reached approximately 9 per cent[2] in FY25 with further growth in drawn co-investments expected in FY26.

Market conditions

With interest rates stabilising and trending downward, the residential development sector is showing clearer signs of recovery. Notably, there are now more large-scale investment prospects, and our expanding pipeline is also supported by attractive opportunities in other CRE sectors. Further rate cuts are expected to stimulate CRE transaction activity and accelerate deployment growth.

Investing in our platform

As Qualitas has grown and established itself as a leading Australian alternative real estate investment manager, we have developed several competitive advantages that support the success and stability of our platform.

Qualitas' brand is a valuable asset that we have built over many years, and its management and growth are integral to our long-term success. During the financial year, we launched an updated brand identity anchored by a new brand essence – 'realise excellence' – which reflects our growth ambitions and high standards.

We continued strengthening our platform to capitalise on current and future growth opportunities. Over the past year, we appointed several new senior team members, strengthening and expanding our origination and structured finance capabilities, and created new functions to enhance our systems to drive productivity and operational efficiency.

We are committed to embedding artificial intelligence (AI) into our investment operations to help drive new standards for capital efficiency and client service. Given the extent of the rapid change upon us, our appointment of a Chief AI Transformation Officer in August 2025 reflects our strategic commitment to leveraging AI to help us build scalable solutions and identify new opportunities to help accelerate the firm's growth and strategic objectives.

We recently moved to new premises at 101 Collins Street in Melbourne reflecting the growth of our business. This modern, sustainable workplace provides flexible and technology-enabled spaces that enhance connectivity, attract talent and support our people in delivering the best outcomes for our investors and partners.

1. FY25 normalised earnings adjusted for abnormal items including QRI capital raising costs ($5.1m) and unrealised mark to market (MTM) loss from Qualitas' co-investment in QRI ($0.1m). Refer to the reconciliation of statutory earnings to normalised earnings table on page 35. 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).
2. Annualised principal income on period starting balance sheet cash, investment and underwriting positions.

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Looking ahead

Qualitas is strategically positioned to capture multiple growth opportunities in the year ahead. Global capital inflows continue to favour Australia, a key advantage for Qualitas, supported by our diverse international investor base.

CRE momentum is building, driven by lower interest rates, population growth, and easing construction costs, all of which are expected to stimulate investment activity. Backed by our extensive origination network and strong capital base, we are well placed to benefit.

As a people-led business, we will continue to invest in our team, particularly in revenue-generating areas. $149m of cash at bank and no corporate debt represents a solid balance sheet, which can support further co-investment and underwriting of deployment deals ahead of external capital.

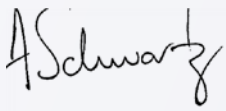
We continue to pursue both organic and inorganic opportunities to expand geographically, broaden our platform beyond CRE, and grow into adjacent sectors.

Acknowledging our team

Our success begins and ends with our people.

The talent, dedication, and teamwork I see across Qualitas every day make me incredibly proud to lead the company. Thank you team, for your commitment to excellence. Our results this year, and over the 17 years since Qualitas was founded, reflect the Qualitas Way an entrepreneurial mindset with unwavering high-performance standards.

Thank you to our Board members for your ongoing guidance and support.



Andrew Schwartz
Group Managing Director & Co-Founder

$8.7bn
FY25 Fee Earning FUM (FEF)
+28% vs. FY24

$31m
FY25 Principal income
+35% vs. FY24

$49m
FY25 Base management fees
+31% vs. FY24

$4.6bn
FY25 Deployment
+9% vs. FY24

$53m
FY25 NPBT[1]
+36% vs. FY24



Performance highlights

Record base management fee growth and funds management margin achieved while investing in the platform

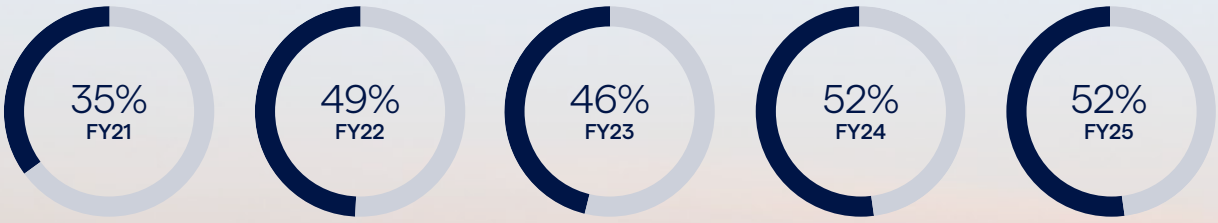
OUR FOCUS REMAINS ON THREE KEY AREAS OF GROWTH, WHICH UNDERPINNED OUR RESULTS

Growing top line funds management revenue	Improving scalability through larger investments and mandates	Strategic use of balance sheet capital

OTHER FY25 HIGHLIGHTS

Record annual growth in base management fees of 31% and funds management EBITDA margin of 52%	FY25 total dividend of 10.00cps, fully franked representing a payout ratio of 81%	~9% balance sheet yield[1] achieved with ample cash reserves at year end

Funds management EBITDA[2] margin





1. Annualised principal income on period starting balance sheet cash, investment and underwriting positions.
2. FY25 normalised earnings adjusted for abnormal items including QRI capital raising costs ($5.1m) and unrealised mark to market (MTM) loss from Qualitas' co-investment in QRI ($0.1m). Refer to the reconciliation of statutory earnings to normalised earnings table on page 35. 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). FY21 normalised earnings adjusted for abnormal items including QRI capital raise costs ($5.8m) and unrealised MTM gains from Qualitas' co-investment in QRI ($1.3m).

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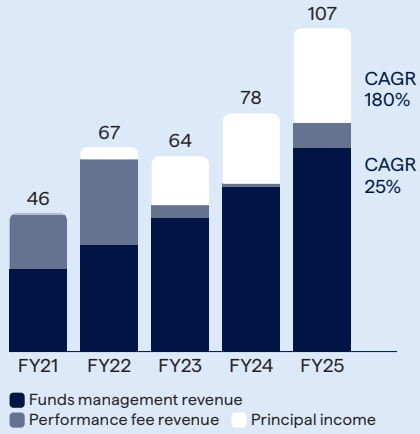
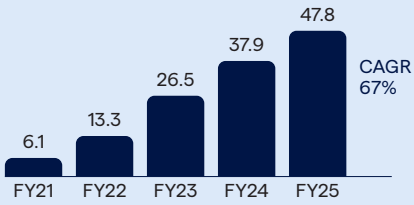
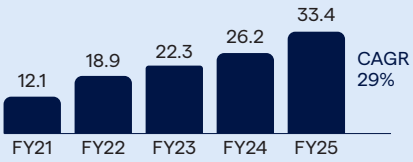
Strong recurring growth and margin expansion ($m)



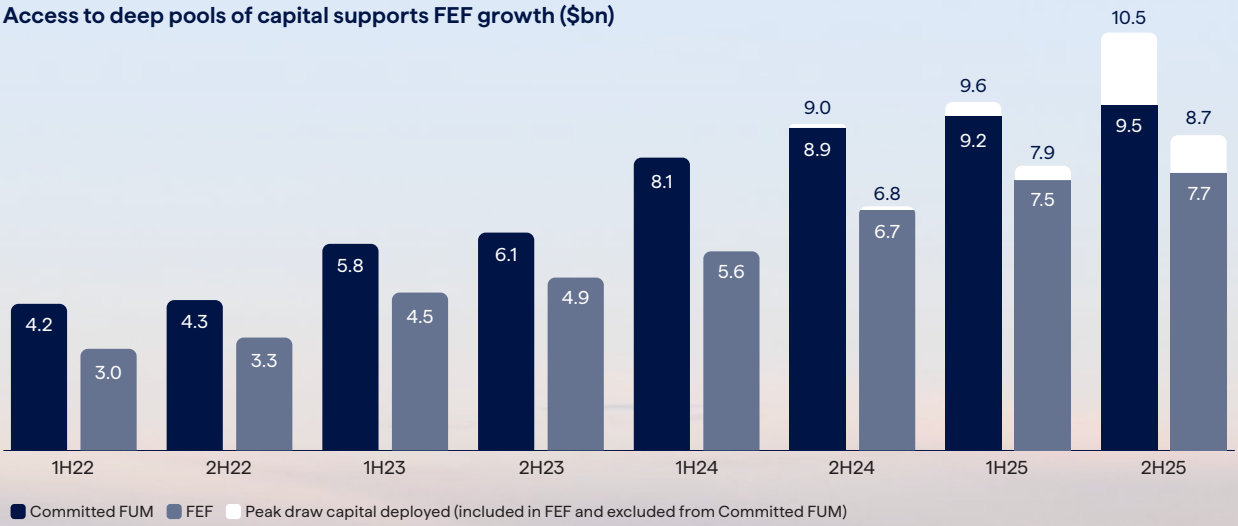
Funds management EBITDA excluding performance fees[2] ($m)



Statutory NPAT ($m)



Access to deep pools of capital supports FEF growth ($bn)





Year in review



Our focus on quality and discipline continues to deliver results

Record base management fee growth and funds management margin achieved, while investing in the platform

Our predominantly institutional capital base enables us to prioritise quality deployment

Disciplined deployment, enabled by intensive due diligence builds institutional loyalty, while funding strength and expertise builds borrower trust

Our track record is critical in attracting capital and increasingly defines a manager's ability to scale

Increased CRE transaction activity creates deployment opportunities beyond residential

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Company performance

The Company achieved significant double-digit growth across high-quality earnings, which was underpinned by strong growth in Fee Earning FUM.

Normalised NPAT of $37 million in FY25 grew 36 per cent[1] compared to FY24, reflecting sustained strong earnings momentum across the platform. The growth was driven by:

- Fee Earning FUM, which grew 28 per cent year on year to $8.7 billion and contributed to a 31 per cent increase in base management fees.
- Record total deployment of $4.6 billion, leading to robust growth in transaction fees.
- A significant contribution from net performance fees, reaching $8.1 million in net earnings compared to $2.4 million in the previous period.
- Earnings from our balance sheet which also set a record at $31.3 million, up 35 per cent from the same period last year.

Normalised EBITDA of $56.5 million was up 35 per cent[1] on FY24, and there was a modest expansion in our Normalised EBITDA margin, from 50 per cent to 51 per cent during the period.

The Qualitas balance sheet remains robust, ending the year with $149 million in cash and cash equivalents. Our end-of-period investments of $166 million decreased by $13 million compared to the December balance, due to an early exit from a credit position involving the closure of a fund in which we were co-invested.

Our full-year NPBT was $53 million, which is towards the upper end of our FY25 guidance and represents a 36 per cent[1] increase from FY24.

The contribution from private credit funds in the unrecognised performance fee pool increased to 62 per cent, up from 47 per cent in FY24 and just 4 per cent three years ago. This helps reduce the volatility in our performance fee revenue. Our embedded performance fee pool grew by $17 million over the past twelve months, bringing the total unrecognised pool to $92 million, up 23 per cent year on year.

Statutory net profit after tax was $33.4 million, up 28 per cent on FY24.

Qualitas declared a 30 per cent increase in final dividend to 7.5 cents per share, bringing the total FY25 dividend to 10.0 cents per share. This reflects a payout ratio of 81 per cent, within our target dividend payout range of 50 to 95 per cent of operating earnings.

Funds management and operational performance

Qualitas delivered another strong set of results this period for our funds management platform. The highlight was consistent growth across all key earnings drivers, which provides confidence that we are well positioned to maintain our trajectory.

Our predominantly institutional capital base allows us to prioritise quality deployment and stable fund structures, as shown by 89% of Committed FUM in long-term vehicles for asset-liability matching.

In our construction funds, we have allocated an additional $1 billion in investments based on the peak draw allocation methodology, which increases allocation beyond the Committed FUM and generates Fee Earning FUM exceeding the committed amount. This approach provides access to significantly greater capital than would otherwise be available. Our management estimates that the peak draw capacity embedded in our construction funds is additional $2 billion of dry powder on top of the $1.1 billion of conventional dry powder, substantially enhancing our capacity to grow Fee Earning FUM.

As Qualitas' deployment momentum continues, we expect Fee Earning FUM to remain a key driver of growth and a leading indicator of platform performance. At June 2025, Fee Earning FUM was $8.7 billion, up 28 per cent.

Our Invested FUM increased by 22 per cent year on year to $5.3 billion. We anticipate further growth in FY26, driven by increasing construction draw downs and deployment.

Over the past year, we deployed $4.6 billion exclusively in private credit, with 79 per cent directed to the residential sector and 77 per cent to repeat borrowers. The majority of deployment was in first mortgage investments for construction projects. While some of these commitments have been deployed but remain undrawn and currently not earning the full base management fee, these are expected to generate higher management fees as they are progressively drawn down through FY26.

Follow-on investments account for 54 per cent of FY25 deployment, up from 19 per cent in FY24. Investments include increasing and renewing existing positions, as well as projects moving to the next stage, such as a pre-development land loan switching to a construction loan. They generate new transaction and base management fees with reduced origination costs. As our platform scales and development activity accelerates, follow-on opportunities are expected to become increasingly common, supporting higher margins and driving sustainable earnings growth.

Recurring earnings, including funds management revenue and principal income, increased by 25 per cent and 35 per cent year on year respectively, while performance fee revenue rose to $8 million, representing a significant uplift on FY24 underpinned by strong funds' performance, particularly for our credit strategies.

Looking ahead, favourable conditions support our future growth.

Global capital continues to flow into Australia, attracted by superior returns, stability, and growth. Our significant international institutional investor base positions us well on this front.

CRE activity is gaining traction as declining interest rates, strong population growth, and moderating construction costs combine to stimulate investment. Qualitas is positioned to capture these opportunities through its deep origination capabilities and substantial capital base.

As a people-led business, Qualitas continues to invest in core revenue functions to capture emerging opportunities and benefit from these growth drivers.

1. FY25 normalised earnings adjusted for abnormal items including QRI capital raising costs ($5.1m) and unrealised mark to market (MTM) loss from Qualitas' co-investment in QRI ($0.1m). Refer to the reconciliation of statutory earnings to normalised earnings table on page 35. 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).

Strategy

Qualitas connects global capital to alternative credit and equity strategies, managed by a dynamic team of trusted experts. We provide access to considered opportunities, shaped through our deep expertise and relationships.

TO DELIVER ON OUR STRATEGY WE ARE FOCUSED ON FOUR KEY PILLARS:

CLIENTS

Expand our fund strategies	Capitalise on structural industry tailwinds	Sustainable FUM growth	Disciplined deployment
A focus on maintaining a culture of organisational excellence, innovation, respect, and open communication.	Attracting and retaining top-class talent.	Incorporating ESG considerations into our operational and investment activities.	Maintaining robust risk management systems and governance structures.

Our strategic pillars are supported by

As a trusted CRE private credit manager, we're capitalising on market preference for proven managers with strong track records and platforms. Our relationships provide access to significant deployment-linked capital beyond Committed FUM, with over 60 per cent of institutional capital making five or more commitments.

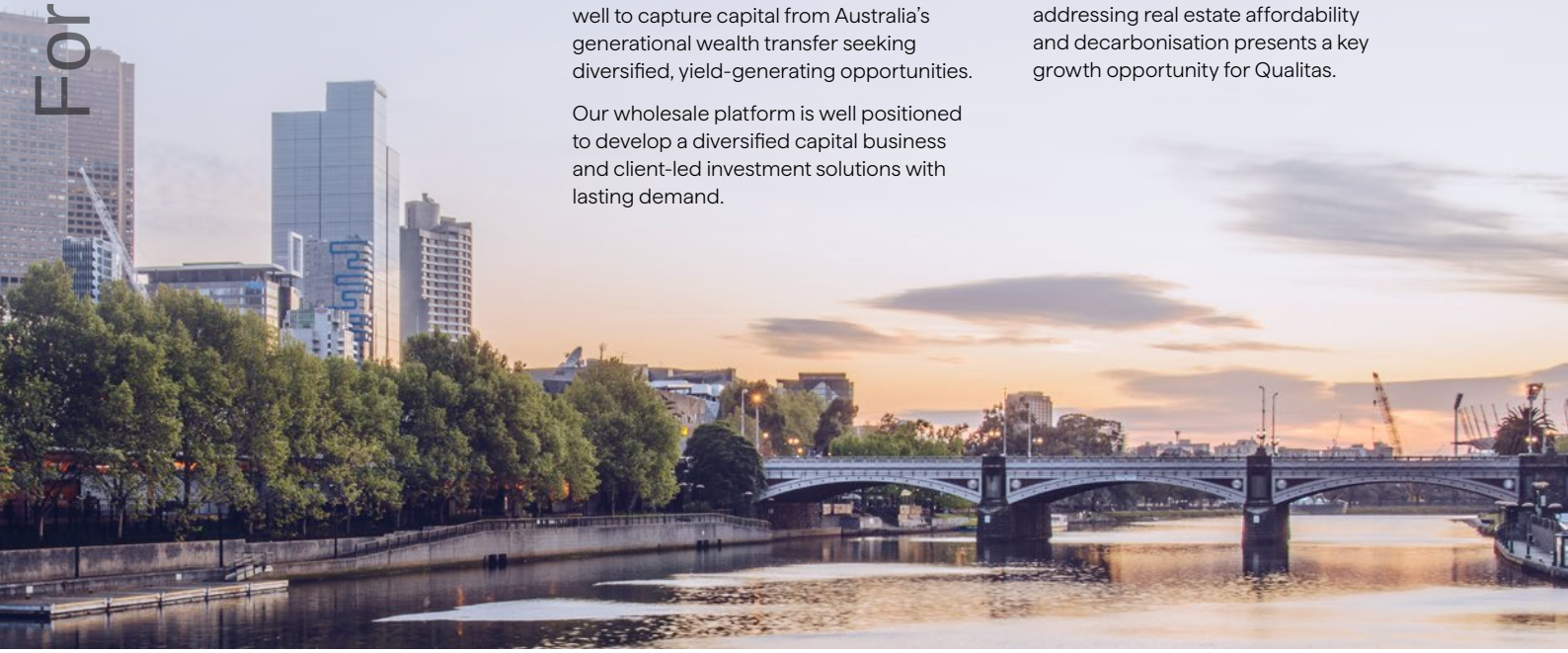
QRI launched in 2018 and is now Australia's largest listed mortgage REIT at approximately $1 billion – more than tripling since listing. This year, QRI raised $281 million through oversubscribed capital raising and wholesale placement, funding new CRE credit opportunities.

QPICF experienced significant growth, driven by strong investor demand for private credit and income-producing investments. The fund's expansion and accessibility across major platforms positions it well to capture capital from Australia's generational wealth transfer seeking diversified, yield-generating opportunities.

Our wholesale platform is well positioned to develop a diversified capital business and client-led investment solutions with lasting demand.

In private capital, Qualitas is expanding its resources to attract new clients and drive funds under management growth. Recent senior appointments have strengthened the firm's presence in key segments and regions, with particular focus on the private wealth and family office channels.

Our investment platform continuously evolves to incorporate ESG considerations, focusing on expanding our sustainable finance capabilities. Growing global demand for private credit solutions addressing real estate affordability and decarbonisation presents a key growth opportunity for Qualitas.



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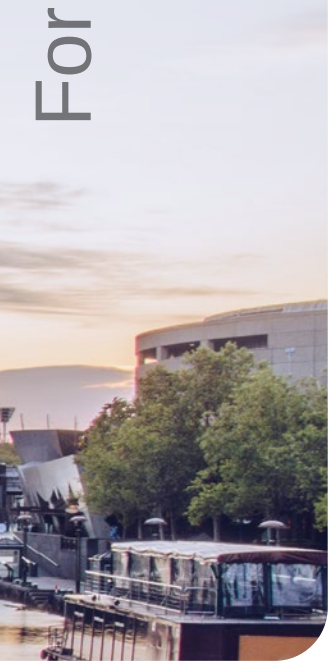

Differentiators underpinning the success and stability of our platform

Diversified real estate strategies with the ability to traverse the real estate lifecycle

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

17-year track record and reputation underpin our strong relationships with investors, borrowers and partners

Committed FUM in long-duration fund structures with limited asset and liability mismatch risks

Mixed-fee structure reduces reliance of earnings growth on Committed FUM

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

Funds management model with autonomy on investment and asset management decisions

The Qualitas Way – entrepreneurial mindset with high-performance standards

Our funds management platform[1]

We have a client-led investment model, leveraging our strong sector experience across private credit and private equity to increase our exposure to scalable and attractive industry megatrends and investment opportunities.

Investor-led thematics

$7.8bn	$0.7bn	$0.6bn	$0.3bn
Private credit	Inflationary hedge	Build-to-Rent	Opportunistic

Macro-led deployment into sub-sectors[2]

79%	8%	5%	3%	5%
Residential	Industrial	Office	Retail	Social infrastructure and other

Return and risk profile led product strategy

$7.8bn	$1.6bn
Credit	Equity

SECTOR AGNOSTIC AND TRAVERSING THE CAPITAL STACK

1. Data as at 30 June 2025. Figures subject to rounding.
2. Split based on allocated capital as at 30 June 2025 excluding the impact of unallocated / non-deployed capital.

Our approach to investing

Experience tells us that the best investment results are delivered by following a disciplined and principled approach.

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When identifying opportunities, there are certain characteristics that we consider:

Our focus is consistently on the end user – we seek real estate investments that are anchored by strong end user demand, location, surrounding infrastructure, property type and amenities.

An investment thematic with a runway of many years where there are strong underlying fundamentals such as demographic drivers, suitable regulatory conditions, and large-scale deployment opportunities.

Once we identify a strong underlying thematic or sector, we then evaluate the relative value of the opportunity compared to other real asset opportunities as well as the liquidity in markets and cyclical factors.

Total capital deployed since inception as at 30 June 2025:

	No. of investments	Total capital deployed
Credit investments	327	$13.7 billion
Equity investments	50	$1.5 billion
Total investments	**377**	**$15.2 billion**

At Qualitas, we have a team of experienced investment professionals who can analyse real estate opportunities from both a debt and equity perspective. This is a unique and strong competitive advantage and when combined with our enviable track record means we are a leading manager in this area.

There are times in the various cycles, which can be at different points depending on sector and geography, when we prefer downside protection (credit investing) and other times where we prefer the ability to earn upside and outsized returns (equity investing).

This is a dynamic process. Our agility, experience, and ability to pivot as needed is what gives investors' confidence and contributes to the company's successful performance.

Risk is always important in our investment decisions. We have a three lines of defence framework – our investment team, risk & investment committee and internal & external audit – that ensures effective and efficient risk governance, and it is incumbent on all our team to ensure risk is central in our thinking. We know that our investment due diligence process, which is underpinned by risk assessment, has helped build Qualitas' industry-leading investing reputation in Australia.

OUR KEY RISK MANAGEMENT TOOLS

Sponsor-driven lender

Sponsor quality is central to every decision, with deep diligence on character, alignment and track record.

Bespoke structuring

Each deal is tailored to its risk profile – within appetite and mandates – with deal-specific covenants and protections; we do not underwrite to a single, prescriptive policy.

In-built agility

Tight conditionality and pre-agreed triggers provide scope to reprice, refresh valuations and tighten covenants should risk shift.

High-touch asset management

Each deal is individually reviewed on a four to six week cycle from deployment to repayment to help identify early warning signs and preserve capital. This is a deliberate, proactive cadence designed to identify shifting risk early and act pre-emptively.

ESG assessment

All new investments are assessed for the sustainability features of the building/development and the ESG performance of the borrower group.

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Investment case studies

Residential construction debt facility – Danks St. District Waterloo, Sydney

Qualitas continues to strengthen its position as one of the leading alternative financiers in Australia, delivering flexible and tailored capital solutions to high-quality sponsors across major metropolitan markets.

Located in Waterloo near Green Square, Danks St. District represents one of the final major developments in Australia's largest urban renewal project. Qualitas provided a substantial senior construction facility for this 373 unit residential campus featuring six low-to-medium-rise buildings, extensive parklands, and 2,609sqm of ground floor retail.

Construction commenced in March 2025 with completion scheduled for September 2027. The borrower, an iCIRT rated and experienced developer with 30 years' experience delivering large-scale mixed-use projects on time and within budget, selected Qualitas for our ability to provide the required loan size and our funds' capacity for full project funding.

Our expertise in structuring complex capital solutions, combined with shared commitment to sustainability and ethical practices, made us the preferred capital partner for this transformative inner-city development.



Investment case studies

Residential construction senior debt facility – Monarch Residences Toowong, Brisbane

Monarch Residences transforms one of Brisbane's last prime riverfront development sites into a premium residential precinct in Toowong with direct river access and CBD proximity. In 2023, the Qualitas Construction Debt Fund provided a multi-million senior construction facility to Consolidated Properties Group for this landmark project.

The development features two 15-storey towers with 224 high-end apartments across 1.2 hectares of landscaped gardens, preserving the heritage-listed Middenbury House while delivering world-class amenities and expansive river views. New residents are expected in December 2025.

This financing demonstrates Qualitas' ability to partner with experienced developers and structure funding solutions for high-quality residential developments in prime South-East Queensland locations.



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Environmental, Social and Governance

At Qualitas, we are committed to integrating and managing appropriate ESG measures throughout the organisation and in our funds and investment processes.

Our vision for ESG encompasses:

Leveraging Qualitas' platform and position as a leading alternative CRE financier to help Australia transition to a low-emissions future.

Delivering real impact through our social and community programs including charitable engagement, human rights, inclusion, and diversity.

Continuing to review and refine our governance framework to ensure best-in-class alignment to achieve our growth objectives.

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We have defined our priority areas as:

Climate change

Qualitas endorses strengthening the global response to climate change. We are committed to measuring and minimising our emissions intensity to align with these goals and using our funds platform to support borrowers and partners with their own decarbonisation goals.

Inclusion and diversity

Qualitas is better equipped to face complex business challenges by harnessing our diverse team's unique talents and experiences.

Responsible investment

Qualitas integrates ESG considerations into our investment processes to identify material risks and opportunities.

Governance

Qualitas believes that strong governance tends to be rewarded and typically translates into long-term investor value.

Our FY25 ESG scorecard

Throughout the year, we progressed several ESG initiatives, including:

- Developing our Sustainable Finance Framework to guide sustainability integration in our funds.
- Launching our Innovate RAP, the next step in our reconciliation journey.
- Preparing our first Modern Slavery Statement and enhancing our modern slavery awareness through staff training and industry collaboration.

Our responsible investment framework

ESG considerations are integral to our investment processes, enabling better risk management, opportunity identification, and long-term value creation for our business, partners, and investors.

In 2025, we introduced the Qualitas Sustainable Finance Framework, establishing clear criteria for Green Loans, Social Loans, and ESG-linked Loans.

We continue to advance sustainable development through ongoing engagement with investors and borrowers on ESG integration. This is supported by educational content that explores sustainable real estate finance, Australia's transition to low-emissions housing, and how private credit can finance environmental objectives.

Environmental

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Our greenhouse gas (GHG) emissions

We have set a target to reduce emissions intensity, measured in terms of full-time equivalent (FTE) employees, by 25 per cent by 2030-31 compared to the 2020-21 base year. With our business operations expanding, emissions intensity is a useful measure.

Our emissions intensity for 2023-24 was 3.84 t-CO_2-e per FTE, compared to 2.25 t-CO_2-e per FTE in the 2020-21 base year. That year was unusually low due to COVID-19-related travel restrictions. We have made good progress in reducing emissions related to our electricity usage (by switching to 100 per cent GreenPower[1]) and waste. Air travel remains the largest contributor to our corporate emissions, accounting for 60 per cent of total inside boundary emissions[2]. As we continue to grow and attract international capital, air travel will remain part of our business. Wherever possible, we use alternative ways to meet with partners, but some travel is unavoidable and will require offsets in the medium term.

In FY24, we offset 100 per cent of our operational emissions through the purchase of Australian Carbon Credit Units (ACCUs). ACCUs were purchased from two certified Australian-based projects: Strathburn Station, Cape York and Moombidary Forest Regeneration Project, South-East Queensland.

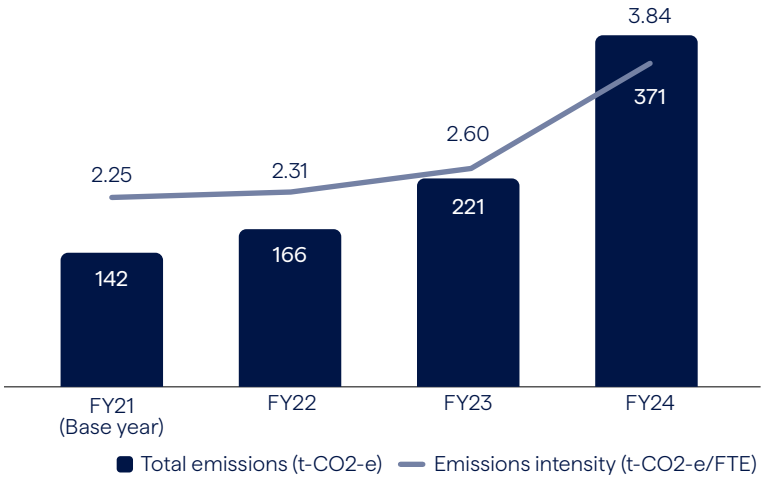
Climate Active

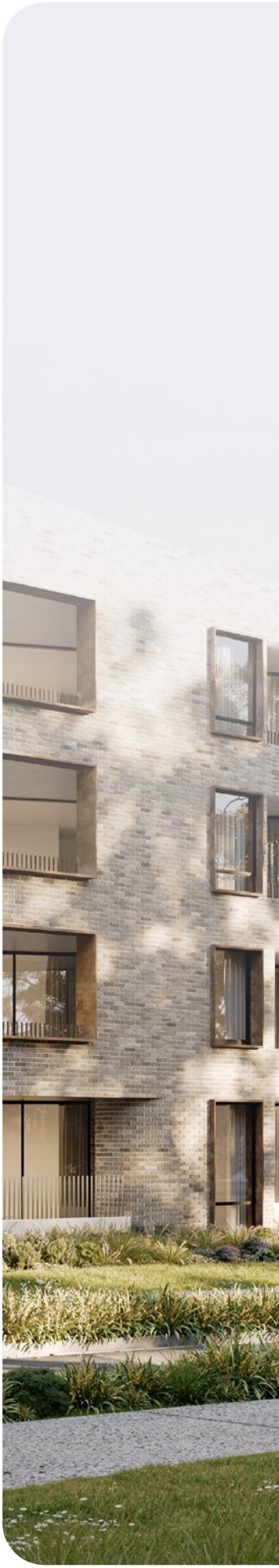
An Australian Government program supporting national climate policy. This work is guided in part by the Climate Active Carbon Neutral Standard.

Investor Group on Climate Change

IGCC is the leading network of institutional investors mitigating the risks and seizing the opportunities of the global transition to net zero.

Total emissions offset





1. GreenPower is a government accredited renewable energy product offered by most electricity retailers to households and businesses in Australia.
2. Reported corporate emissions relate to Qualitas' own operations and do not include financed emissions arising from investments or lending activities.

Case study in sustainable development

Supporting green communities in the regions: The Works, Corrimal NSW

Qualitas is financing stage one of The Works, a landmark urban renewal project transforming Wollongong's former Corrimal coke works site into a sustainable residential community. Developed by repeat client Legacy Property, the project delivers 179 apartments across five buildings on a three-hectare site while setting new environmental standards for the Illawarra region.

The Works will be Wollongong's first development to achieve a 5-Star Green Star Communities rating. The project addresses regional housing demand while enhancing environmental values through:

- Highly efficient apartments achieving 7.9+ star NatHERS ratings, fully electric systems with PV solar for common areas, and rainwater capture for landscape irrigation.
- Native landscape restoration supporting local biodiversity, abundant green space for community wellbeing and urban cooling, and neighbourhood design promoting walkable access to amenities.
- Extensive reuse of construction materials reducing landfill waste and emissions, plus EV charging and carshare infrastructure.

This financing exemplifies our commitment to supporting developments that deliver strong returns while creating measurable positive environmental and social outcomes – aligned with our ESG objectives.



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Social

Community and social impact

Qualitas supports youth homelessness, mental health and children's health through engagement with the Property Industry Foundation, Lighthouse Foundation, batyr and Chain Reaction Challenge Foundation. Our employees actively engage year-round through fundraising, awareness activities, and using their annual volunteer leave day for community initiatives.

Activities during the year included participating in batyr's 'Splash the Stigma' mental health fundraiser, transforming Lighthouse Foundation home gardens in Heathcote and Springvale, and joining the Property Industry Foundation's Steps for Homeless Youth event for the third consecutive year.

For the first time, two Qualitas employees participated in the 2025 Melbourne Chain Reaction Challenge, cycling 1,000 kilometres across New Zealand's South Island and raising $30,000 for ventilators at Monash Children's Hospital's Neonatal and Paediatric Intensive Care Units.



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Our involvement

1,000km to support children's health

Two Qualitas employees, Scott Carver and Ben Hays, joined 28 Melbourne riders in the 2025 Chain Reaction Foundation Challenge, cycling 1,000 kilometres across New Zealand's South Island over seven days.

Together, Scott and Ben raised $30,000 for life-saving ventilator equipment at Monash Children's Hospital's Neonatal and Paediatric Intensive Care Units.

IMPACT

Funds will purchase critical equipment

DISTANCE

1,000km across New Zealand's South Island

RAISED

$30,000 for Monash Children's Hospital



"Representatives from Monash Children's Hospital joined us on the ride and spoke about the real difference we were making... Hearing how it turns into real-life impact – it really hits home."

– Scott Carver

Reconciliation



Artist Alysha Menzel created our 'Journey of Growth' artwork for our Innovate RAP, depicting the continuation of our reconciliation journey.

Qualitas envisions an inclusive, equitable future for Australia that celebrates Aboriginal and Torres Strait Islander peoples and the world's oldest living cultures. This commitment aligns with our core value of Lead with Respect.

Building on our successful Reflect RAP, we launched our two-year Innovate RAP in January 2025, focused on three key areas:

Relationships

Fostering meaningful partnerships with Aboriginal and Torres Strait Islander peoples for positive community outcomes.

Respect

Building an inclusive, diverse team that harnesses unique talents and celebrates differences.

Opportunities

Recruiting Aboriginal and Torres Strait Islander peoples and increasing supplier diversity.

Our RAP working group, comprising diverse business representatives and Pallyan Hunter, a proud Wurundjeri man, governs our Innovate RAP initiatives and supports engagement with local Aboriginal and Torres Strait Islander peoples and communities.

Cultural learning activities included a Welcome to Country for our new Melbourne office opening and participation in National Reconciliation Week and NAIDOC Week events celebrating First Nations cultures and resilience.

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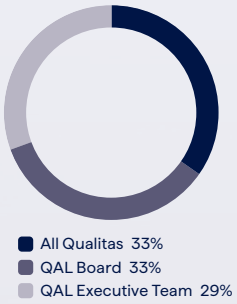
An inclusive and diverse culture

Qualitas fosters an inclusive environment that attracts highly skilled individuals from diverse backgrounds. As we grow, new team members learn our values while contributing to our evolving culture.

Gender diversity progress

We target 40/40/20 gender representation (40 per cent men, 40 per cent women, 20 per cent any gender) across all levels. Women currently represent 33 per cent of our workforce, consistent with FY24. While progress toward our targets has been limited, we remain committed to advancing gender diversity through new grassroots initiatives in FY26 and prioritising our Diversity, Equity and Inclusion (DEI) strategy at Board and Committee level.



Our DEI programs deliver ongoing initiatives that support employee engagement, recruitment, retention, and diversity outcomes.

We celebrate key cultural events including Lunar New Year, International Women's Day, Pride Month, and NAIDOC Week through employee activities and external participation.

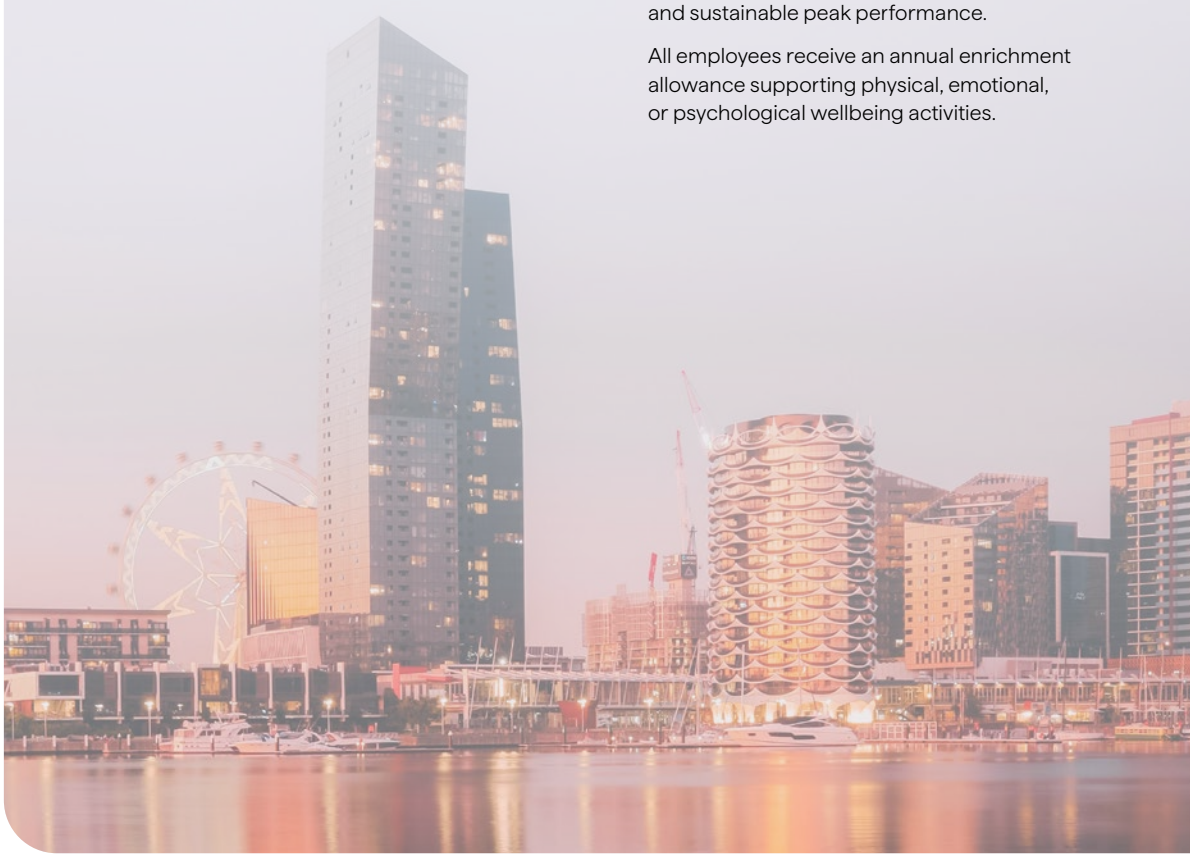
As part of our learning and development program, batyr presented during Mental Health Month, sharing their work supporting young people's mental health. A lived experience speaker helped our team understand the daily impact of batyr's programs.

We support gender and culturally diverse team members through industry collaborations that provide mentoring, sponsorship, and networking opportunities. These initiatives help overcome barriers in male-dominated sectors while advancing our 40/40/20 gender diversity target.

Key partnerships include Women in Banking & Finance (bronze corporate membership), UNSW's Real Estate Investment Student Association (REISA) mentorship program, and the Property Council's female talent initiatives.

We promote employee wellbeing through social engagement activities and education programs. Regular lunch-and-learn sessions cover topics from mental fitness to resilience and sustainable peak performance.

All employees receive an annual enrichment allowance supporting physical, emotional, or psychological wellbeing activities.



Governance

Good corporate governance is central to Qualitas achieving its objectives of delivering attractive, risk-adjusted returns to investors and helping our borrowers and partners bring their projects to life.

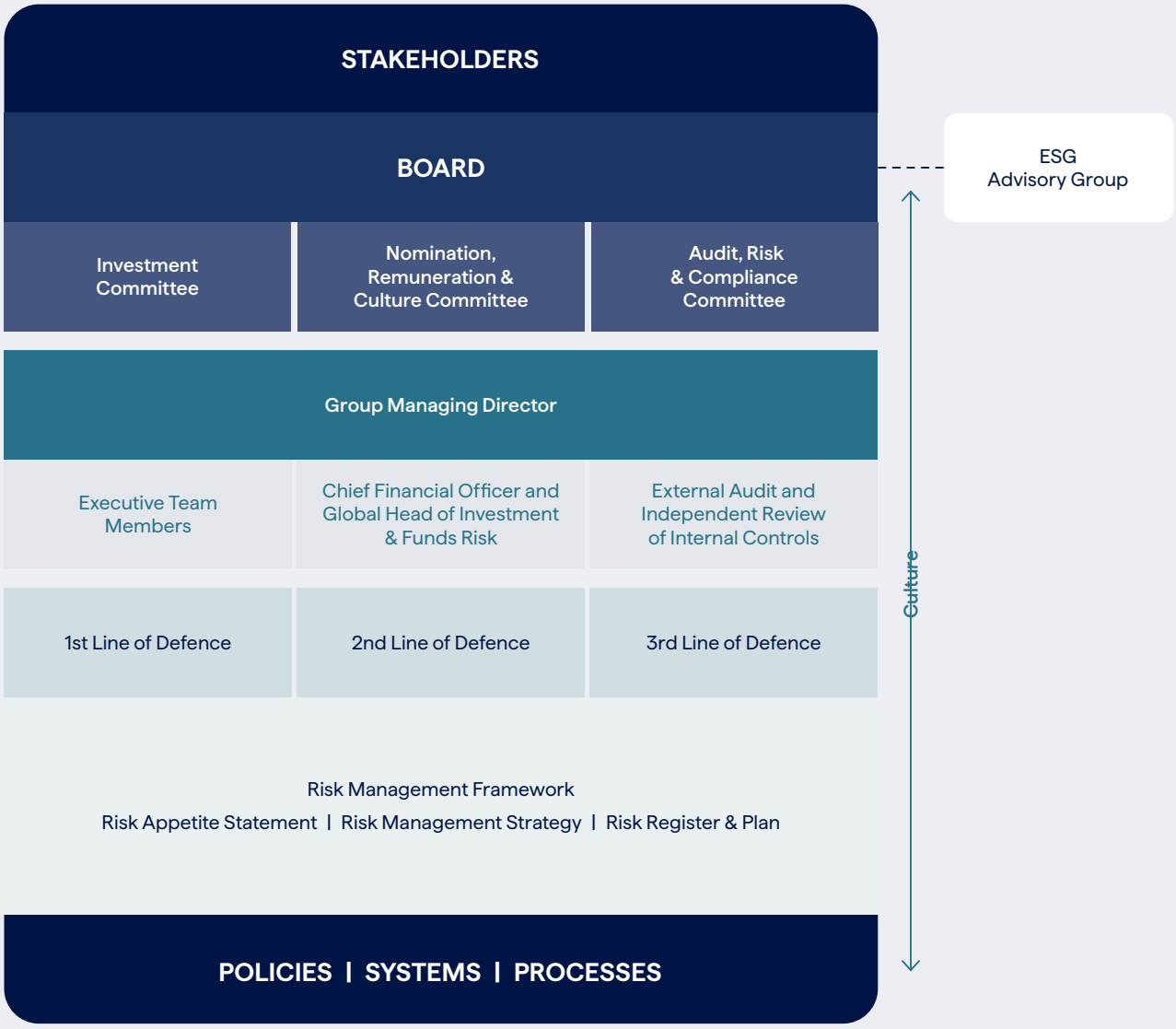
High standards of corporate governance

The Qualitas Board has ultimate responsibility for the company's corporate governance. The Directors are accountable to shareholders for performance, management oversight and adherence to company policies and procedures.

Our governance framework includes corporate governance policies and procedures, risk management practices and internal controls, based on clear lines of accountability, effective delegation, and adequate oversight. The Board and its committees regularly review all facets of the framework to ensure they meet regulatory requirements and are 'fit for purpose' for Qualitas' growth aspirations.

During the year, Darren Steinberg and Bruce MacDiarmid were appointed as Independent Non-Executive Directors of the Qualitas Board. Now all Board Directors, except our Group Managing Director, and members of the Nominations Committee are independent. As noted in our 2025 Corporate Governance Statement, Qualitas meets the requirements of the ASX Corporate Governance Principles Recommendations (4th edition).

There was also a change to the ESG Advisory Group during the year. Following the retirement of Brian Delaney from the Qualitas Board, Andrew Fairley AM was appointed as the Board representative.



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Managing risks

Qualitas has a strong focus on risk mitigation and management through its robust risk management and governance frameworks, and its operating structure and procedures. We conduct annual risk reviews and actively identify, assess and manage risks consistent with our risk management framework. Further detail on our key risks and the way they are managed are included in the Directors' Report.

Leveraging AI

We have made a strategic commitment to embed AI into our investment operations. This will enhance scalability and operational efficiency while creating superior experiences for our people and clients. Recognising the transformative potential of generative AI, we are developing a company-wide AI adoption that guides responsible usage while unlocking significant benefits. To date, we have deployed secure generative AI platforms, along with training to empower our workforce to focus on high-value work while maintaining data security. As AI technology continues to evolve, we remain committed to identifying opportunities, managing risks, and ensuring our people are equipped to leverage these tools effectively.

Managing cybersecurity risks

Our cybersecurity governance structures as part of our Data Breach and Cyber Incident Response Plan are designed to protect our operations and stakeholder data against evolving digital threats and ensure regulatory compliance and operational resilience. We have increased the frequency of cyber controls testing and expanded third-party supplier security assessments. Through ongoing employee training, phishing skills testing and penetration testing we proactively manage against cyberattacks and data breaches.

Modern slavery

Qualitas published its first voluntary Modern Slavery Statement in 2024, reflecting our commitment to addressing modern slavery risks in our operations and supply chains. We will commence mandatory reporting under the Modern Slavery Act in 2025.

Independent assessments holding us to account

Qualitas is a UNPRI signatory, with our 2024 assessment report affirming strong governance and responsible private credit expertise.

We also joined PRI's Private Debt Advisory Committee this year, helping shape global best practice guidance for responsible investment in private credit markets.

A copy of our assessment report can be found on our website.

PRI Principles for Responsible Investment

Qualitas is a member of the Responsible Investment Association of Australasia (RIAA), which champions responsible investing and a sustainable financial system in Australia and New Zealand. We are fully supportive of the RIAA's mission and objectives to ensure capital is aligned with achieving a healthy and sustainable society, environment, and economy.

riaa Responsible Investment Association Australasia



Board of Directors

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Annual Financial Report 2025

For the year ended 30 June 2025

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The consolidated financial report covers Qualitas Limited ("Qualitas" or the "Company") and its controlled entities (together referred to as the "Group").

The Company's registered office is:
Level 41, 101 Collins Street
Melbourne, VIC 3000

The Group's principal place of business is:
Level 41, 101 Collins Street
Melbourne, VIC 3000

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Appendix 4E

For the year ended 30 June 2025

Results for announcement to the market

The Appendix 4E should be read in conjunction with the Directors' Report and consolidated financial statements of Qualitas Limited for the year ended 30 June 2025.

Details of reporting period

Current: For the year ended 30 June 2025

Previous corresponding: For the year ended 30 June 2024

The Directors of Qualitas Limited (ACN 655 057 588) ("Company" or "Qualitas") announce the consolidated results of Qualitas Limited and its controlled entities ("the Group") for the year ended 30 June 2025 as follows:

	For the year ended			
Results for announcement to the market	30 June 2025 $'000	30 June 2024 $'000	Change $	Change %
Revenue from ordinary activities	**109,419**	84,018	25,401	30
Profit from ordinary activities after tax attributable to members	**33,411**	26,180	7,231	28
Net profit for the period attributable to members	**33,411**	26,180	7,231	28

Details of dividends

On 21 August 2024, the Directors declared a fully franked dividend of 5.75 cents per share which amounted to $17,151,967 to be paid on 3 October 2024 with a record date of 12 September 2024.

On 25 February 2025, the Directors declared an interim fully franked dividend of 2.50 cents per share which amounted to $7,504,350 to be paid on 28 March 2025 with a record date of 12 March 2025.

On 21 August 2025, the Directors declared a fully franked dividend of 7.50 cents per share which amounted to $22,513,049 to be paid on 19 September 2025 with a record date of 5 September 2025.

Details of Dividend Reinvestment Plan

The Group does not have a Dividend Reinvestment Plan ("DRP").

Net tangible assets per security

The net tangible asset value per security is $1.27 (2024: $1.23).

Control gained or lost over entities during the period

The entities that the Group gained control over or lost control over during the period are summarised below:

Control lost:

- Chauvel Capital Investment Services #3 Pty Ltd (wholly owned entity deregistered 25 August 2024)
- Chauvel Capital Investment Services #4 Pty Ltd (wholly owned entity deregistered 25 August 2024)
- Chauvel Capital Investment Services #5 Pty Ltd (wholly owned entity deregistered 25 August 2024)
- Chauvel Capital Investment Services (Ashgrove) Pty Ltd (wholly owned entity deregistered 25 August 2024)
- QPICF Financier (Qld) Pty Ltd (previously A.C.N. 628 444 888 Pty Ltd) (wholly owned entity; control is lost subsequent to the share transfer to Qualitas Private Income Credit Fund occurred on 25 November 2024)
- QREO II Alexandria Mezz Pty Ltd (previously A.C.N. 660 568 605 Pty Ltd and QREO Growth A III Sub Pty Ltd) (wholly owned entity; control is lost subsequent to the share transfer to Qualitas Real Estate Opportunity Fund II occurred on 3 September 2024)

Control gained:

- Qualitas Income Credit 2 Pty Ltd (wholly owned entity established on 10 December 2024)
- Qualitas Income Credit 2 Holdings Pty Ltd (wholly owned entity established on 10 December 2024)

Details of associates and joint venture entities

The Group is part of a joint venture arrangement with Gurner Multifamily Pty Ltd, with the joint venture obtaining control over four initial assets. The Group has joint control and a 50% ownership interest. The joint venture is a strategic partnership to establish a build-to-rent platform.

Other information

The Group is not a foreign Group.

Additional information

The additional information required under ASX Listing Rule 4.3A is included in the attached Director's report and the consolidated financial report for the year ended 30 June 2025.

This report is based on the consolidated financial report for the year ended 30 June 2025 which has been audited by KPMG.

As authorised by the Board of Directors.



Andrew Fairley AM
Chairman

Melbourne
21 August 2025

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Directors' report

The Directors of the Company present their report together with the consolidated financial report of the Group for the year ended 30 June 2025 and the auditor's audit report thereon.

Qualitas listed on the Australian Securities Exchange ("ASX") on 16 December 2021 on a conditional and deferred basis and commenced normal trading on 22 December 2021. The ASX ticker is QAL.

The results presented are for the year ended 30 June 2025. The corresponding period is the year ended 30 June 2024.

Principal activity

The principal activities of the Group during the year were funds management and direct lending on commercial real estate.

Directors

The following persons were Directors of Qualitas Limited (ASX ticker: QAL) during the year ended 30 June 2025 and up to the date of this report unless otherwise stated.

Andrew Fairley AM	Independent Non-Executive Chairman	Appointed 4 November 2021
Andrew Schwartz	Group Managing Director, Co-Founder and Chief Investment Officer	Appointed 4 November 2021
Mary Ploughman	Independent Non-Executive Director	Appointed 4 November 2021
JoAnne Stephenson	Independent Non-Executive Director	Appointed 4 November 2021
Brian Delaney	Non-Independent Non-Executive Director	Appointed 4 November 2021 / Retired 23 October 2024
Darren Steinberg	Independent Non-Executive Director	Appointed 1 October 2024
Bruce MacDiarmid	Independent Non-Executive Director	Appointed 15 April 2025

Qualification and experience for the Directors

Andrew Fairley AM

Independent Non-Executive Chairman

Andrew is the Independent Chair of the Qualitas Board effective 4 November 2021. Prior to this, he has been an independent Director of the Board of Qualitas Securities Pty Ltd, the trustee for the Qualitas Funds since July 2017. He has more than 40 years' experience as an equity and commercial lawyer, including in superannuation, trusts, estate and succession planning. He founded Australia's first specialist superannuation law firm, IFS Fairley, in 1993, having built a reputation as a leading practitioner in superannuation law and practice since 1980. He has been named by the Australian Financial Review as one of Australia's best superannuation lawyers each year from 2013 until 2021. He has specialised as a legal advisor to trustees of industry, corporate and public sector superannuation Funds. Andrew founded and then Chaired the Law Council of Australia's Superannuation Committee for 10 years and maintains a close interest in the development of superannuation law and policy. He served as Chair of Equipsuper, a $30 billion industry superannuation Fund for 12 years until 2022. He also served as an industry director of the Australian Financial Complaints Authority until December 2023. His previous roles have included Chair of Zoos Victoria, Chair of Parks Victoria, and Deputy Chair of Tourism Australia. He is currently a Director of Goulburn Valley Water and Applied International Pty Ltd. In addition, he is involved in the philanthropic sector as Emeritus Chair of the Sir Andrew Fairley Foundation, and Deputy Chair of the Mornington Peninsula Foundation. Since July 1996, Andrew has held the position in Australia of Honorary Consul-General of Finland. He also served as Chair of the Luke Batty Foundation until 2019. Andrew completed his law degree at the University of Melbourne, and in 2022 was awarded an Honorary Doctorate from Deakin University. He currently practices as a Consultant to Hall & Wilcox Lawyers in Melbourne.

Andrew is a member of the Audit, Risk and Compliance Committee, the Investment Committee, Nomination, Remuneration, and Culture Committee and the ESG Advisory Group. Andrew is also a director of the Arch Finance entities.

Andrew Schwartz

Group Managing Director, Co-Founder and Chief Investment Officer

Andrew is the Group Managing Director, Co-Founder and Chief Investment Officer of Qualitas. He has over 40 years' experience in financial services with an extensive track record across real estate investments, pioneering the alternative credit market in Australia in the late 1990s with a focus initially on mezzanine debt. He is responsible for overseeing the firm's activities, setting the strategic direction of the business as well as building and enhancing relationships with clients and investors. Andrew is the Chief Investment Officer for the firm's debt and equity Funds. Andrew is currently a director of several Qualitas Group Members. Prior to Qualitas, Andrew was a Head of Asia Pacific Real Estate at Babcock & Brown, the Director of Risk at AIDC and a Senior Manager at Bank of America. Andrew earned a Bachelor of Economics (Accounting) from Monash University.

Andrew is a Member of Chartered Accountants Australia and New Zealand and CPA Australia. Andrew is a member of the Investment Committee and a director of the Arch Finance entities.

Mary Ploughman

Independent Non-Executive Director

Mary has more than 30 years' experience in leadership, financial services, structured finance, securitisation, capital markets, governance and risk management across a range of financial services institution, infrastructure and not for profit boards. Mary has served as a Non-Executive Director of Sydney Motorway Corporation, the NSW Government state owned corporation responsible for the construction and management of Westconnex and was also Deputy Chair of the Australian Securitisation Forum. Mary is the former Joint CEO of Resimac Group Ltd. Prior to Resimac Mary worked in Structured Finance in Price Waterhouse Coopers and Macquarie Bank. Mary is currently the Chair of Plenti Group Ltd (ASX: PLT, appointed July 2020), a fintech in consumer finance, Chair of Pitcher Partners, a senior advisor with Gresham Partners, Non-Executive Director and Chair of Homesafe Solutions (appointed 12 September 2024) and a Non-Executive Director with Housing Australia (appointed 30 November 2024). Mary was previously a Non-Executive Director of Prospa Group Limited (ASX: PGL, appointed March 2021, retired 8 August 2024). Mary was awarded the Kanga News Market Achievement Award in 2016 and was made a Fellow of the Australian Securitisation Forum. Mary holds a Bachelor of Economics from the University of Sydney, is an Associate of the Securities Institute of Australia and a Graduate of the Australian Institute of Company Directors.

Mary is Chair of the Audit, Risk and Compliance Committee, a member of the Investment Committee since 23 October 2024, and was a member of the Nomination, Remuneration, and Culture Committee up until 22 October 2024. Mary is a director of the Arch Finance entities.

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Directors' report

Qualification and experience for the Directors continued

JoAnne Stephenson

Independent Non-Executive Director

JoAnne has extensive experience spanning over 25 years across a range of industries. JoAnne was previously a senior client partner in the Advisory division at KPMG and has key strengths in finance, accounting, risk management and governance. JoAnne is currently a Director and Chair of the Audit, Risk and Compliance Committee for Estia Investments Pty Ltd, Chair of the Audit and Risk Committee for Estia Health TopCo Pty Ltd, a Non-Executive Director of Insurance Australia Group Ltd & Insurance Australia Ltd (ASX: IAG, appointed 12 May 2025), a Non-Executive Director of Lifestyle Communities Ltd (ASX: LIC, appointed 1 July 2025) and a Non-executive Director of Helia Group Limited (ASX: HLI, appointed 15 July 2024). JoAnne was previously a non-Executive Director of Challenger Limited (ASX: CGF, appointed 2012, retired 30 June 2025), the Chair and Non-Executive Director of Myer Holdings Ltd (appointed a Non-Executive Director in November 2016, and retired 9 November 2023), and a Chair of the Major Transport Infrastructure Board (Victoria) and Non-Executive Director of Asaleo Care Limited and Japara Healthcare Limited. JoAnne holds a Bachelor of Commerce and Bachelor of Laws (Honours) from the University of Queensland and is a Member of Chartered Accountants Australia and New Zealand and the Australian Institute of Company Directors.

JoAnne is a member of the Audit, Risk and Compliance Committee, and was appointed a member and Chair of the Nomination, Remuneration, and Culture Committee from 23 October 2024. JoAnne was also the Chair and member of the Investment Committee up until 22 October 2024.

Brian Delaney

Non-Independent Non-Executive Director

Brian retired as a director on 23 October 2024. Brian has had over 35 years' experience in the funds management industry holding senior roles globally. Brian is the Chair of Fund Executives Association Limited (FEAL), Chair of Armitage Associates, and is a Director of Auctus Investment Group (ASX: AVC, appointed November 2021), and the Trawalla Group. Brian has previously held roles at Queensland Investment Corporation (QIC) as Executive Director of Strategy, Clients and Global Markets, and as U.S. Senior Managing Director, leading QIC's efforts to foster client relationships and business development opportunities across four offices in New York City, San Francisco, Cleveland and Los Angeles. Brian has also held roles at AMP Capital Investors as Director of the Client, Product and Marketing division where he was responsible for all institutional, retail and self-managed super Fund strategies, and serving as a member of the Global Executive Team. Brian is a graduate from the Harvard Business School Executive Education Program and holds an Advanced Diploma in Financial Planning and Post Graduate Certificate in Management from Macquarie University. Brian is a life member of the Association of Superannuation Funds (ASFA), a Fellow of ASFA and the Australian Institute of Company Directors. Past directorships include the boards of Lonsec Financial Group, Basketball Australia, ASFA and Investment Management and Consultants Association (IMCA).

Brian was a member and Chair of the Nomination, Remuneration and Culture Committee, and a member of the Company's ESG Advisory Group.

Darren Steinberg

Darren was appointed an independent non-executive director to the Company effective 1 October 2024. Darren has over 30 years' experience in the property and funds management industry with an extensive background in property investment and development. Darren is a Fellow of the Australian Institute of Company Directors, the Royal Institution of Chartered Surveyors and the Australian Property Institute. He is a Life Member and former National President of the Property Council of Australia. Darren was Chief Executive Officer and Managing Director of Dexus Funds Management Limited from 2012 to 2024. He is Chair of IFM Real Estate Investment Committee and a Member of IFM Investment Committee, a Non-Executive Director of Sydney Swans Limited, Advisor to the BESEN Family Office and a member of the Built Residential Advisory Board. Darren has a Bachelor of Economics from the University of Western Australia.

Darren commenced as Chair and member of the Investment Committee from 23 October 2024, and a member of the of the Nomination, Remuneration and Culture Committee since 23 October 2024.

Bruce MacDiarmid

Bruce was appointed an independent non-executive director of the Company on 15 April 2025. Bruce has over 30 years of experience in financial services, working for several major investment banks and most recently as Chairman of Investment Banking at Goldman Sachs, Australia & New Zealand from 2018 to 2023.

Bruce has extensive international experience, having been based in London, Singapore and Hong Kong and has worked across Asia, Europe, the Middle East and North America. Prior to his role at Goldman Sachs, Bruce was Managing Director and Co-Head of Corporate Finance, Australia and New Zealand for Deutsche Bank AG Sydney, Head of Natural Resources for Deutsche Bank in the Asia Pacific and Co-Head of Rothschild Australia.

Bruce is currently a Non-Executive Director of Washington H. Soul Pattinson & Company Limited (ASX:SOL), the Treasury Corporation of Victoria and the Sydney Children's Hospital Network. He is also a member of the University of New South Wales Law Council Advisory Board. He previously served as an Non-Executive Director of the Sydney Children's Hospital Foundation from 2023 to May 2025.

He holds a Bachelor of Commerce and a Bachelor of Laws from the University of New South Wales, is a Senior Fellow of the Financial Services Institute of Australia and a graduate of the Australian Institute of Company Directors.

Bruce is a member of the Audit, Risk and Compliance Committee, and the Nomination, Remuneration and Culture Committee.

Company Secretary

The Company Secretary of the Company is Terrie Morgan (LLB; B.Ag; GDLP) and was appointed by the Board on 8 June 2022. Terrie has over 18 years' experience in commercial, executive and legal counsel roles, with experience as an ASX-listed company secretary and advisor. She is admitted as a lawyer to the Supreme Court of Victoria.

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Directors' report

Directors' meetings

Member of the Board Committees during the period are described below:

Period 1 July 2024 – 22 October 2024

ARCC: Mary Ploughman ©; Andrew Fairley AM; JoAnne Stephenson
NRCC: Brian Delaney ©; Mary Ploughman; Andrew Fairley AM
IC: JoAnne Stephenson ©; Andrew Fairley AM; Andrew Schwartz

Period 23 October 2024 – 14 April 2025

ARCC: Mary Ploughman ©; JoAnne Stephenson; Andrew Fairley AM
NRCC: JoAnne Stephenson © (New); Darren Steinberg; Andrew Fairley AM
IC: Darren Steinberg © (New); Andrew Fairley AM; Andrew Schwartz; Mary Ploughman

Period 15 April 2025 – 30 June 2025

ARCC: Mary Ploughman ©; JoAnne Stephenson; Andrew Fairley AM; Bruce MacDiarmid
NRCC: JoAnne Stephenson ©; Darren Steinberg; Andrew Fairley AM; Bruce MacDiarmid
IC: Darren Steinberg ©; Andrew Fairley AM; Andrew Schwartz; Mary Ploughman

The number of Directors' meetings (including meetings of committees of Directors and excluding circulatory resolutions) and number of meetings attended by each of the Directors of the Company during the year are:

	Board Meetings		Audit, Risk and Compliance Committee Meetings (ARCC)		Nomination, Remuneration and Culture Committee Meetings (NRCC)		Investment Committee Meetings (IC)	
	A	B	A	B	A	B	A	B
Andrew Fairley AM	10	10	6	6	7	6	4	4
Andrew Schwartz	10	10	6	6	7	7	4	4
Brian Delaney	3	3	1	1	3	3	—	—
JoAnne Stephenson	10	10	6	5	4	4	1	1
Mary Ploughman	10	10[1]	6	6	3	3	3	3
Darren Steinberg	8	7	1	1	5	5	3	3
Bruce MacDiarmid	3	3	1	1	2	2	—	—

1. One meeting attended in part.

Column A: Indicates the number of meetings held during the period of each Director's tenure. Where a Director is not a member but attending meetings during the period, then only the number of meetings attended rather than held is shown.
Column B: Indicates the number of meetings attended by each Director.

Directors' interests

Please see the Audited Remuneration Report for the details of Directors' interests in the Group.

Operating and financial review

The net profit after tax of the Group for the year ended 30 June 2025 amounted to $33,410,704 (2024: $26,179,913).

Shareholder returns	For the year ended 30 June 2025 $	30 June 2024 $
Profit attributable to the owners of the Group	**33,410,704**	26,179,913
Basic EPS	**11.44 cents**	9.00 cents
Dividends paid	**24,656,317**	22,992,472
Dividends per share	**8.25 cents**	7.75 cents
Change in share price	**1.09**	(0.33)
Return on capital employed	**8.78%**	7.13%

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Directors' report

Operating and financial review continued

Non-IFRS

Qualitas results are reported under International Financial Reporting Standards ("IFRS"). The Directors' report also includes certain non-IFRS measures including Normalised earnings before interest, taxes, depreciation and amortisation ("EBITDA"), Normalised net profit before tax ("NPBT") and Normalised net profit after tax ("NPAT"). These measures are used internally by management to assess the performance of our business, make decisions on the allocation of our resources and assess operational management. Non-IFRS measures have not been subject to independent audit. All non-IFRS information unless otherwise stated has not been extracted from Qualitas' financial statements and has not been subject to audit or review. Certain figures may be subject to rounding differences. Refer to the reconciliation of statutory earnings to normalised earnings table below. All amounts are in Australian dollars unless otherwise stated.

Forward-Looking Statements

Statements contained in this report may be forward-looking statements. Such statements are inherently speculative and always involve some risk and uncertainty as they relate to events and depend on circumstances in the future, many of which are outside the control of Qualitas. Any forward-looking statements contained in this report are based on a number of assumptions that may prove to be incorrect, and accordingly, actual results or outcomes may vary. Past performance is not indicative of future returns. No representation or warranty is made by or on behalf of Qualitas that any projection, forecast, calculation, forward-looking statement, assumption or estimate contained in this report should or will be achieved.

Key activities for the period include:

- Total committed Funds Under Management (FUM) increased to $9.5 billion as at 30 June 2025, up 7% on 30 June 2024, predominantly driven by capital raising through the institutional channel and Qualitas Real Estate Income Fund (ASX:QRI).
- $4.6 billion deployed into investments in FY25[1], up 9% on FY24.
- Funds management revenue increased to $67.1 million, up 25% on FY24 driven by record annual growth of base management fees since IPO. This is attributed to consistent Fee Earning FUM[2] growth.
- Principal income increased to $31.3 million, up 35% on FY24 due to increased draw-down of balance sheet capital in co-investment.
- Net performance fee revenue increased to $8.1 million, up 234% on FY24 due to increased accrual from credit funds' performance fees.
- Funds management EBITDA[3] including performance fees, of $55.9 million increased by 39% on FY24. FY25 funds management business delivered another record EBITDA margin, expanding 0.7% from FY24, fuelled by strong growth in principal income and performance fees.
- Normalised NPBT of $53.0 million[3], up 36% on FY24 due to consistent strong growth in the Funds management business with improving economies of scale.
- Statutory NPAT of $33.4 million, up 28% on FY24.

Normalised EBITDA, Normalised NPBT and Normalised NPAT are reconciled to Statutory EBITDA, Statutory NPBT or Statutory NPBT respectively below.

	Year ended		
	30 June 2025 $'000	30 June 2024 $'000	Change %
Statutory EBITDA	**51,345**	**40,320**	**27%**
Loss/(gain) on mark to market (MTM) value of QRI investment	125	(875)	
QRI capital raising costs	5,067	2,448	
Normalised EBITDA	**56,537**	**41,894**	**35%**
Statutory net profit before tax (NPBT)	**47,814**	**37,432**	**28%**
Loss/(gain) on mark to market (MTM) value of QRI investment	125	(875)	
QRI capital raising costs	5,067	2,448	
Normalised NPBT	**53,006**	**39,005**	**36%**
Statutory net profit after tax (NPAT)	**33,411**	**26,180**	**28%**
Loss/(gain) on mark to market (MTM) value of QRI investment	88	(613)	
QRI capital raising costs	3,547	1,714	
Normalised NPAT	**37,046**	**27,281**	**36%**

1. Financial year ends on 30 June. FY25 refers to period between 1 July 2024 and 30 June 2025.
2. Amount in Committed FUM 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.
3. FY25 normalised earnings and funds management EBITDA adjusted for abnormal items including unrealised mark to market MTM losses ($125k) from Qualitas' co-investment in QRI and QRI capital raise costs ($5.1m). FY24 normalised earnings and funds management EBITDA adjusted for unrealised MTM gains from Qualitas' co-investment in QRI ($875k) and QRI Capital raising costs (FY25: $2.4m).

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Directors' report

Review of operations

The Company is one of Australia's leading alternative real estate investment managers with extensive operating experience. The Group invests in real estate private credit, opportunistic real estate private equity, income producing commercial real estate ("CRE") and build-to-rent ("BTR") residential. Qualitas manages predominantly discretionary Funds on behalf of institutional, wholesale and retail clients in Australia, Asia, Middle East, North America and Europe.

Qualitas' objective is to provide Shareholders with attractive risk-adjusted returns through a combination of regular dividend income and capital growth.

Funds management

Real estate private credit

Funds managed by Qualitas invest in CRE credit on behalf of Fund investors, including:

- senior and mezzanine loans secured by stabilised investment properties, construction projects, completed high-density residential dwellings and pre-development land; and
- lending into real estate sectors benefitting from strong structural growth, including BTR assets.

Real estate private equity

Funds managed by Qualitas invest in real estate assets on behalf of Fund Investors with two key investment strategies across its core equity and opportunistic equity Funds.

Core equity Funds focused on 'needs' sectors, such as BTR, non-discretionary consumer staples, logistics and convenience retail assets that display recurring income characteristics. They include attractive rental escalations and resilient cashflows to provide compelling risk-adjusted returns for Fund investors.

Opportunistic equity Funds comprise total return Funds focused on situational and opportunistic real estate investing, including development joint ventures, recapitalisations, distressed situations and structured or preferred equity investments.

Co-investments and Fund underwriting activities

As part of Qualitas' investment management business, Qualitas utilises its balance sheet capital in support of its Funds, in order to grow its funds under management and Management Fees by:

- co-investing into Funds alongside Fund investors; and
- underwriting for a Fund prior to the completion of a capital raising for a Fund or in anticipation of a repayment of a Fund investment or the launch of a new Fund, following which the Fund will take out or refinance the underwriting position.

Direct lending

Arch Finance

Qualitas' direct lending subsidiary, Arch Finance, provides CRE debt to smaller borrowers. Arch Finance manages and originates these loans via the Arch Finance Warehouse Trust, which provides first mortgage loans secured against predominantly established income producing or owner-occupied CRE.

From 26 November 2024, under the Accounting Standards, the Group is no longer required to consolidate the Arch Finance Warehouse Trust as the Noteholder Agreement was amended resulting in the loss of control by the Group (refer to Note 33).

Summary of Group Financial Performance

A summary of the financial performance for the period ended 30 June 2025 is detailed below.

	For the year ended	
	30 June 2025 '000	30 June 2024 '000
Total revenue	**$109,420**	$84,019
Profit/(loss) from ordinary activities after tax attributable to members	**$33,411**	$26,180
Funds from operations ("FFO")	**$46,376**	$38,643
Weighted-average securities on issue	**291,960**	290,989

The Company recorded total revenue of $109,420,448 (2024: $84,018,807) a statutory profit of $33,410,704 (2024: $26,179,913) and Funds from operations of $46,376,365 (2024: $38,643,081). FFO represents the underlying earnings from its operations and is determined by adjusting the statutory profit after tax for items which are non-cash, unrealised or capital in nature.

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Directors' report

Summary of Group Financial Performance continued

A summary of the reconciliation between the statutory profit after tax and FFO is detailed below.

	For the year ended	
	30 June 2025 $'000	30 June 2024 $'000
Statutory profit after tax	**33,411**	26,180
Income tax expense	**14,403**	11,252
Depreciation and amortisation	**2,675**	2,232
Acquisition and transaction costs (QRI)	**5,067**	2,448
Performance fee revenue net of staff incentives	**(8,075)**	(2,421)
Fair value movements	**(1,105)**	(1,049)
FFO	**46,376**	38,642

A summary of the financial position as at 30 June 2025 and 2024 is detailed below.

	2025 $'000	2024 $'000
Assets		
Investments	**161,314**	106,732
Total assets	**481,745**	708,132
Net assets	**380,370**	367,012
Net tangible assets	**380,370**	367,012
Adjusted net tangible assets	**380,370**	367,012
Number of securities on issue	**300,174**	298,295
Net tangible assets ($ per security)	**1.27**	1.23
Adjusted net tangible assets ($ per security)	**1.27**	1.23
Capital management		
Drawn debt	**44,719**	292,138
Drawn debt (excluding Arch Finance mortgage loans)	**44,719**	38,426
Cash	**148,784**	194,381
Gearing ratio (%)	**11.6%**	10.5%
Weighted average cost of debt (% per annum)	**7.2%**	7.0%

The Company's operations during the period performed as expected in the opinion of the Directors.

Strategy and outlook

The Company operates as an alternative investment manager with access to diversified opportunities across CRE markets, spanning multiple capital structures, Fund types, and real estate sub-asset classes. Its growth strategy is anchored in scaling the Funds management platform, enhancing operational efficiency, and attracting large capital mandates from both new and existing institutional investors, which are then deployed into large-scale, high-quality investments.

Global private credit capital allocation trends are shifting, with investors diversifying away from the US market toward regions like Europe and APAC, due to volatility in the US market. Australia CRE market screens particularly favourably, benefiting from strong fundamentals, structural supply shortages, and attractive yield premiums, positioning the Company to capture cross-regional capital flows and deliver differentiated returns.

Following the recent rate cuts and with further easing expected, we are optimistic on CRE financing activity over the medium term. Meanwhile, tightened banking regulation is restricting credit availability, particularly in residential and development financing. Combined with long-term residential undersupply and elevated construction costs, this creates a favourable environment for multi-dwelling residential asset value growth. Against this backdrop, Qualitas' credit Funds continue to deliver strong risk premiums, while equity Funds are positioned to opportunistically acquire assets at recalibrated valuations. BTR equity Funds aim to institutionalise one of the sector's most resilient and growing income streams, supported by structural residential shortages.

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Directors' report

Risks

The Group actively identifies, assesses and manages risks consistent with its risk management framework. The Group has a strong focus on risk mitigation and management through its robust risk management and governance frameworks, and its operating structure and procedures. The following list is not a comprehensive list but summarises some of the Groups' key risks and the way they are managed.

Failure to attract and/or retain Fund investor capital

The Group's business relies heavily on attracting new Fund investor capital, and retaining Fund investor capital, in order to generate fees from its funds. If clients do not continue to invest in Qualitas Funds or if new investors do not choose to invest in Qualitas Funds, the growth in the Group's revenue may be slower than expected or may even decline.

Financial risk management as it relates to balance sheet investments made by the Group would fall under the realm of the Qualitas Investment Committee. In terms of other risks relating to the Group, these are captured in the Risk Register which is part of the Group's risk appetite statement which is overseen by the Audit, Risk and Compliance Committee.

Changing regulatory environment

The provision of financial services is highly regulated. Financial services regulation is complex and is impacted by legislation, published regulatory guidance as well as regulatory views, all of which may change from time to time.

All regulatory approvals for the continued operation of the Groups' business, including licences or exemptions from licensing for Qualitas and Qualitas Funds have been obtained and Qualitas is not aware of any circumstances which are likely to give rise to the cancellation or suspension of any of those regulatory approvals.

The Group manages this risk through its internal full time legal and compliance departments, supported by regular employee formal and informal training programs. The Group further supports its regulatory management through a panel of reputable legal, tax, accounting and insurance advisors along with internal and external audit partners. Appropriate policies and procedures are in place across the Group, with transparent reporting across the Group to senior management and the Board.

Economic risks

Changes in general economic conditions, both domestic and global, weakening or downturn in the financial services or Funds management industries, introduction of tax reform, employment rates, movements in interest rates, credit spreads, equity risk premiums, corporate failure rates, inflation rates, currency exchange rates and national and international political circumstances may have an adverse effect on the Group's activities, as well as on its ability to fund those activities.

The Group manages this risk through its Investment Committee, that oversees investments of the Group to ensure appropriate strategies are in place to address market risk. Ongoing reviews and market intelligence are undertaken with regular and transparent reporting to senior management and the Board, as relevant.

Climate-related and environmental risks

There are a number of climate-related factors that may affect the Group's business. Climate change or prolonged periods of adverse weather and climatic conditions (including rising sea levels, floods, hail, drought, water scarcity, temperature extremes, frosts, earthquakes and pestilence) may have an adverse effect on Qualitas, or Fund investments.

The Group believes rising global carbon emissions and consequent global warming represents a systemic risk, the consequences of which we are likely to experience this century both in investment markets and the physical well being of the global community. Accordingly, one of the Groups' immediate priorities is to minimise our own carbon footprint, whilst at the same time influence partners and borrowers to reduce the carbon exposure of the real assets they invest in, thereby improving the long-term sustainability of our Fund investments. Qualitas maintained its Climate Active Carbon Neutral[1] certification as at June 2024. We achieved this partly through the purchase of 100% Green Power across our office locations and via the purchase of Australian Carbon Credit Units (ACCUs) for our residual emissions. Climate Active Carbon Neutral certification does not include Scope 3 financed emissions from our Funds and investments.

Qualitas is a signatory to the United Nations supported Principles for Responsible Investment (UNPRI). As a signatory, the Group is committed to implementing its principles which are consistent with the Group's core ESG beliefs. Qualitas also maintains memberships of other industry groups including the Investor Group on Climate Change (IGCC), Responsible Investment Association of Australasia (RIAA) and the Property Council of Australia (PCA), which we consider are important for advancing collective action on climate and other sustainability related risks and opportunities. The Group believes that material progress in the transition to low carbon investment activities can only be made with a transparent and robust reporting system to inform investment policy and decision making. Qualitas supports the introduction of mandatory climate-related financial disclosures under AASB S2 and is preparing to meet these requirements in accordance with the phased implementation timeline.

Information technology risk, cyber risk and network integrity risk

The Group's information and technology systems, or those of its suppliers or other counterparties, may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorised persons and security breaches, usage errors, power outages and catastrophic events. The Group manages this risk by ensuring appropriate IT protection software and detection systems are in place, along with back-up data retention. The Audit, Risk and Compliance Committee and Board regularly receives and reviews reports on cyber risk and IT integrity.

1. Climate Active is a voluntary Australian Government program that certifies organisations, products, services and events as carbon neutral in accordance with the Climate Active Carbon Neutral Standard. Details of our certification can be found on the Climate Active website at https://www.climateactive.org.au/buy-climate-active/certified-members/qualitas

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Directors' report

Significant changes in state of affairs

Other than set out below, in the opinion of the Directors, there were no other significant changes in the state of affairs of the Group that occurred during the current reporting period.

Principal activities

The Company is an Australian alternative real asset investment manager with Committed FUM of $9.5 billion as at 30 June 2025 across debt and equity Funds and other mandates. The Company specialises in managing funds focused on the real estate private credit and real estate private equity sectors. There were no significant changes in the nature of the activities of the Group during the year.

Additionally, the Company holds drawn interests in its Funds alongside institutional, wholesale and retail investors (Fund Investors), totalling $166m (Co-Investments) with an additional $109m co-investment commitment to be drawn as dry powder is deployed.

Arch Finance Unit Trust is a wholly owned entity of the Company. Arch Finance is a non-bank commercial real estate mortgage originator and lender. Arch Finance manages and originates these loans via the Arch Finance Warehouse Trust, which provides first mortgage loans secured against predominantly established income producing or owner-occupied commercial real estate. From 26 November 2024, under the Accounting Standards, the Group is no longer required to consolidate the Arch Finance Warehouse Trust as the Noteholder Agreement was amended resulting in the loss of control by the Group (refer to Note 33).

Options for Company shares

The Company has unquoted options on issue to non-executive employees under the Company's employee equity plan. 1,655,000 such options were issued since the end of the financial year, however 85,000 of those options since lapsed as the options became incapable of being exercised on resignation of relevant employees, as set out below. No options have been exercised since the end of the financial year. Each option can be exercised for one ordinary share in the Company following a period of 5 years employment of the holder from the date of issue, subject to the terms of the Qualitas Employee Equity Plan, continued employment with the Group, and satisfactory achievement of individual performance conditions.

Issue date	Expiry date	Exercise Price	Number of options
8 March 2023	8 March 2033	$2.75	769,223
6 November 2023	6 November 2033	$2.31	1,325,000
6 January 2025	6 January 2035	$2.71	1,570,000

On 1 August 2022, the Company granted options to Abu Dhabi Investment Authority (ADIA) under which ADIA may have acquired up to 32,630,374 new ordinary shares in Qualitas, conditional on further investment mandates from ADIA of up to $1 billion with the Group, within the option term. The exercise price of each option was the VWAP[1] (per share) of shares issued including and since the IPO of Qualitas. The expiry date of the options was 1 August 2024, and the options expired unexercised on that date, for no consideration (together, the "ADIA Options").

After balance date events

Subsequent to year end, on 21 August 2025, the Directors declared a fully franked dividend of 7.50 cents per share which amounted to $22,513,049 to be paid on 19 September 2025 with a record date of 5 September 2025.

There were no other matters or circumstances that have arisen since 30 June 2025 that has significantly affected, or may significantly affect:

i) the operations of the Group in future financial period, or

ii) the results of those operations in future financial period, or

iii) the state of affairs of the Group in future financial period.

Likely developments in the operations of the Group, and the expected results of those operations in future financial years, have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

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1. Options strike price was the volume weighted average price of shares issued since the IPO of Qualitas.

Directors' report

Environmental regulation

The Directors are not aware of any material non-compliance with environmental regulations pertaining to the operations or activities of the Group during the period covered by this report.

Dividends

On 21 August 2024, the Directors declared a fully franked dividend of 5.75 cents per share which amounted to $17,151,967 to be paid on 3 October 2024 with a record date of 12 September 2024.

On 25 February 2025, the Directors declared an interim fully franked dividend of 2.50 cents per share which amounted to $7,504,350 to be paid on 28 March 2025 with a record date of 12 March 2025.

Indemnification and insurance for Directors and officers

The Group has entered into insurance contracts, which indemnify directors and officers of the Group, and its controlled entities against liabilities. In accordance with normal commercial practices, under the terms of the insurance contracts, the nature of the liabilities insured against and the amount of premiums paid are confidential. An indemnity agreement has been entered into between the Group, officers and each of the Directors named earlier in this report. Under the agreement, the Group has agreed to indemnify the Directors and officers against any claim or for any expenses or costs, which may arise as a result of the performance of their duties as directors or officers to the extent allowed by law.

No indemnity has been granted to an auditor of the Group in their capacity as auditor of the Group.

Non-audit services

During the year KPMG, the Group's auditor, has performed certain other services in addition to their statutory duties. Details of the audit fee and non-audit services are set out in note 32 on page 61 to the financial report. The Board has considered the non-audit services provided during the year by the auditor and, in accordance with written advice provided by resolution of the Audit, Risk and Compliance Committee, is satisfied that the provision of those non-audit services during the year by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the reason that all non-audit services were subject to the corporate governance procedures adopted by the Group and have been reviewed by the Audit, Risk and Compliance Committee to ensure they do not impact the integrity and objectivity of the auditor.

Details of the amount paid to the auditor of the Group, KPMG and its network firms for audit and non-audit services provided during the year are set out below:

Services other than audit and review of the financial statements	2025 $'000
Tax services	130
Advisory services	—
Other services	—
Total remuneration for other services	**130**
Audit and review of financial statements	**422**
Total paid to KPMG	**552**

Rounding of amounts to the nearest thousand dollars

The Group is a Group of the kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191* issued by the Australian Securities and Investments Commission (ASIC) relating to the "rounding off" of amounts in the Directors' report. Amounts in the Directors' report have been rounded to the nearest thousand dollars in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

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Remuneration report

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QUALITAS

Letter from the Chair of the Nomination, Remuneration and Culture Committee

Dear Securityholders,

On behalf of the Board of Directors, I am pleased to present the Company's Audited Remuneration Report.

The 2025 Financial Year delivered another year of excellent achievements including significant growth in funds under management, record deployment and strong growth in profitability – all a credit to the significant contribution of the whole Qualitas team.

Notable financial highlights for the year ended 30 June 2025, include:

- Total committed Funds Under Management (FUM) increased to $9.5 billion as at 30 June 2025, up 7% on 30 June 2024, predominantly driven by capital raising through the institutional channel and Qualitas Real Estate Income Fund (ASX:QRI).
- Deployment of $4.6 billion in capital, up 9% on FY24.
- Funds management revenue increased to $67.1 million, up 25% on FY24 driven by record annual growth of base management fees since IPO. This is attributed to consistent Fee Earning FUM growth.

FY25 remuneration outcomes

Qualitas' Executive Remuneration Framework aims to be market competitive and to align performance measures with the Group's strategic objectives, values and behaviours, and risk culture. The Board believes it is appropriately aligned with the interests of shareholders and investors in Qualitas Funds.

The key components of the Framework are Fixed Remuneration, Short-Term (STI) and Long-Term Incentives (LTI), and in some instances, entitlement to Fund Participation Rights. In relation to Executive pay in FY25, the following key comments are made, with further details provided within this Report:

- Andrew Schwartz (Group Managing Director and Co-Founder ("Group Managing Director") did not participate in the FY25 STI plan. His significant shareholding in the Group ensures continued alignment with long-term shareholder outcomes.
- Under the FY25 STI plan, Mark Fischer (Global Head of Real Estate and Co-Founder) earned a vested award of $725,000, and Philip Dowman (Chief Financial Officer) earned $230,000. The Board considers each award appropriate in light of their individual contributions and the Group's overall performance.
- The FY23 LTI Executive Plan and Group Managing Director Loan Share Plan (Performance Period: 1st July 2022 to 30th June 2025) will vest to the extent of 70.89% on 31st August 2025) following the Board's assessment of the outcomes against the Plan measures.

The Board will continue to review and assess the effectiveness of the remuneration framework and policies to ensure they remain appropriate for Qualitas, market competitive, and align with shareholder expectations.

On behalf of the Board, I invite you to consider the 2025 Audited Remuneration Report and welcome any feedback you may have.



JoAnne Stephenson
Chair of the Nomination, Remuneration and Culture Committee

Audited remuneration report

The Company was incorporated on 4 November 2021 and first listed on the ASX on 16 December 2021.

This Audited Remuneration Report captures the Company's remuneration arrangements for the year ended 30 June 2025. Comparatives are for the year ended 30 June 2024. The Audited Remuneration Report is presented in accordance with the requirements of the *Corporations Act 2001* (Cth) (the Act). It has been audited as required by Section 308(3C) of the Act.

1 Key management personnel

The Audited Remuneration Report details the key management personnel (**KMP**) remuneration arrangements for the Group, in accordance with the requirements of the *Corporations Act 2001* and its regulations.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including all Directors. They include Non-Executive Directors and senior executives who fall within those criteria. For the year ended 30 June 2025, KMP were:

Table 1: Listing of KMP

	Role	Term
Non-Executive Directors		
Andrew Fairley AM	Independent, Non-Executive Chairman	Full year
Mary Ploughman	Independent Non-Executive Director	Full year
JoAnne Stephenson	Independent Non-Executive Director	Full year
Brian Delaney	Non-Executive Director	Retired 23 October 2024
Darren Steinberg	Independent Non-Executive Director	Appointed 1 October 2024
Bruce MacDiarmid	Independent Non-Executive Director	Appointed 15 April 2025
Executive Director		
Andrew Schwartz	Group Managing Director	Full year
Other Executive KMP		
Mark Fischer	Global Head of Real Estate	Full year
Philip Dowman	Chief Financial Officer	Full year

The term Executive KMP refers to the Group Managing Director and Other Executive KMP.

We note that there were no changes in KMP or other material matters from close of reporting period to publishing of the rep.

2 Executive Remuneration Governance and Structure

Qualitas recognises the importance of retaining key talent in a globally competitive market and aligning remuneration with the interests of shareholders and investors. To assist the Board, the NRC Committee and Management to implement this remuneration philosophy, Qualitas has a Remuneration Policy that sets out a framework for the Group to operate within. The policy provides the following key principles that guide Qualitas' reward structures:

a) ensuring alignment with Qualitas' vision, values, and strategy, and encouraging appropriate behaviours;

b) aligning the interests of Employees and Directors with company performance and achievement of business goals (both, financial and non-financial), without rewarding misconduct, or conduct negatively impacting Qualitas' reputation;

c) promoting diversity and equality;

d) ensuring easy to understand, and transparent, remuneration policies and practices designed to attract, retain and motivate Employees and Executives;

e) including risk gateways to ensure participants act within agreed risk parameters;

f) balancing competitiveness, with economical value to shareholders, in changing market conditions, recognising that for truly critical talent, generous packages should be favoured, but weighted to the long-term; and

g) meeting high standards of governance and complying with all relevant legal and regulatory provisions, including having regard for the expectations of an ASX-listed entity.

The Board is accountable to Qualitas' shareholders, and reviews and approves the recommendations of the NRC Committee on Qualitas' remuneration policies, incentive programs and remuneration of the Group Managing Director.

The NRC Committee's role and objectives[1] are to support and advise the Board in fulfilling its responsibilities to shareholders and employees of the Group in relation to remuneration. The NRC Committee oversees the Group's overall remuneration and incentives framework and policies, including giving appropriate consideration to the Company's performance and objectives, employment conditions and remuneration relativities.

The members of the NRC Committee are JoAnne Stephenson (Chair), Andrew Fairley AM, Darren Steinberg and Bruce MacDiarmid.

Principles used to determine the nature and amount of remuneration

The Board, with the assistance of the NRC Committee partnered with management to structure an executive remuneration framework and policy that seeks to be market competitive and to align performance measures to the achievement of the Group's strategic objectives. The Executive Remuneration Framework operates within the key principles of the Remuneration Policy.

1. Further detail can be found in the NRC Charter on the Investor Centre on the Company website.

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3 Executive Remuneration Framework

The remuneration framework is intended to be commercially appropriate, with the objectives outlined in the business strategy. This is done through an appropriate balance between variable and fixed components and a proper connection with the remuneration of individual performance and Qualitas' performance.

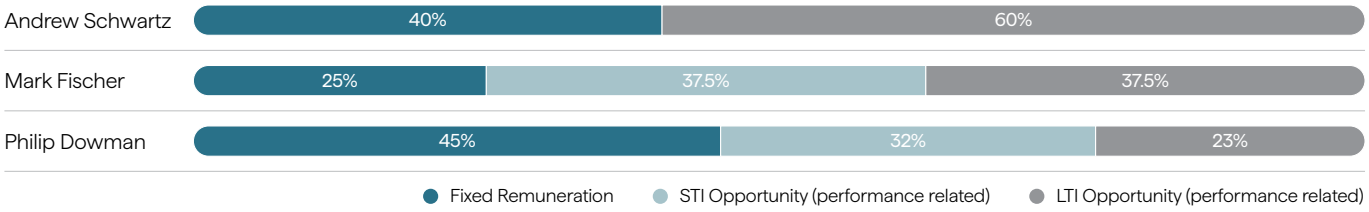
The key components of the Company's remuneration framework are summarised below.

Table 2: Executive Remuneration Framework

Component	Purpose
Fixed Remuneration Delivered in **Cash**, comprising: – Base salary; – Statutory benefits (superannuation); – Other agreed benefits.	Primary reward for performing duties of job, and defined according to role, qualifications, experience, and skills against appropriate comparator group. This is reviewed annually. Benchmarked against comparator data, to ensure market competitive fixed remuneration to attract, retain and motivate the appropriate talent.
Short-Term Incentive (STI) Delivered in **Cash**, and 50% of balance over $100,000 in **Deferred Equity** over two years. Performance tested against a scorecard of financial and non-financial measures. The Group Managing Director did not participate in the STI in FY25.	Reward to encourage performance against identified annual short-term financial and strategic objectives. Inclusion of risk gateway to foster acceptable risk behaviour. Deferred component encourages longer-term alignment with shareholders and retention.
Long-Term Incentive (LTI) Delivered in **Performance Rights**, subject to 3-year performance conditions to KMP except for the Group Managing Director. The Group Managing Director participates in an LTI under the Loan Share Plan, as described further in this report. The first grant under each respective scheme was made in FY23.	Reward to encourage performance against long-term group-wide objectives, to align key individuals with shareholder outcomes, and to encourage retention.

Table 3: Executive KMP remuneration mix

Maximum Executive KMP remuneration mix for FY25



4 Executive Short-Term Incentive (STI) plan

The table below provides an explanation of the terms and conditions applying to the FY25 STI.

Overview of the STI	The STI is an 'at-risk' component of senior executive remuneration whereby, if the applicable performance conditions are met, the first $100,000 of any STI award will be paid in cash, as well as 50% of the remaining award. The other 50% of the remaining award will be paid in equity in the form of Performance Rights, which will be deferred for two years.
Participation	Senior management and other selected employees are eligible to participate in the STI, including Global Head of Real Estate and Chief Financial Officer. Group Managing Director did not participate in the FY25 STI.
Performance period	1 July 2024 to 30 June 2025.
FY25 STI opportunity (maximum)	Global Head of Real Estate: 150% of Fixed Remuneration Chief Financial Officer: 70% of Fixed Remuneration
Performance conditions	The Board has discretion to adjust STI outcomes against conduct and financial performance gateway conditions. To receive payments under the FY25 STI, Executive performance is assessed against Individual KPI's and Group KPI's, which are a combination of financial and non-financial performance conditions. The Board recognises that variable remuneration structures must encourage appropriate behaviours and not be singularly focused on single-year financial objectives.

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4 Executive Short-Term Incentive (STI) plan continued

Delivery of FY25 STI	The first $100,000 of any vested STI award will be paid in cash, as well as 50% of the remaining award, and the remaining 50% in the form of Share Rights which will vest following a deferral period of two years (Deferred Component).
Deferred STI	The Deferred Component of the STI will be delivered in Share Rights. A Share Right is a conditional entitlement to receive a share. The number of Share Rights allocated will be calculated by dividing the Deferred Component by the 5-day VWAP immediately following release of FY25 results. Subject to the participant's continued employment for a further two years, the Share Rights will vest and entitle the participant to the equivalent number of ordinary shares. Share Rights are granted for nil consideration and no amount is payable on vesting. Share Rights do not carry dividend or voting rights prior to vesting.
Treatment of Share Rights on cessation of employment	Unless the Board determines otherwise, all Share Rights will immediately lapse upon cessation of employment prior to the end of the performance period.
Change of control	The Board may determine that all or a specified number of a senior executive's Share Rights will vest where there is a change of control event in accordance with the Qualitas Employee Equity Plan (**QEEP**) rules.
Clawback and preventing inappropriate benefits	The QEEP rules provide the Board with broad clawback powers if, for example, the senior executive has acted fraudulently or dishonestly or there is a material financial misstatement.

FY25 STI plan outcome

The Executive STI plan is intended to reward outperformance. Company and personal KPI's threshold and stretch targets set a high performance benchmark.

Company gateways:

Both the gateways were assessed as met:

- Financial gateway (achievement of financial target) was achieved and assessed with reference to audited financial results.
- Conduct gateway were assessed as achieved for FY25. The conduct gateway was assessed with reference to Qualitas conduct, risk and compliance protocols all met.

Company KPIs (30% weighting):

Each performance condition must meet threshold (50%) to contribute to STI outcome. Based on the assessment of performance against Company KPIs, the outcome exceeded threshold of this component.

Leadership and Culture (10%) – Threshold: 50% – Stretch: 100%	Performance was measured against Qualitas' values as an executive leader, and Group culture engagement survey.
Governance (20%) – Threshold: 50% – Stretch: 100%	Performance was measured against the identification, ownership and successful management of owned risk.

Individual KPIs (70% weighting):

Individual KPIs within the executive's influence and line of sight were set for Mark Fischer and Philip Dowman at the start of FY25. Targets were set in areas including investment mandates, key strategic priorities and performance was assessed at the end of the year. Based on the assessment of performance against individual KPIs, Mark Fischer and Philip Dowman both exceeded threshold of this component (out of a maximum of 70%.

Overall FY25 outcomes

The following STI payments were approved by the Board for the following Executive KMP based on the assessment of the FY25 outcomes.

Table 4: FY25 STI outcomes

Name or position	STI opportunity $	STI outcome %	STI forfeited %
Mark Fischer	$936,750	77%	23%
Philip Dowman	$297,500	77%	23%

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5 Executive Long-Term Incentive (LTI) plan

The Company has established the Executive LTI plan to assist in the motivation, retention and reward of eligible employees.

The Executive LTI is designed to align the interests of executives with the interests of shareholders by providing an opportunity for employees to receive an equity interest in the Company subject to satisfaction of key performance conditions. Please note due to Andrew Schwartz's substantial Company shareholding he does not participate in the Executive LTI plan to receive a grant of Performance Rights, however instead participates in the LTI Loan Plan, described below. The LTI Loan Plan contains an additional inherent condition (beyond the Executive LTI plan), as the value of the Loan must be repaid before the LTI Loan Plan will deliver any value.

Qualitas made a grant of rights under the Executive LTI plan in FY25 (FY25 Executive LTI Grant). Key details of the FY25 Executive LTI Grant are set out below.

Table 5: Executive LTI Grant details

Term	Details
Participation	Mark Fischer and Philip Dowman are eligible to participate in the Executive LTI plan.
LTI opportunity	Mark Fischer 150% of Fixed Remuneration Philip Dowman 50% of Fixed Remuneration
LTI instrument	Performance Rights
Performance period	Three years, commencing on 1 July 2024 and ending on 30 June 2027.
Performance conditions	Performance will be assessed against a mix of financial and non-financial measures which are intended to appropriately align vesting with Company performance from the perspective of a shareholder as follows: **EPS CAGR – 37.5% weighting** 37.5% will be subject to targets in relation to the compound annual growth rate (**CAGR**) of the Company's earnings per share (**EPS**) over the Performance Period. EPS CAGR measures the growth in profit generated by the company attributable to each Share on issue, thereby aligning vesting outcomes with shareholder experience. **EPS CAGR** / **% of EPS CAGR component that vests** Below threshold EPS / Nil At threshold EPS / 50% Between threshold and stretch EPS / Straight-line pro-rate 50% to 100% At or above EPS / 100% **rTSR – 37.5% weighting** 37.5% will be subject to a relative total shareholder return (**rTSR**) measure, assessing the Company's performance over the Performance Period relative to the constituents of the S&P/ASX300 A-REIT index. By measuring the return shareholders would earn by the change in the Company's share price together with the value of dividends, this metric ensures executives are rewarded only when performance is meeting or exceeding the median of the comparator group. The S&P/ASX300 A-REIT index has been chosen to make appropriate comparisons to companies with similar business operations. **rTSR per centile ranking (of comparator group)** / **% Vest** Less than 50th per centile / Nil At 50th per centile / 50% Between 50th per centile and 75th per centile / Straight-line pro-rate 50% to 100% At or above 75th per centile / 100%
Performance Conditions	**Other measures – 25% weighting** The remainder of the LTI is subject to two equally weighted non-financial metrics which the Board views as balancing the financial performance of the company with its strategic objectives. These measures consider Culture (10%), and Investor Outcomes (15%).
Treatment of Performance Rights on cessation of employment	Unless the Board determines otherwise, if a participant ceases employment during the performance period as a 'good leaver', they will be entitled to retain a pro-rated number of their unvested Performance Rights, based on the proportion of the Performance Period which has elapsed at the date of cessation. The Performance Rights retained will remain subject to the same terms, including the applicable performance conditions. The remainder of the unvested Performance Rights will lapse on cessation of employment. If a participant ceases employment in any circumstances where they are not considered a 'good leaver', their unvested Performance Rights will lapse immediately on cessation, unless the Board determines otherwise.
Change of control	The Board may determine that all or a specified number of unvested Performance Rights will vest where there is a change of control event in accordance with the QEEP rules.
Clawback and preventing inappropriate benefits	The QEEP rules provide the Board with broad clawback power if, for example, a participant has acted fraudulently or dishonestly or there is a material financial misstatement.

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5 Executive Long-Term Incentive (LTI) plan continued

LTI Loan Plan

The Group Managing Director's LTI arrangement differs to the other Executives. This is because the Group Managing Director is a substantial shareholder of the Company and as a result, would not be able to participate in the FY25 Executive LTI without significant detriment, as any equity under the Executive LTI plan would be taxed at grant.

Instead, the Group Managing Director participated in the LTI Loan Plan, that was approved by shareholders at the 2022 Annual General Meeting (AGM). Under the LTI Loan Plan and in accordance with shareholder approval, the Group Managing Director was entitled to acquire loan shares in Qualitas.

The table below provides a summary of the terms and conditions of the Loan Plan.

Table 6: Loan Plan summary

Overview of the Loan Plan	The LTI is an 'at-risk' component of senior executive remuneration. Under the Loan Plan, Loan Shares are allocated for market value consideration. A Loan is provided by the Company to fund the acquisition price of the Loan Shares. The Loan Shares may generally not be sold or otherwise transferred until they vest and the Loan is repaid.
Loan terms	The Loan is: – interest free; – limited recourse; and – repayable on the earliest of: > the date Loan Shares are forfeited under the Loan Plan; > the date the Loan Shares are sold; > the expiry of the Loan (3.5 years from grant); and > any other date agreed between the Company and the Group Managing Director. The Loan balance is repaid by (i) applying any after-tax dividends received on the Loan Shares; (ii) applying after-tax proceeds from the disposal of vested Loan Shares, and (iii) the Group Managing Director may choose to self-fund the repayment of the outstanding Loan balance.
FY25 LTI opportunity	150% of Fixed Remuneration. An independent valuer was engaged to provide a valuation of a Loan Share. Therefore, the value of the Loan provided was $5,058,763. An updated valuation will be completed prior to any future grants.
Performance Conditions	Other measures – 25% weighting The remainder of the LTI is subject to two equally weighted non-financial metrics which the Board views as balancing the financial performance of the company with its strategic objectives. These measures consider Culture (10%), and Investor Outcomes (15%).
Treatment of Performance Rights on cessation of employment	Unless the Board determines otherwise, if a participant ceases employment during the performance period as a 'good leaver', they will be entitled to retain a pro-rated number of their unvested Performance Rights, based on the proportion of the Performance Period which has elapsed at the date of cessation. The Performance Rights retained will remain subject to the same terms, including the applicable performance conditions. The remainder of the unvested Performance Rights will lapse on cessation of employment. If a participant ceases employment in any circumstances where they are not considered a 'good leaver', their unvested Performance Rights will lapse immediately on cessation, unless the Board determines otherwise.
Change of control	The Board may determine that all or a specified number of unvested Performance Rights will vest where there is a change of control event in accordance with the QEEP rules.
Clawback and preventing inappropriate benefits	The QEEP rules provide the Board with broad clawback power if, for example, a participant has acted fraudulently or dishonestly or there is a material financial misstatement.

The Board determined that the LTI Loan Plan was appropriate for the Group Managing Director and will consider the vesting of the Loan Shares at the conclusion of the FY25 three year performance period of 1 July 2024 to 30 June 2027. The performance and vesting of the Loan Shares to the Group Managing Director will be assessed against the Performance Measures set out in Table 5.

The Board views the Performance Measures as an appropriate balance of financial and non-financial performance measures. The number of Loan Shares that vest will depend on the level of performance achieved, and the Board retains overall discretion to determine whether vesting of Loan Shares is appropriate.

Currently, the Group operates three tranches of the Executive LTI Plan and GMD LTI Loan Plan:

Tranche	Performance Period
FY23 Executive/GMD LTI	1 July 2022 to 30 June 2025
FY24 Executive/GMD LTI	1 July 2023 to 30 June 2026
FY25 Executive/GMD LTI	1 July 2024 to 30 June 2027

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5 Executive Long-Term Incentive (LTI) plan continued

Vesting of FY23 Executive/GMD LTI Plans

The FY23 Executive/GMD LTI Plans, with a 3-year vesting period has a vesting date of 31 August 2025. As a result of the outcomes of each performance measure over the performance period, as noted in Table 7, 70.89% of the Executive Performance Rights and GMD Loan Shares will vest on 31 August 2025.

Table 7: Outcomes of performance measures of FY23 Executive/GMD LTI Plans

FY23 Executive/GMD LTI Performance Measure	Outcome	Notes
Earnings Per Share CAGR	19.33% out of 37.50%	EPS CAGR achieved a slightly above met outcome of 15.54% CAGR from FY22 to FY25.
Relative Total Shareholder Return	37.50% out of 37.50%	Achieved 80th percentile TSR versus ASX300 AREIT index.
Leadership, Culture & ESG	7.29% out of 12.50%	Assessment of Engagement Survey results against prior year results and industry benchmark, and ESG Project Achievements over the performance period.
Capital and Risk Governance	6.77% out of 12.50%	At least 75% of funds outperformed targets over the performance period; and assessment of the risk framework over the period.
Total LTI scorecard achievement	**70.89% out of 100%**	

Further details of the terms of these LTI awards are set out in 2023 Remuneration Report.

Table 8: Outcomes of FY23 Executive/GMD LTI Plans

Calculated using 30 June 2025 share price and FY23 LTI Scorecard achievement of 70.89%.

	Andrew Schwartz Group Managing Director			Mark Fischer Global Head of Real Estate			Philip Dowman Chief Financial Officer		
	Vested Securities #	Forfeited Securities #	Vested Securities $	Vested Securities #	Forfeited Securities #	Vested Securities $	Vested Securities #	Forfeited Securities #	Vested Securities $
FY23	1,429,180	586,873	$1,457,191[1]	291,435	119,673	$1,005,451	62,334	25,596	$215,053

1. Value of vested securities for Andrew Schwartz factors repayment of loan under the FY23 GMD Loan Share LTI Plan.

Details of other tranches of GMD LTI Plans currently in operation

In FY24, at the Company's Annual General meeting on 23 November 2023 an additional interest-free limited recourse loan of $4,915,871 was provided by the Company to the Group Managing Director to purchase 2,279,031 newly issued shares. The FY24 LTI under the Loan Plan carries a maximum opportunity of $1,530,000. An independent valuation was obtained to determine the value of the loans and the maximum number of shares that were to be issued.

In FY25, The Company granted Loan Shares to the Group Managing Director as a LTI under the new Loan Plan at the Company's Annual General meeting on 29 November 2024. The LTI under the Loan Plan carries a maximum opportunity of $1,560,000. An interest-free limited recourse loan of $5,058,763 was provided by the Company to the Group Managing Director to purchase 1,937,784 newly issued shares.

Further detail on the LTI Loan Plan is set out on pages 9 to 13 of the Qualitas 2024 Notice of Annual General Meeting and Explanatory Notes.

Changes to FY26 Remuneration Framework

Following a review by the Board, KMP base remuneration for FY26 has been adjusted to align with market comparable salaries and to support the retention of key executive talent. The Group Managing Director's base remuneration will increase by 5.8%, the Global Head of Real Estate by 5.7%, and the Chief Financial Officer by 5.9%.

In addition, the following updates to the Long-Term Incentive (LTI) plans for the Group Managing Director and the Executive Team were approved by the Board:

- Four-year vesting period, extended from the current three years, to further strengthen retention and align leadership rewards with long-term shareholder value.
- Inclusion of a pre-grant individual performance gateway, to reinforce the link between annual individual contribution and long-term incentive participation.
- The comparator group for the Total Shareholder Return KPI for the LTI Scorecard has been revised from ASX300 A-REIT to ASX Small Ordinaries Index to ensure continued market relevance and alignment with investor expectations.

Other legacy awards

Employee Equity Award

As outlined in the Prospectus, selected employees were granted Share Rights at Listing which will vest in two tranches; 50% on the third anniversary of the Listing Date, and the remaining 50% on the fifth anniversary of the Listing Date, subject to the continued tenure of the participants (**Employee Equity Award**). Philip Dowman was one of the participants in this award. He was granted Share Rights with a face value of $125,000.

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5 Executive Long-Term Incentive (LTI) plan continued

Fund Participation Rights

One method used by Qualitas to incentivise key individuals to maximise performance of Funds managed, and to retain these key individuals for the life of the investment, is to award Fund Participation Rights.

Fund Participation Rights are a share of performance fees linked to the performance of a Fund, or other investment vehicle, managed by Qualitas with or without conditions, and distributed as cash payments, when the Fund matures (or similar milestone event occurs), subject to individuals remaining employed with Qualitas at the time.

While the terms of Fund Participation Rights can differ based on the circumstance, fees are typically:

- Only payable based on Performance Fee calculation reflected in the final audited financial statement of the Fund, prepared in accordance with Fund's governing documents, including Information Memorandum, Trust Deed and associated documents;
- Only payable once all Performance Fees earned by Qualitas from the Fund have been received in cash;
- Only payable subject to there being no future claims against Qualitas (e.g. contingent liability), with Qualitas completely 'off-risk' on the Fund; and
- Only payable subject to the Participant's continued employment until the payment date.

As outlined in the Prospectus, Fund Participation Rights have historically been a significant component of remuneration for many Qualitas executives, including the current Executive KMP. As a result of this, the Executive KMP have a significant value of legacy Fund Participation Rights which remain on foot. The values of these awards are variable based on performance of the individual Funds, and subject to continued employment at the date each relevant Fund matures. The Funds are scheduled to mature between June 2026 and June 2030.

Table 9: Fund Participation Rights

	Andrew Schwartz $	Mark Fischer $	Philip Dowman $
Total	3,811,696	3,668,647	105,866

6 Non-Executive Director's Remuneration

Table 10: Non-Executive Director's Remuneration

Name	From 1 January 2024 to 30 June 2025 $
Annual base – Chair	238,140
Annual base – Non-Executive Director fees	119,070
Chair of each Board committee	22,680

There has been no change to the Non-Executive Director fees since the prior financial year period. Increases to the Non-Executive Director fees in 2024 and 2025 were dealt with by way of share based payments for a number of Directors.

The non-executive director fee cap is contained in Qualitas' Constitution, being $1.1m per annum. Any increase to this amount would be put to shareholders at an AGM.

On 23 October 2024, JoAnne Stephenson became the chair of Nomination, Remuneration and Culture Committee and Darren Steinberg became the chair of the Investment Committee. Mary Ploughman remained chair of the Audit, Risk and Compliance Committee.

Non-Executive Directors may be reimbursed for all travel, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or otherwise in connection with the Company's business.

Non-Executive Directors may be paid such additional or special remuneration if they, at the request of the Board, perform any extra services or make special exertions outside the scope of the ordinary duties of a Director. Expense reimbursement fees, special exertion fees and the value of equity-based remuneration will not be included in the aggregate maximum amount paid to all Non-Executive Directors.

There are no retirement benefit schemes for Non-Executive Directors, other than statutory superannuation contributions.

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6 Non-Executive Director's Remuneration continued

Table 11: Statutory remuneration of the Non-Executive Directors for 2025 and 2024

Name		Fees $	Superannuation $	Share based payments $	Total remuneration $
Andrew Fairley AM	**2025**	**220,500**	**—**	**17,640**	**238,140**
	2024	220,500	—	8,820	229,320
Mary Ploughman	**2025**	**117,713**	**13,537**	**10,500**	**141,750**
	2024	118,243	13,007	5,250	136,500
Michael Schoenfeld	**2025**	**—**	**—**	**—**	**—**
	2024	139,584	15,697	—	155,281
JoAnne Stephenson	**2025**	**117,713**	**13,537**	**10,500**	**141,750**
	2024	118,243	13,007	5,250	136,500
Brian Delaney	**2025**	**39,238**	**4,512**	**9,660**	**53,410**
	2024	118,243	13,007	5,250	136,500
Darren Steinberg	**2025**	**114,345**	**—**	**—**	**114,345**
	2024	—	—	—	—
Bruce MacDiarmid	**2025**	**17,798**	**2,047**	**—**	**19,845**
	2024	—	—	—	—

7 Employment agreements

Remuneration and other terms of employment for Executive KMP are formalised in employment agreements which outline their duties and remuneration. All employment agreement term lengths are open-ended (i.e., ongoing until notice is provided by either party).

In the case of termination of employment by the Company or by the Executive, the Company may:

- in lieu of part or all of the notice period, elect to pay to the Executive an amount equivalent to the Fixed Remuneration for that part or all of the period of notice not given or required to be served (and, if the Company does so, the Executive's employment terminates on the date the Company notifies the Executive of its election); and
- require the Executive to perform only those Duties determined by the Company, or no Duties, during any notice period.

Table 12: FY25 Executive KMP employment agreements

	Notice period	
	By Employee	By Qualitas
Andrew Schwartz	6 months	6 months
Mark Fischer	6 months	6 months
Philip Dowman	3 months	3 months

Other than prescribed notice periods, there are no special termination benefits payable under the employment agreements of the Executive KMP.

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8 Statutory remuneration disclosures

Amounts of remuneration

The following table sets out the statutory disclosures in accordance with the Accounting Standards year ended 30 June 2025. Comparatives are for the year ended 30 June 2024.

Remuneration for Executive KMP for FY25 and FY24

Table 13: Executive KMP total remuneration

Executive KMP total remuneration for FY25 and FY24.

	Short-term benefits				Post-employment benefits	Long-term employee benefits	Share based payments					
	Base salary $	Cash bonus $	Non-monetary benefit $	Annual leave $	Super-annuation $	Long service leave $	Shares[1] $	Rights $	Fund participation rights[2] $	Termin-ation benefits $	Total $	Percentage of remuneration performance related %
2025												
Andrew Schwartz	**1,010,000**	**—**	**—**	**62,088**	**30,000**	**21,265**	**1,041,420**	**—**	**(371,728)**	**—**	**1,793,045**	**37.3%**
Mark Fischer	**594,568**	**412,500**	**—**	**41,048**	**29,932**	**12,424**	**—**	**770,342**	**(160,652)**	**—**	**1,700,162**	**60.1%**
Philip Dowman	**395,068**	**165,000**	**—**	**1,067**	**29,932**	**7,219**	**—**	**163,554**	**(2,465)**	**—**	**759,375**	**42.9%**
2024												
Andrew Schwartz	992,500	—	—	(57,290)	27,500	21,210	455,457	—	(714,405)	—	724,970	(35.7%)
Mark Fischer	584,601	279,250	—	(9,006)	27,399	12,053	—	496,101	90,299	—	1,480,695	58.5%
Philip Dowman	387,601	73,360	—	7,866	27,399	8,324	—	93,142	(33,786)	—	563,906	23.5%

1. Share based payments are the accrued amounts relating to FY25.
2. Fund participation rights are representative of accrued amounts for FY25, reflecting a partial reversal for the year due to updated fund participation right accruals for the Qualitas Real Estate Opportunity Fund.

KMP security holdings

The following table lists the KMP security holdings (including their related parties for FY25 and FY24.

Table 14: Security Holdings – Shares – FY25

				Held at 30 June 2025	
KMP	Holding at 30 June 2024	Received as remuneration	Other net change	Personally (directly held)[1]	Nominally (indirectly held)
Non-Executive Directors					
Andrew Fairley AM	**266,700**	**7,391**	**—**	**50,000**	**224,091**
Brian Delaney	**55,000**	**4,399**	**—**	**34,399**	**25,000**
JoAnne Stephenson	**70,000**	**4,399**	**—**	**14,399**	**60,000**
Mary Ploughman	**30,000**	**4,399**	**18,518**	**52,917**	**—**
Darren Steinberg	**—**	**—**	**43,859**	**—**	**43,859**
Bruce MacDiarmid	—	—	—	—	—
Executives					
Andrew Schwartz	**71,125,150**	**1,878,904**[1]	**—**	**6,173,988**[2]	**66,830,066**
Philip Dowman	**—**	**35,789**	**—**	**35,789**	**—**
Mark Fischer	**7,770,927**[3]	**152,499**	**—**	**152,499**	**7,770,927**[3]

1. In accordance with shareholder approval at the Company's 2024 AGM, 1,878,904 ordinary shares (as defined in the Company's 2024 AGM Notice of Meeting as Loan Shares) were issued to Andrew Schwartz, Group Managing Director, on 18 December 2024, notwithstanding that the Loan Shares are subject to a 3-year vesting condition and may be forfeited in whole or part at that time.
2. This figure represents the Loan Shares awarded to the Group Managing Director in accordance with shareholder approval at the Company's 2022 AGM, 2023 AGM, and 2024 AGM.
3. A loan is attached to these shares of $501,020 (balance of $501,020 at beginning of the reporting period) and is required to be repaid at the earlier of October 2031 or pro rata upon disposal of the shares. As outlined in the Company's ASX announcement dated 22 July 2025, remaining voluntary escrow shares as outlined in the Company's Prospectus were released from voluntary escrow on 29 July 2025. Interest of $43,752.10 was charged on the loan during the reporting period.

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Audited remuneration report

8 Statutory remuneration disclosures continued

Table 15: Security Holdings – Rights – FY25

KMP	Holding at 30 June 2024	Exercised/ vested	Received as remuneration	Held at 30 June 2025 Personally	Held at 30 June 2025 Nominally
Non-Executive Directors					
Andrew Fairley AM	—	—	—	—	—
Brian Delaney	—	—	—	—	—
JoAnne Stephenson	—	—	—	—	—
Mary Ploughman	—	—	—	—	—
Darren Steinberg	—	—	—	—	—
Bruce MacDiarmid	—	—	—	—	—
Executives					
Andrew Schwartz	—	—	—	—	—
Philip Dowman	**235,813**	**35,789**	**90,618**	**290,642**	—
Mark Fischer	**1,022,957**	**152,499**	**475,905**	**1,346,363**	—

Table 16: Security Holdings – Shares – FY24

KMP	Holding at 30 June 2023	Received as remuneration	Other net change	Held at 30 June 2024 Personally (directly held)[1]	Held at 30 June 2024 Nominally (indirectly held)
Non-Executive Directors					
Andrew Fairley AM	257,400	—	9,300	50,000	216,700
Brian Delaney	55,000	—	—	30,000	25,000
JoAnne Stephenson	50,000	—	20,000	10,000	60,000
Mary Ploughman	30,000	—	—	30,000	—
Michael Schoenfeld	140,000	—	—	70,000	70,000
Executives					
Andrew Schwartz[2]	68,846,119	2,279,031[3]	—	4,295,084[4]	66,830,066
Philip Dowman	—	—	—	—	—
Mark Fischer[5]	7,770,927	—	—	—	7,770,927

1. All personally held shares (with the exception of 20,000 shares held by Mary Ploughman) have a holding lock until 16 December 2023.
2. Following completion, QPP Holdings (an entity controlled by Andrew Schwartz) held 66,830,066 Qualitas Shares. As outlined in the Prospectus these shares are subject to a disposal restriction with 33.3% eligible for disposal following the release of FY22 results, 33.3% on 16 December 2023 and the final 33.3% on 16 December 2026.
3. In accordance with shareholder approval at the Company's 2023 AGM, 2,279,031 ordinary shares (as defined in the Company's 2023 AGM Notice of Meeting as Loan Shares) were issued to Andrew Schwartz, Group Managing Director, on 8 December 2023, notwithstanding that the Loan Shares are subject to a 3-year vesting condition and may be forfeited in whole or part at that time.
4. In accordance with shareholder approval at the Company's 2022 AGM, 2,016,053 ordinary shares (as defined in the Company's 2022 AGM Notice of Meeting as Loan Shares) were issued to Andrew Schwartz, Group Managing Director, on 6 December 2022. The total number of ordinary shares currently on issue is 296,016,053, notwithstanding that the Loan Shares are subject to a 3-year vesting condition and may be forfeited in whole or part at that time.
5. A loan is attached to these shares of $501,020 (balance of $501,020 at beginning of the reporting period) and is required to be repaid at the earlier of October 2031 or pro rata upon disposal of the shares. As outlined in the Prospectus these shares are subject to a disposal restriction with 33.3% eligible for disposal following the release of FY22 results, 33.3% on 16 December 2023 and the final 33.3% on 16 December 2026. The loan is subject to an interest rate of 4.77%. Interest of $39,662.73 was charged on the loan during the reporting period.

Table 17: Security Holdings – Rights – FY24

KMP	Holding at 30 June 2023	Exercised/ vested	Received as remuneration	Held at 30 June 2024 Personally	Held at 30 June 2024 Nominally
Non-Executive Directors					
Andrew Fairley AM	—	—	—	—	—
Brian Delaney	—	—	—	—	—
JoAnne Stephenson	—	—	—	—	—
Mary Ploughman	—	—	—	—	—
Michael Schoenfeld	—	—	—	—	—
Executives					
Andrew Schwartz	—	—	—	—	—
Philip Dowman	148,720	—	87,093	235,813	—
Mark Fischer	563,608	—	459,349	1,022,957	—

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Audited remuneration report

8 Statutory remuneration disclosures continued

Additional information

The factors that are considered to affect total shareholder return (**TSR**) are summarised below:

Table 18: Factors impacting Group performance FY25

	Security performance				Earnings performance					Liquidity
	Closing security price $	IPO security price $	Distribution per security ¢	EPS ¢	Revenue $m	EBIT $m	NPAT $m	ROE %	Cash flow operations $m	Debt equity ratio
2025	**3.45**	**2.50**	**10.0**	**11.44**	**109.42**	**48.92**	**33.41**	**8.78**	**21.48**	**0.27**
2024	2.36	2.50	7.75	9.00	84.02	38.81	26.18	7.13	72.39	0.93

Other transactions with key management personnel

Apart from the details disclosed in this Report, no Executive KMP or Non-Executive Director or their related parties have entered into a transaction with the Group since listing and there were no transactions involving those people's interests existing at year end.

Remuneration consultants

The NRC Committee seeks advice from remuneration advisors from time to time in respect of market practice and other remuneration matters. Such information is used to inform decision making and is not a substitute for detailed consideration and debate by the NRC Committee.

No remuneration recommendations were provided to the Group by external providers during the reporting period.

This concludes the Audited Remuneration Report, which has been audited in accordance with section 308(3c) of the *Corporations Act 2001*.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 23.

This report is made in accordance with a resolution of the Directors of the Company.



Andrew Fairley AM
Chairman

Melbourne
21 August 2025

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Lead auditor's independence declaration

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Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Qualitas Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Qualitas Limited for the financial year ended 30 June 2025 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Maria Trinci
Partner

Melbourne
21 August 2025

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Financial Report

For the year ended 30 June 2025

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Consolidated statement of comprehensive income

For the year ended 30 June 2025

	Notes	Year ended 30 June 2025 $'000	Year ended 30 June 2024 $'000
Income			
Interest income	8	**25,197**	40,404
Interest expense	8	**(7,984)**	(20,411)
Net interest income		**17,213**	**19,993**
Performance fees	7a	**8,349**	1,029
Income from the provision of financial services	7b	**68,733**	54,583
Total revenue		**77,082**	**55,612**
Other income		**1,517**	961
Distributions from Funds and projects		**12,503**	6,403
Net gains on financial instruments held at fair value through profit or loss		**1,105**	1,049
Total other income		**15,125**	**8,413**
Total income		**109,420**	**84,018**
Loan impairment reversal		**207**	111
Expenses			
Employee costs		**(43,127)**	(31,988)
Marketing costs		**(856)**	(705)
Consulting and professional fees		**(2,407)**	(2,091)
Travel expenses		**(1,042)**	(937)
Depreciation and amortisation		**(2,675)**	(2,232)
Insurance costs		**(1,550)**	(1,680)
Capital raising costs – QRI		**(5,067)**	(2,448)
Other operating expenses	9	**(5,532)**	(4,494)
Total operating expenses		**(62,256)**	**(46,575)**
Share of profit of equity-accounted investees	24	**443**	(122)
Profit before income tax		**47,814**	**37,432**
Income tax expense	10a	**(14,403)**	(11,252)
Profit for the year		**33,411**	**26,180**
Other comprehensive income		**—**	—
Total comprehensive income for the period		**33,411**	**26,180**
Total comprehensive income attributable to:			
Owners of Qualitas Limited		**33,411**	26,180
Earnings per share for profit attributable to shareholders of the Group			
Basic earnings per share (cents)		**11.44**	9.00
Diluted earnings per share (cents)		**11.15**	8.81

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes on pages 29 to 62.

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Consolidated statement of financial position

As at 30 June 2025

	Notes	As at 30 June 2025 $'000	As at 30 June 2024 $'000
Assets			
Cash and cash equivalents	11	**148,784**	194,381
Trade and other receivables	12	**33,409**	33,089
Prepayments		**1,583**	1,231
Loans	17	**30,311**	14,238
Accrued performance fees		**42,578**	36,688
Intangible asset		**1,917**	1,146
Right-of-use assets	22	**8,854**	3,035
Property, plant and equipment	13	**5,910**	795
Deferred tax asset	10b	**12,968**	8,195
Investments	15	**161,314**	106,732
Intangible asset – capitalised contract costs	16	**2,276**	2,943
Equity accounted investees	24	**4,653**	3,696
Inventories	14	**27,188**	25,473
Mortgage loans	18	**—**	276,490
Total assets		**481,745**	**708,132**
Liabilities			
Trade and other payables	19	**22,266**	23,108
Deferred income	20	**1,758**	3,078
Employee benefits – accrued incentives	21	**19,444**	16,469
Employee benefits – accrued annual leave and long service leave	21	**3,858**	3,173
Lease liability	22	**9,330**	3,154
Loans and borrowings	23	**44,719**	292,138
Total liabilities		**101,375**	**341,120**
Net assets		**380,370**	**367,012**
Equity			
Issued capital	25	**727,644**	725,135
Retained earnings		**28,828**	20,013
Share based payments reserve		**6,303**	4,269
Common control reserve		**(382,405)**	(382,405)
Total equity		**380,370**	**367,012**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes on pages 29 to 62.

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Consolidated statement of changes in equity

For the year ended 30 June 2025

	Issued capital $'000	Retained earnings $'000	Share-based payments reserve $'000	Common control reserve $'000	Total $'000
Balance at 1 July 2023	724,267	16,728	1,899	(382,405)	360,489
Total comprehensive income for the period					
Profit after tax for the period	—	26,180	—	—	26,180
Other comprehensive income	—	—	—	—	—
Total comprehensive income for the period	—	—	—	—	—
Transactions recorded directly in equity					
IPO costs reflected directly through equity (net of tax)	758	—	—	—	758
Contributions of capital	110	—	—	—	110
Dividends paid	—	(22,895)	—	—	(22,895)
Share-based payments	—	—	2,370	—	2,370
Balance at 30 June 2024	**725,135**	**20,013**	**4,269**	**(382,405)**	**367,012**
Balance at 1 July 2024	**725,135**	**20,013**	**4,269**	**(382,405)**	**367,012**
Total comprehensive income for the period					
Profit after tax for the period	**—**	**33,411**	**—**	**—**	**33,411**
Other comprehensive income	**—**	**—**	**—**	**—**	**—**
Total comprehensive income for the period	**—**	**—**	**—**	**—**	**—**
Transactions recorded directly in equity					
IPO costs reflected directly through equity (net of tax)	**758**	**—**	**—**	**—**	**758**
Transfer from share based payment reserve	**1,538**	**—**	**(1,538)**	**—**	**—**
Contributions of capital	**213**	**—**	**—**	**—**	**213**
Dividends paid	**—**	**(24,596)**	**—**	**—**	**(24,596)**
Awards vested	**—**	**—**	**(49)**	**—**	**(49)**
Share-based payments	**—**	**—**	**3,621**	**—**	**3,621**
Balance at 30 June 2025	**727,644**	**28,828**	**6,303**	**(382,405)**	**380,370**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes on pages 29 to 62.

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Consolidated statement of cash flows

For the year ended 30 June 2025

	Notes	Year ended 30 June 2025 $'000	Year ended 30 June 2024 $'000
Cash flows from operating activities			
Interest received		**22,725**	40,324
Interest paid		**(7,984)**	(20,410)
Receipts from provision of financial services and performance fees		**85,045**	54,857
Payments to suppliers, employees and others		**(53,801)**	(41,079)
Interest paid in relation to lease liabilities		**(294)**	(144)
Fund recoverable costs		**212**	(298)
Payments in relation to projects		**(1,714)**	(1,011)
Tax paid		**(19,122)**	(5,235)
Mortgage loans advanced		**(15,702)**	(33,935)
Mortgage loans repaid		**82,499**	75,126
Investments acquired		**(102,334)**	(84,073)
Investments disposed		**47,942**	13,004
Loans advanced		**(296,254)**	(517,839)
Loans repaid		**280,260**	593,107
Net cash movement from operating activities	31	**21,478**	**72,394**
Cash flows from investing activities			
Loss on control of subsidiary		**(11,470)**	—
Payments for property, plant and equipment		**(5,644)**	(333)
Net cash movement used in investing activities		**(17,114)**	**(333)**
Cash flows from financing activities			
Payment of lease liabilities		**(902)**	(1,097)
Proceeds from loans and borrowings		**25,048**	16,788
Repayments of loans and borrowings		**(49,675)**	(62,955)
Dividends paid		**(24,596)**	(22,895)
Shares vested		**(49)**	—
Contributions of capital		**213**	110
Net cash movement used in financing activities		**(49,961)**	**(70,049)**
Net (decrease)/increase in cash and cash equivalents		**(45,597)**	2,012
Cash and cash equivalents at the beginning of the period		**194,381**	192,369
Cash and cash equivalents at the end of the period		**148,784**	**194,381**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes on pages 29 to 62.

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Notes to the consolidated financial report

1 Reporting entity

Qualitas Limited (the "Company") is a public company limited by shares, domiciled in Australia. The registered office is Level 41, 101 Collins Street, Melbourne, Victoria 3000.

The Company was incorporated on 4 November 2021, listed on the ASX on 16 December 2021 on a conditional and deferred basis and commenced trading and operations on 22 December 2021. The ASX ticker is QAL.

2 Basis of preparation

This consolidated financial report as at and for the year ended 30 June 2025 comprises the Company and its controlled entities (together referred to as the "Group"). The Group is a 'for profit' entity for the purpose of preparing this consolidated financial report. The Company was incorporated on 4 November 2021 and operations commenced on 22 December 2021.

a) Statement of compliance

The consolidated general purpose financial report have been prepared in accordance with Australian Accounting Standards ("AASBs"), other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* in Australia. The consolidated financial report comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

The Group is of a kind referred to in *ASIC Corporations Instrument 2016/191* and in accordance with the legislative instrument amounts in the consolidated financial report have been rounded off to the nearest thousand dollars, unless otherwise stated.

This consolidated financial report was authorised for issue by the Directors on 21 August 2025.

b) Basis of measurement

The consolidated financial report has been prepared on the historical cost basis except for derivative financial instruments and investments which are measured at fair value in the consolidated statement of financial position. The statement of financial position is presented on a liquidity basis.

c) Functional and presentation currency

This consolidated financial report is presented in Australian dollars, which is the functional currency of the Parent and majority of operating entities.

d) Use of estimates and judgements

The preparation of the consolidated financial report in conformity with AASBs require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Key judgements and estimations involve:

- Revenue recognition in relation to performance fees. The estimation is based on hurdle requirement of the Funds (refer to note 3(k)(ii));
- Net realisable value of inventories. This involves estimation of forecast costs, sales and net profit from relevant projects (refer to note 3 (h));
- Fair value of assets and liabilities (Refer to note 4);
- Recognition and measurement of deferred tax assets and liabilities (refer to note 3(o)) based on the assumption that future taxable profit will be available to be utilised in the future; and
- Credit risk relating to financial assets (Expected Credit Loss) (refer to note 5(b)).

e) Changes in material accounting policies

i) New accounting standards and amendments adopted by the Group

The Group has adopted AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants from 1 July 2024. The amendments apply retrospectively. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period. The application of these accounting standards did not have a material impact on the Group.

3 Material accounting policies

a) Basis of consolidation

i) Common control transaction

The Company is the ultimate parent of the Group and consolidates Qualitas Property Partners Pty Ltd, Qualitas Investments Unit Trust and their controlled entities. The shares of Qualitas Property Partners Pty Ltd and units of Qualitas Investments Unit Trust were transferred to the Company under common control resulting in the creation of the common control reserve during the 2022 financial year.

ii) Investments in associates and jointly controlled entities (equity accounted investees)

The Group's interests in equity-accounted investees comprise equity interests in associates and joint ventures.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial report include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

iii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial report from the date on which control commences until the date on which control ceases.

iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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Notes to the consolidated financial report

3 Material accounting policies continued

b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash.

c) Non-derivative financial instruments

i) Recognition and initial measurement

The Group initially recognises trade and other receivables on the date that they are originated. All other financial assets and financial liabilities are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value adjusted for plus or minus, for an item not at FVTPL ("Fair value through profit or loss"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified and measured at amortised cost; FVOCI ("Fair value through other comprehensive income") – debt investment; FVOCI – equity investment; or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Amortised cost

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL ("Fair value through profit or loss")

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided tto management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g., non-recourse features).

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit and loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

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Notes to the consolidated financial report

3 Material accounting policies continued

iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v) Issued capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Dividends

Dividends are recognised as a liability in the period in which they are declared.

d) Impairment

i) Non-derivative financial assets

Financial assets which are measured at amortised cost are assessed at each reporting date to determine whether there is an impairment.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

Specific provisions relate to loans that are currently known to be impaired, based on objective evidence as a result of one or more events that have occurred after the initial recognition of the asset, otherwise known as a loss event. For loans where a loss event has occurred, the provisioning process involves review and analysis of individual loans which are assessed for impairment based on security value, loan balance outstanding and other factors deemed relevant to collectability by the Group.

Provisions are raised where objective evidence of impairment exists and the negative impact on estimated future cash flows of the asset can be reliably estimated.

An expected credit loss ("ECL") applies to all financial assets, except for those measured at fair value through profit or loss, which are not subject to impairment assessment.

The Group measures an expected credit loss allowance at an amount equal to lifetime expected credit loss for non-loan financial assets.

For mortgage loans measured at amortised cost, expected credit loss allowances are measured on either of the following bases:

- **Stage 1:** 12 month ECL – Not Significantly Increase in Credit Risk are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).
- **Stage 2:** Lifetime ECL – Significant Increase in Credit Risk (SICR) are the ECLs that result from all possible default events over the expected life of a financial instrument.
- **Stage 3:** Lifetime ECL – Credit-impaired are ECLs that result from loans that are deemed credit impaired.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both probability weighted quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information. Considerations include underlying security quality and whether the secured property is under construction, macro-economic business cycle factors and whether there is any loan subordination.

The credit risk of a financial asset is considered to have increased significantly since initial recognition if it becomes greater than 30 days overdue.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Presentation of allowance for ECL in the consolidated statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

For credit impaired loans (Stage 3) the gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This assessment is carried out at the individual asset basis.

ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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Notes to the consolidated financial report

3 Material accounting policies continued

e) Property, plant and equipment

i) Recognition and measurement

Items of office equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of office equipment have different useful lives, they are accounted for as separate items (major components) of office equipment.

Gains and losses on disposal of an item of office equipment are determined by comparing the proceeds from disposal with the carrying amount of office equipment and are recognised net within "other income" in profit or loss.

ii) Subsequent costs

The cost of replacing a part of an item of office equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of office equipment is recognised in profit or loss as incurred.

iii) Depreciation

Depreciation is based on the cost of an asset less its residual value.

Depreciation is recognised in profit or loss on a straight-line and/or diminishing basis over the estimated useful lives of each part of an item of office equipment.

The estimated useful lives for the current and comparative periods are as follows:

	2025
Furniture, fixtures and fittings	2-8 years
Computer equipment	2-4 years
Computer software	2-4 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

f) Intangible assets

The Group acquired a Funds management business in FY23 for $827,129 which resulted in the recognition of $577,000 management rights, recorded as an intangible asset on the statement of financial position. These management rights have now been fully amortised in FY25.

During the year, the Group acquired and developed software recorded as an intangible asset on the statement of financial position. The software was determined to be ready for use in FY25 and amortisation commenced during the year.

g) Capitalised contract costs

Capitalised contract costs comprising of revenue contract acquisition costs are initially recognised at cost and subsequently measured at cost less accumulated amortisation. The useful life of capitalised contract costs is treated as the period over which economic benefits are received by the Group, which is considered to be the term of the investment management agreement.

Capitalised contract costs currently recognised by the Group have a useful life of 10 years, which is the term of the investment management contract the costs relate to.

Incremental costs incurred by the Group are capitalised when the costs are incremental to winning a new contract with a customer and considered to be recoverable. All other costs are expensed when incurred.

Capitalised contract costs are impaired when their carrying amount exceeds the remaining amount of consideration that the Group expects to receive, less costs that relate directly to providing those services and that have not been recognised as expenses. All impairment losses are included in the carrying value of capitalised contract costs at each reporting period.

h) Inventories

Development projects

The asset includes the costs of acquisition, development, borrowings and all other costs directly related to specific projects, held for the purpose of resale. Borrowing and holding costs such as rates and taxes incurred after the completion of development and construction are expensed. Net realisable value is determined based on feasibility study and valuation report of the project. The Group currently holds an investment in a land development recognised under AASB 102 that meets the definition of inventory and has been recorded at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimate cost necessary to make the sale.

i) Employee benefits

i) Short-term benefits

Short-term employee benefit obligations are expensed as the related service is provided. Short-term benefits include salary and wages, annual leave and personal leave and are expected to be settled within 12 months of the reporting date.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus; that benefit is discounted to determine its present value. The discount rate is the yield at the reporting date on Corporate bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

Fund participation rights are a share of performance fees linked to the performance of a Fund, or other investment vehicle, managed by Qualitas. These rights are distributed as cash payments when the Funds mature (and Qualitas receives the performance fees in cash), and subject to the employee remaining employed with Qualitas at the time.

iii) Share-based payments

The grant date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true up for differences between expected and actual outcomes.

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Notes to the consolidated financial report

3 Material accounting policies continued

Short Term Incentive Plan

The Board has determined that Qualitas' current remuneration policy for senior management and other selected employees of Qualitas will include a STI plan (STI Plan).

Under the STI Plan, participants will have an opportunity to receive an incentive payment calculated as a percentage of their fixed annual remuneration each year, conditional upon performance against a scorecard of financial and non financial measures. The performance measures against which each participant's STI is assessed and their relative weightings are set by the Board each year.

In addition, the Board will have discretion to reduce any STI due to poor behaviour.

For FY25, the Board has approved that, under the Executive STI framework, 50% of any STI award will be delivered in cash and the remaining 50% granted as equity, deferred for a further two years and subject to the terms of the Qualitas Employee Equity Plan (QEEP). Under the Non-Executive STI framework, the first $100,000 of any STI award will be delivered in cash, with 57.5% of the remaining award paid in cash and the balance granted as equity, also deferred for a further two years and subject to the terms of the QEEP. The QEEP provides flexibility for the Group to grant options to acquire Shares, rights to acquire Shares and/or Shares as incentives (Awards), subject to the terms of individual offers.

Employee Equity Award

Selected employees were granted Share Rights at Listing which will vest in two tranches; 50% on the third anniversary of the Listing Date, and the remaining 50% on the fifth anniversary of the Listing Date, subject to the continued tenure of the participants (Employee Equity Award). The number of Share Rights granted to participants was calculated by dividing the face value of the individual grant by the Offer Price. The Employee Equity Award will be granted under the terms of the QEEP.

Legacy Employee Equity Plan (Intergen)

Under a legacy employee equity plan (Legacy Employee Equity Plan), employees (and their controlled entities) were able to acquire a beneficial interest in non-ordinary shares in QPP and non-ordinary units in the Qualitas Investments Unit Trust via a limited recourse loan.

These shares and units were converted into shares shortly prior to Completion, in accordance with the Restructure Deed, and will vest in two tranches; 50% on the third anniversary of the Listing Date, and the remaining 50% on the fifth anniversary of the Listing Date, subject to the continued tenure of the participants.

Long-Term Incentive Plan

Loan Plan

The Company granted Loan Shares to the Group Managing Director as a LTI under the Loan Plan at the Company's Annual General meeting on 23 November 2024. The LTI under the Loan Plan carries a maximum opportunity of $1,530,000. An interest-free limited recourse loan of $4,915,871 was provided by the Company to the Group Managing Director to purchase 2,279,031 newly issued shares. An independent valuation was obtained to determine the value of the loan and the maximum number of shares that were to be issued.

Executive LTI

In line with the Prospectus, the Board approved the grant of rights under the Executive LTI Plan during the period. The rights granted under the FY24 Executive LTI are against KPIs measured over a 3-year performance period from 1 July 2024 to 30 June 2026. The total number of LTI rights granted is 962,188.

Options Offer

Issue of 1,437,500 Options to acquire Ordinary Shares in the Company to certain non-Executive employees under the Qualitas Employee Equity Plan at $2.31. Options vest and become exercisable subject to meeting Group and individual performance conditions and continued service over a five-year vesting period. The Options have an expiry date of 6 November 2033.

j) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

k) Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

i) Income from the provision of financial services

Management fees

Management fees are based on net assets under management in the Group at the end of the month. Management fee income is recognised over time as the performance obligations are satisfied by the Group. Management fees are comprised of base management fees calculated either as percentage of Committed FUM or percentage of Invested FUM and transaction fees. In some instances, often single asset equity Funds, the Group may earn a management fee as a percentage of the gross asset value (GAV) of the underlying asset, rather than on Invested FUM. Payments are generally monthly in arrears.

Arrangement, establishment and mandate fees

Revenue from services rendered also consists of fees for transaction structuring, advisory services, commitment fees, arranger fees and mandate fees on the provision of loans. Revenue from services is recognised in profit or loss when the services are provided or on completion of the underlying transaction.

Distributions from Fund co-investments

Distribution income from Fund co-investments is recognised when the entitlement arises.

Portfolio and ancillary fees

Revenue from portfolio and ancillary fees relate to early repayment and discharge related fees, which are recognised on discharge of the relevant loans. Consent and loan variation fees are also included, which are recognised when the relevant loan act occurs.

Other income

Other income consists principally of income earned on underwrites provided and other adhoc fees.

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Notes to the consolidated financial report

3 Material accounting policies continued

ii) Performance fees

The Group is contractually entitled to performance fees for certain Funds where the rate of return to investors in a Fund exceeds a hurdle over the life of the investment. Performance fees largely relate to the Groups' closed ended Funds. For each Fund, performance fee testing against the relevant hurdle is performed quarterly and performance fees are only accrued when actual Fund performance is in excess of the hurdle return evidenced by each Funds model.

The performance fees recognised is measured over the time period in which the Group satisfies its performance obligation and is also dependent on a risk adjustment for future Fund performance. Performance fees revenue is recognised to the extent that it can be reliably measured and highly probable that a significant revenue reversal will not occur in the future.

Accrued performance fees are subsequently paid by Funds at the point when the underlying Fund is realised/closed.

iii) Distributions

The Group earns non Fund management revenue in the form of distributions and changes in valuation from its direct investments, co-investment activities, distributions from AFWT and management of a Private SMA. The Groups' investment into listed and/or unlisted Fund structures earns a distribution yield and is recognised when earned.

l) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and lease liability at the lease commencement date. The right- of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or it is recorded in profit or loss if the carrying amount of the right-of- use asset has been reduced to zero.

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Group recognised lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

m) Loans and borrowings

Loans and borrowings are recognised at cost.

n) Interest income and interest expense

Interest income relates to interest income on mortgage assets, investment loans, term deposits and bank balances. Interest income is recognised as it accrues, using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset and allocating the interest income included in the effective yield over the relevant period by using an effective interest rate which reflects a constant periodic return on the carrying amount of the asset.

Prepaid interest income is recognised in the consolidated statement of financial position as deferred income.

Interest expense comprises interest on borrowings. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest rate method.

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3 Material accounting policies continued

o) Income tax

Income tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable group, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be recognised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be recognised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be recognised.

Additional income tax expenses that arise from the distribution of cash dividends are recognised at the same time that the liability to pay the related dividend is recognised.

Tax consolidation

Qualitas and its wholly owned Australian resident subsidiaries are a tax consolidated group under Australian taxation law. As a consequence of being a tax-consolidated group, all members of this group are taxed as a single entity. The head entity in the tax consolidated group is Qualitas.

p) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the consolidated statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

q) Accounting standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 July 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements. The new standards are not expected to have a significant impact on the Group's financial statements. The analysis of the transitional impact of the standards is expected to be completed prior to the implementation dates. The new standards include:

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

  In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

  This new standard is not expected to have an impact on the recognition and measurement of assets, liabilities, income and expenses, however there will likely be changes in how the Statement of Profit or Loss and Statement of Financial Position line items are presented as well as some additional disclosures in the notes to the financial statements. The Group is in the process of assessing the impact of the new standard.

The Group will adopt IFRS18 when it became application from 1 July 2027.

Other accounting standards

The impact following new and amended accounting standards are being assessed but are not expected to have a significant impact on the Group's consolidated financial statements:

- *Lack of exchangeability – Amendment to IAS 21.*
- *Sale or Contribution of Assets between an Investors and it's Associate or Joint Venture – Amendment to IFRS 10 and IAS 28.*
- Classification and *Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).*
- Annual *Improvements to IFRS Accounting Standards – Volume 11.*

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4 Fair value measurements

The Group discloses fair value measurements by level using the following fair value hierarchy:

- **Level 1** – quoted prices (unadjusted) in active markets for identical assets or liabilities
- **Level 2** – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- **Level 3** – inputs for the asset or liability that are not based on observable market data (unobservable inputs)

i) Fair value in an active market (Level 1)

The fair value of financial assets and liabilities traded in active markets is based on last traded prices at the end of the reporting period without any deduction for estimated future selling costs. For the majority of financial assets and liabilities, information provided by the quoted market independent pricing services is relied upon for valuation.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange and those prices represent actual and regularly occurring market transactions on an arm's length basis. An active market is a market in which transactions for the financial asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

ii) Fair value in an inactive or unquoted market (Level 2 and Level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on the Manager's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions. For other pricing models, inputs are based on market data at the end of the reporting period. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Group holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

As at 30 June 2025, the Group holds investments in Qualitas Funds which are recognised as Level 3. The fair value of Qualitas Funds is estimated based on the net asset value (NAV) of the Fund at reporting date. The NAV is assessed to be the best estimate of fair value for the Funds given this is the transaction price that unitholders would transact upon. Where the Fund is a closed-ended Fund, liquidity factors are considered in estimating the fair value of the Fund.

For the Level 3 investment in an unlisted entity, the Group uses a combination of management accounts, recently audited financial report and property valuations to estimate the fair value, on the basis that the value of the investment is mainly driven by the property assets held within the unlisted entity. The key input assumption in this valuation is therefore market capital rates. A 10% shift in market capital rates would have a +/- $4.81m shift in the valuation of the asset (Refer to Note 4). As at 30 June 2025, $43,816,000 was transferred from Level 2 to Level 3 in the fair value hierarchy following a reassessment of the valuation inputs.

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4 Fair value measurements continued

iii) Unobservable inputs used in measuring fair value (level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using various valuation techniques. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire assessment.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The table below sets out the Group's financial assets and liabilities measured at their carrying amount and fair value at 30 June 2025 and 2024:

	Carrying amount		
	Fair value through profit or loss $'000	Financial assets/ (financial liabilities) at amortised cost $'000	Carrying amount $'000
As at 30 June 2025			
Financial assets measured at fair value			
Qualitas Investments	**4,325**	**—**	**4,325**
Qualitas Co-Investments	**62,732**	**—**	**62,732**
Financial assets not measured at fair value			
Qualitas Co-Investments	**—**	**62,819**	**62,819**
Qualitas Loan Investments	**—**	**31,350**	**31,350**
Other	**—**	**20**	**20**
Term deposits	**—**	**67**	**67**
Cash and cash equivalents	**—**	**148,784**	**148,784**
Loans	**—**	**30,311**	**30,311**
Trade receivables and other assets	**—**	**33,409**	**33,409**
Prepayments	**—**	**1,583**	**1,583**
Financial liabilities not measured at fair value			
Payables	**—**	**(22,266)**	**(22,266)**
Lease liability	**—**	**(9,330)**	**(9,330)**
Loans and borrowings	**—**	**(44,719)**	**(44,719)**
	67,057	**232,028**	**299,085**
As at 30 June 2024			
Financial assets measured at fair value			
Qualitas Investments	3,677	—	3,677
Qualitas Co-Investments	42,768	—	42,768
Financial assets not measured at fair value			
Qualitas Co-Investments	—	34,655	34,655
Qualitas Loan Investments	—	25,548	25,548
Other	—	20	20
Mortgage loans	—	276,490	276,490
Term deposits	—	64	64
Cash and cash equivalents	—	194,381	194,381
Loans	—	14,238	14,238
Trade receivables and other assets	—	33,089	33,089
Prepayments	—	1,231	1,231
Financial liabilities not measured at fair value			
Payables	—	(23,108)	(23,108)
Lease liability	—	(3,154)	(3,154)
Loans and borrowings	—	(292,138)	(292,138)
	46,445	**261,316**	**307,761**

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Notes to the consolidated financial report

4 Fair value measurements continued

The table below sets out the Group's financial assets and liabilities measured at fair value according to the fair value hierarchy at 30 June 2025 and 2024:

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
As at 30 June 2025				
Financial assets at fair value				
Qualitas Investments	**—**	**—**	**4,326**	**4,326**
Qualitas Co-Investments	**18,916**	**—**	**43,816**	**62,732**
	18,916	**—**	**48,142**	**67,058**
As at 30 June 2024				
Financial assets at fair value				
Qualitas Investments	—	—	3,677	3,677
Qualitas Co-Investments	10,156	32,612	—	42,768
	10,156	**32,612**	**3,677**	**46,445**

Transfers between levels of financial assets and liabilities

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

As at 30 June 2025, $43,816,000 was transferred from Level 2 to Level 3 in the fair value hierarchy following a reassessment of the valuation inputs. There were no transfers between levels during the year ended 30 June 2024.

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

	$'000
Balance at 1 July 2024	**3,677**
Level 3 assets acquired	**675**
Net change in fair value (unrealised)	**(26)**
Reclassification from Level 2 assets	**43,816**
Balance at 30 June 2025	**48,142**
Balance at 1 July 2023	3,591
Net change in fair value (unrealised)	86
Balance at 30 June 2024	**3,677**

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Notes to the consolidated financial report

5 Financial risk management

a) Overview

The Group's activities expose it to a variety of financial risks. The Group has in place a risk management framework to identify and manage the financial risks in accordance with its investment objectives and strategy. This includes an investment due diligence process and ongoing monitoring of the investments and transactions of the Group. Specific processes and controls the Group applies to manage the financial risks are detailed under each risk specified below.

Financial risk management as it relates to balance sheet investments made by the Group would fall under the realm of the Qualitas Investment Committee. In terms of other risks relating to the Group, these are captured in the Risk Register which is part of the Group's risk appetite statement which is overseen by the Audit, Risk and Compliance Committee.

b) Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts when they fall due and arises principally from the Group's mortgage assets.

Investments

The Group is exposed to credit risk through its investments, projects and other Qualitas Funds. There is also credit risk exposure in the Group's other investments held at amortised cost, however these will not have a material impact to the Group's financial position.

Other Assets

The Group's exposure to credit risk for cash and cash equivalents and term deposits is low as all counterparties have a rating of A- (as determined by public ratings agencies such as Standard & Poor's, Moody's or Fitch) or higher.

Credit risk on trade and other receivables is managed through the Group's investment management activities as a significant portion of receivables relates to receivables from Qualitas Funds.

Mortgage Loans

The Group is exposed to credit risk primarily on loans secured by first mortgage through its Arch Finance business.

As part of its lending policies and processes, the Group identifies and manages credit risk of mortgage loans by undertaking a detailed due diligence process prior to entering into transactions with counterparties and frequent monitoring of the credit exposures.

The Group applies a selective investment filtering and due diligence process for each loan which encompasses the:

– credit worthiness, financial standing and track record of the borrower and other transaction parties;

– quality and performance of the underlying real property security;

– macroeconomic and microeconomic market conditions;

– legal due diligence of the transaction structure;

– consideration of downside risks; and

– ESG considerations.

The Group identifies and monitors key risks of the loans to manage risk and preserve investor returns.

The portfolio construction adopted by the Group is implemented with the expectation of seeking to reduce the Group's exposure to both credit and market risks. The Group adheres to the portfolio investment parameters set out in the relevant funding agreements and additional internal guidelines to ensure sufficient diversification of the loan portfolio by borrower/counterparties, security ranking, loan maturity, loan to value ratio, and property sector and geography of security.

The terms of the interest-bearing notes used to fund the mortgage loans held by Arch Finance Warehouse Trust include loan eligibility criteria. This includes maximum loan-to-value ratios, guidelines and limits for geographical diversification and on the type of property secured against the loans.

On 26 November 2024 the Arch Finance Warehouse Trust (100% controlled subsidiary of the Group) Noteholder Agreement was amended resulting in changes to the rights of the primary noteholder. This change resulted in the loss of control by the Group of the Arch Finance Warehouse Trust (Warehouse Trust) and therefore the Group is no longer required to consolidate the results of the Warehouse Trust from the date of loss of control (refer to Note 33).

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Notes to the consolidated financial report

5 Financial risk management continued

Loans

The Group is exposed to minimal credit risk through loans provided by the Liquidity Lending Facility. The credit risks have been transferred to the Funds in the event of defaulting loans.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset held at amortised cost in the consolidated Statement of Financial Position as outlined below:

	30 June 2025 $'000	30 June 2024 $'000
Cash and cash equivalents	**148,784**	194,381
Trade and other receivables	**33,409**	33,089
Loans	**30,311**	14,238
Mortgage loans	**—**	276,490
Investments measured at amortised cost:		
Term deposits	**67**	64
Qualitas Investments	**62,819**	34,655
Qualitas Loan Investments	**31,350**	25,548
Other	**20**	20
Prepayment	**1,583**	1,231
	308,343	**579,716**

The ageing of trade receivables, loans and mortgage loans at reporting date is outlined below:

	Gross amount $'000	Allowance for ECL $'000
30 June 2025		
Ageing of trade and other receivables		
Not past due	**33,409**	**—**
Ageing of loans		
Not past due	**30,311**	**—**
More than 30 days past due	**—**	**—**
Total	**63,720**	**—**
Ageing of Arch Finance mortgage loans		
Not past due (12-month ECL)	**—**	**—**
0 to 30 days past due (12-month ECL)	**—**	**—**
More than 30 days past due (lifetime ECL)	**—**	**—**
Total	**—**	**—**
Total Group	**63,720**	**—**
30 June 2024		
Ageing of trade and other receivables		
Not past due	33,089	—
Ageing of loans		
Not past due	14,238	—
More than 30 days past due	—	—
Total	**47,327**	**—**
Ageing of Arch Finance mortgage loans		
Not past due (12-month ECL)	265,414	254
0 to 30 days past due (12-month ECL)	—	—
More than 30 days past due (lifetime ECL)	11,540	210
Total	**276,954**	**464**
Total Group	**324,281**	**464**

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Notes to the consolidated financial report

5 Financial risk management continued

As the Group is no longer required to consolidate the results of the Warehouse Trust from the date of loss of control (refer to Note 33), there is no information presented for 30 June 2025. The following table presents at 30 June 2024 an analysis of the mortgage loans relating to Arch Finance.

	At amortised cost			
Credit rating	12-month ECL	Lifetime ECL – not credit-impaired	Lifetime ECL – credit impaired	Total
30 June 2024				
Strong	236,323	—	—	236,323
Good	—	—	—	—
Satisfactory	29,091	—	—	29,091
Marginal	—	—	—	—
Weak	—	8,875	2,665	11,540
Gross carrying amounts	265,414	8,875	2,665	276,954
Loss allowance	(254)	(43)	(167)	(464)
Amortised cost	**265,160**	**8,832**	**2,498**	**276,490**
Carrying amount	**265,160**	**8,832**	**2,498**	**276,490**

The table above only assesses risk ratings and ECL calculations against the Arch mortgage portfolio as other loans receivables held on the balance sheet are assessed for impairment individually on a regular basis.

The Group's accounting policy for credit impairment is outlined in Note 3(f).

To measure the expected credit loss (ECL) of the mortgage assets the Group uses a credit loss model which is calculated by multiplying the probability of default by the exposure at default multiplied by the loss given default.

The key model inputs used in measuring the ECL include:

- Exposure at Default (EAD): represents the calculated exposure in the event of a default. The EAD for mortgage loans is the principal and any interest amount outstanding at reporting date. The Group does not offer loan redraw facilities or loan commitments in its Direct Lending business and therefore there are no undrawn commitments included in the EAD.
- Probability of Default (PD): Given the Group has experienced very few losses in its history, external data has been used to determine an appropriate probability of default measure. All loans in the portfolio are assumed to have an equivalent probability of default to that of a B+ rated Corporate Bond given that the mortgage book is comprised predominately of commercial borrowers.
- Loss Given Default (LGD): the LGD is the magnitude of the ECL in a default event. The Group considers a financial asset to be in default when:
  - > the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
  - > the financial asset is 90 days overdue.

LGD is adjusted for factors such as the site quality of the secured property, whether the secured property is under construction and whether there is any subordination of the loan.

The movement in the allowance for impairment at amortised cost during the year was as follows:

	12 month ECL provision $'000	Lifetime ECL – not credit-impaired provision $'000	Lifetime ECL – credit-impaired provision $'000	Total $'000
Balance at 1 July 2023	426	149	—	575
Net movement during the year	(172)	(106)	167	(111)
Balance at 30 June 2024	**254**	**43**	**167**	**464**

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Notes to the consolidated financial report

5 Financial risk management continued

The following tables show the movement in the Group's impairment provisions and credit exposures by expected credit loss (ECL) stage for the year ended 2025 and 2024. As the Group lost control of Arch Finance Warehouse Trust during the year, there is no gross exposures for the Lifetime ECL provisions and so were reversed as of 30 June 2025.

	12 month ECL provision $'000	Lifetime ECL – not credit-impaired provision $'000	Lifetime ECL – credit-impaired provision $'000	Total $'000
Balance at 1 July 2024	**254**	**43**	**167**	**464**
Net movement during the year	**3**	**(43)**	**(167)**	**(207)**
Loss of control of subsidiary	**(275)**	**—**	**—**	**(275)**
ECL on loan notes held in Warehouse Trust	**275**	**—**	**—**	**275**
Others	**(3)**	**—**	**—**	**(3)**
Balance at 30 June 2025	**254**	**—**	**—**	**254**

	12 month ECL		Lifetime ECL – not credit-impaired		Lifetime ECL – credit-impaired		Total	
	Gross exposure $'000	Provision $'000	Gross exposure $'000	Provision $'000	Gross exposure $'000	Provision $'000	Gross exposure $'000	Provision $'000
Balance at 1 July 2023	313,705	426	4,440	149	—	—	318,145	575
New loans originated	32,308	22	—	—	—	—	32,308	22
Transfers								
Transfers to stage 1	2,470	5	(2,470)	(3)	—	—	—	—
Transfers to stage 2	(8,875)	(53)	8,875	53	—	—	—	—
Transfers to stage 3	(2,665)	(2)	—	—	2,665	2	—	—
Loans repaid	(71,529)	(338)	(1,970)	(144)	—	—	(73,499)	(482)
New and increased provisions (net of releases)	—	194	—	(10)	—	165	—	349
Write-offs	—	—	—	—	—	—	—	—
Balance at 30 June 2024	**265,414**	**254**	**8,875**	**43**	**2,665**	**167**	**276,954**	**464**

The ECL allowance as a percentage of the gross carrying amounts of the mortgage loans at 30 June 2024 is split as follows:

	Current $'000	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
30 June 2025					
Expected loss rate	—	—	—	—	—
Gross carrying amount	—	—	—	—	—
Loss allowance	—	—	—	—	—
30 June 2024					
Expected loss rate	—	0.09%	0.48%	6.27%	0.17%
Gross carrying amount	—	265,414	8,875	2,665	276,954
Loss allowance	—	(254)	(43)	(167)	(464)

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5 Financial risk management continued

d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in market variables such as interest rates, foreign exchange rates and equity prices.

i) Price risk

Price risk is the risk that the fair value of investments will change as a result of changes in market prices of the investments, whether those changes are caused by factors specific to the individual security or factors affecting all instruments in the market.

The Group is exposed to price risk through its co-investments in Qualitas Funds and other equity investments.

Prices are monitored by the Group through its investment management processes of the relevant Qualitas Funds. For other equity investments, prices are monitored through regular reporting from the equity project manager.

Sensitivity analysis – price risk

At 30 June 2025, it is estimated that a 10% decrease in investment prices would decrease the Group's profit before income tax by approximately $7,171,064 (2024: $6,068,922), and would decrease equity by approximately $5,019,745 (2024: $4,248,246). A 10% increase in investment prices would have an equal but opposite effect.

ii) Currency risk

Currency risk arises as the income and value of monetary securities denominated in other currencies will fluctuate due to changes in exchange rates. As at 30 June 2025, the Group did not hold any significant assets or liabilities denominated in currencies other than the Australian Dollar and therefore was not exposed to any significant foreign exchange risk.

iii) Interest rate risk

Interest rate risk is the risk that a financial asset's value will fluctuate as a result of changes in market interest rates. The Group invests and borrows at both floating and fixed rates. Floating rate loans means that income will be impacted by the underlying base rate rises and falls and therefore the relative attractiveness to other instruments may change. There is a strong correlation between the RBA Cash Rate and the base rates upon which floating rate loans are priced. Absolute returns on floating rate loans therefore rise and fall largely in correlation with the RBA Cash Rate.

The table below summarises the Group's exposure to interest rates risks as at 30 June 2025 and 2024, including the Group's assets and liabilities at fair values.

	Average effective interest rate %	Carrying amount $'000
30 June 2025		
Fixed rate instruments		
Qualitas Real Estate Income Fund Manager Loan	**5.00**	**(19,810)**
Qualitas Loan Investments	**8.00**	**31,350**
Variable rate instruments		
Assets		
Cash and cash equivalents	**4.13**	**92,000**
Liabilities		
Project Funding loans	**8.85**	**(13,245)**
30 June 2024		
Fixed rate instruments		
Qualitas Real Estate Income Fund Manager Loan	5.00	(14,791)
Qualitas Loan Investments	8.00	25,548
Variable rate instruments		
Assets		
Cash and cash equivalents	4.45	143,815
Liquidity Lending Facility	10.11	11,630
Mortgage loans	8.88	276,490
Liabilities		
Interest bearing notes	6.83	(253,712)
Project Funding loans	8.83	(11,972)

The fair values are not materially different to their carrying value amount since the interest payable is either close to current market rates or the borrowings are of a short term nature.

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5 Financial risk management continued

iii) Sensitivity analysis – interest rate risk

As at 30 June 2025, it is estimated that a general increase of one-percentage point in interest rates on variable rate instruments would increase the Group's profit before income tax by approximately $787,544 (2024: $1,662,514) and would increase equity by approximately $551,281 (2024: $1,163,760).

A general decrease of one-percentage point in interest rates on variable rate instruments would have an equal but opposite effect.

e) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group monitors its cash flow requirements and undertakes cash flow forecasts. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Cash flow reconciliations are undertaken monthly to ensure all income and expenses are managed in accordance with contracted obligations.

The following tables show the contractual maturities of financial assets and liabilities as at 30 June 2025 and 2024 which are not discounted:

	Carrying amount $'000	Contractual cashflow $'000	Less than 3 months $'000	3 to 12 months $'000	1 to 3 years $'000	3 to 5 years $'000	Greater than 5 years $'000
As at 30 June 2025							
Financial assets							
Cash and cash equivalents	**148,784**	**148,784**	**148,784**	**—**	**—**	**—**	**—**
Trade and other receivables	**33,409**	**33,409**	**—**	**27,394**	**—**	**6,015**	**—**
Prepayments	**1,583**	**1,583**	**—**	**1,583**	**—**	**—**	**—**
Loans	**30,311**	**30,311**	**—**	**3,943**	**26,368**	**—**	**—**
Accrued performance fees	**42,578**	**42,578**	**7,072**	**18,419**	**—**	**17,087**	**—**
Inventories	**27,188**	**27,188**	**—**	**—**	**27,188**	**—**	**—**
Investments	**161,314**	**161,314**	**67**	**1,640**	**36,031**	**123,576**	**—**
Capitalised contract costs	**2,276**	**2,276**	**168**	**499**	**1,609**	**—**	**—**
Financial liabilities							
Trade and other payables	**(22,266)**	**(22,266)**	**(1,813)**	**(20,453)**	**—**	**—**	**—**
Lease liabilities	**(9,330)**	**(9,330)**	**(127)**	**(730)**	**(2,821)**	**(1,703)**	**(3,949)**
Loans and borrowings	**(44,719)**	**(44,719)**	**(395)**	**(1,223)**	**(30,274)**	**(4,051)**	**(8,776)**
	371,128	**371,128**	**153,758**	**31,072**	**58,101**	**140,924**	**(12,725)**
As at 30 June 2024							
Financial assets							
Cash and cash equivalents	194,381	194,381	194,381	—	—	—	—
Trade and other receivables	33,089	33,089	—	25,402	—	7,687	—
Prepayments	1,231	1,231	—	1,231	—	—	—
Loans	14,238	14,238	11,630	—	—	2,608	—
Accrued performance fees	36,688	36,688	—	31,202	—	5,486	—
Inventories	25,473	25,473	—	—	25,473	—	—
Investments	106,732	106,732	65	2,124	53,267	51,276	—
Mortgage loans	276,490	276,490	49,517	61,389	165,584	—	—
Capitalised contract costs	2,943	2,943	168	499	2,003	273	—
Financial liabilities							
Trade and other payables	(23,108)	(23,108)	(2,591)	(20,517)	—	—	—
Lease liabilities	(3,154)	(3,154)	(262)	(736)	(2,156)	—	—
Loans and borrowings	(292,138)	(292,138)	(45,736)	(57,255)	(179,627)	(9,520)	—
	372,865	**372,865**	**207,172**	**43,339**	**64,544**	**57,810**	**—**

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Notes to the consolidated financial report

6 Segment information

a) Description of segments

An operating segment is a component of a Group that engages in business activities from which it may earn revenue and incur expenses, whose operating results are reviewed regularly by the Group's Managing Director who is the Group's Chief Operating Decision Maker in assessing performance and in determining the allocation of resources.

The Group has identified two operating segments being Funds Management and Direct Lending.

The Funds Management segment includes all of Qualitas' core Funds management activities and includes Funds management fees, performance fees and other fee income. It also includes dividends and distributions from Qualitas' Investment and Direct Lending activities.

The Direct Lending segment relates to the income and expenses relating to activities undertaken by Qualitas' wholly owned subsidiary Arch Finance.

The segment information for the reportable segments is as follows:

b) Segment overview

	Funds management $'000	Direct lending $'000	Total $'000
For the year ended 30 June 2025			
Interest income	**15,032**	**10,165**	**25,197**
Interest expense	**(1,104)**	**(6,880)**	**(7,984)**
Net interest income	**13,928**	**3,285**	**17,213**
Net revenue	**90,305**	**2,344**	**92,649**
Loan impairment reversal/(expense)	**—**	**207**	**207**
Total expenses	**(56,962)**	**(5,293)**	**(62,255)**
Income tax expense	**(14,240)**	**(163)**	**(14,403)**
Segment profit after tax	**33,031**	**380**	**33,411**
For the year ended 30 June 2024			
Interest income	13,610	26,794	40,404
Interest expense	(1,463)	(18,948)	(20,411)
Net interest income	**12,147**	**7,846**	**19,993**
Net revenue	63,006	897	63,903
Loan impairment reversal/(expense)	—	111	111
Total expenses	(41,039)	(5,536)	(46,575)
Income tax expense	(10,256)	(996)	(11,252)
Segment profit after tax	**23,858**	**2,322**	**26,180**

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Notes to the consolidated financial report

6 Segment information continued

Segment financial position information	Funds management $'000	Direct lending $'000	Total $'000
As at 30 June 2025			
Cash and cash equivalents	**147,399**	**1,385**	**148,784**
Investments	**165,916**	**51**	**165,967**
Other assets	**165,410**	**1,584**	**166,994**
Total assets reported by the Group	**478,725**	**3,020**	**481,745**
Loans and borrowings	**44,719**	**—**	**44,719**
Other liabilities	**55,458**	**1,198**	**56,656**
Total liabilities reported by the Group	**100,177**	**1,198**	**101,375**
As at 30 June 2024			
Cash and cash equivalents	189,920	4,461	194,381
Mortgage loans	—	276,490	276,490
Investments	110,379	49	110,428
Other assets	124,581	2,252	126,833
Total assets reported by the Group	**424,880**	**283,252**	**708,132**
Loans and borrowings	15,187	276,951	292,138
Other liabilities	45,044	3,938	48,982
Total liabilities reported by the Group	**60,231**	**280,889**	**341,120**

Major customers

Three Qualitas Funds contributed more than 10% of total revenue of the Group and are included in the Funds Management segment. The total amount contributed by the three Funds was $40,541,819 for 2025 financial year (2024: $32,425,692), comprising base management, arranger and performance fees.

7 Income from the provision of financial services and performance fees

a) Performance Fees

For the year ended	30 June 2025 $'000	30 June 2024 $'000
Performance fees	**8,349**	1,029

Performance fees are variable consideration and are recognised to the extent that it is highly probable a significant reversal will not subsequently occur (variable consideration is constrained in accordance with AASB 15 *Revenue*). The Group is entitled to performance fees in accordance with its Fund investment management agreements. Performance fees are typically payable by the Fund when the Fund has crystalised its investments and terminates. Therefore the Group recognises performance fees in relation to a Fund when the Fund has recognised a performance fee expense and either the Fund is nearing the final stages of its investment life cycle and termination or there is limited sensitivity to valuation changes. Performance fee income is generally constrained up to the point when the final amount to be paid out of the Fund is known.

During the year, $2,458,000 of previously recognised performance fees was received in cash and shares.

b) Income from the provision of financial services

	For the year ended	
	30 June 2025 $'000	30 June 2024 $'000
Arrangement, establishment and mandate fees	**18,577**	16,380
Management fees	**49,579**	37,682
Portfolio and ancillary fees	**577**	521
	68,733	**54,583**

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8 Interest income and interest expense

	For the year ended	
	30 June 2025 $'000	30 June 2024 $'000
Interest income		
Arch Finance – mortgage loans	**10,166**	26,390
Bank balances and term deposits	**7,751**	7,931
Liquidity Lending Facility and underwrites	**4,809**	5,019
Qualitas Loan Investments	**2,299**	899
Other	**172**	165
Total interest income	**25,197**	**40,404**
Interest expense		
Interest expense on interest bearing notes – bank & other financial institutions	**(7,690)**	(20,267)
Lease interest expense	**(294)**	(144)
Total interest expense	**(7,984)**	**(20,411)**
Net interest income recognised in profit or loss	**17,213**	**19,993**

9 Other expenses

	For the year ended	
	30 June 2025 $'000	30 June 2024 $'000
Trail commissions	**199**	573
Trustee and line fees	**209**	569
Information technology	**1,661**	897
Subscriptions	**988**	635
Rental expenses	**385**	512
Company administration fees	**238**	119
Other miscellaneous costs	**1,852**	1,189
	5,531	**4,494**

10 Income tax

a) Reconciliation of income tax expense

	For the year ended	
	30 June 2025 $'000	30 June 2024 $'000
Recognised in the consolidated statement of profit or loss and other comprehensive income		
Current period	**19,176**	10,224
Deferred tax expense		
Origination and reversal of temporary differences	**(4,773)**	1,028
	14,403	**11,252**
Reconciliation between tax expense and profit		
Profit before income tax	**47,814**	37,432
Income tax using domestic corporation tax rate of 30%	**14,344**	11,230
Net movement in income tax due to:		
Non-assessable items	**67**	40
Prior year adjustments	**(8)**	(18)
Income tax expense on profit	**14,403**	**11,252**

Franking account

The amount of franking credits available to the Shareholders for subsequent financial years as at 30 June 2025 is $19,070,319 (2024: $10,516,979). The ability to utilise the franking credits is dependent upon the ability to declare dividends.

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10 Income tax continued

b) Movement of deferred tax

30 June 2025	Balance at 1 July 2024 $'000	Recognised in profit or loss $'000	Balance at 30 June 2025 Net $'000	Deferred tax assets $'000	Deferred tax liabilities $'000
Investments	(1,157)	(464)	(1,621)	—	(1,621)
Accrued performance fees	5,656	3,181	8,837	8,837	—
Capitalised contract costs	(883)	201	(682)	—	(682)
QAL- capital raising costs	274	(137)	137	137	—
Employee benefits	2,269	969	3,238	3,238	—
Right-of-use assets	(910)	(1,746)	(2,656)	—	(2,656)
Lease liabilities	946	1,853	2,799	2,799	—
Other items	2,000	916	2,916	2,916	—
Tax assets/(liabilities) before set off	8,195	4,773	12,968	17,927	(4,959)
Set off	—	—	—	(4,959)	4,959
Net tax assets	8,195	4,773	12,968	12,968	—

30 June 2024	Balance at 1 July 2023 $'000	Recognised in profit or loss $'000	Balance at 30 June 2024 Net $'000	Deferred tax assets $'000	Deferred tax liabilities $'000
Investments	(879)	(278)	(1,157)	—	(1,157)
Accrued performance fees	4,486	1,170	5,656	5,656	—
Capitalised contract costs	(1,084)	201	(883)	—	(883)
QAL- capital raising costs	527	(253)	274	274	—
Employee benefits	1,667	602	2,269	2,269	—
Right-of-use assets	(584)	(326)	(910)	—	(910)
Lease liabilities	617	329	946	946	—
Other items	1,049	951	2,000	2,000	—
Tax assets/(liabilities) before set off	5,799	2,396	8,195	11,145	(2,950)
Set off	—	—	—	(2,950)	2,950
Net tax assets	5,799	2,396	8,195	8,195	—

11 Cash and cash equivalents

	As at 30 June 2025 $'000	30 June 2024 $'000
Cash at bank	148,784	194,381
	148,784	194,381

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12 Trade and other receivables

	As at	
	30 June 2025 $'000	30 June 2024 $'000
Current		
Trade receivables	**18,558**	16,198
Accrued income	**3,671**	1,720
Recoverable Fund costs	**2,008**	2,220
Sundry receivables	**1,088**	3,195
	25,325	**23,333**
Non-Current		
Accrued income	**6,015**	7,687
Sundry receivables	**2,069**	2,069
	8,084	**9,756**
	33,409	**33,089**

13 Property, plant and equipment

	Office equipment $'000
Cost	
Balance at 1 July 2024	**2,952**
Acquired during the period	**5,644**
Offset	**(908)**
Disposals	**(449)**
Balance at 30 June 2025	**7,239**
Balance at 1 July 2023	2,619
Acquired during the period	333
Balance at 30 June 2024	**2,952**
Accumulated depreciation	
Balance at 1 July 2024	**2,157**
Depreciation charge for the period	**378**
Offset	**(908)**
Disposals	**(298)**
Balance at 30 June 2025	**1,329**
Balance at 1 July 2023	1,897
Depreciation charge for the period	260
Balance at 30 June 2024	**2,157**
Carrying amount	
At 1 July 2023	722
At 30 June 2024	795
At 1 July 2024	795
At 30 June 2025	5,910

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Notes to the consolidated financial report

14 Inventories

	As at	
	30 June 2025 $'000	30 June 2024 $'000
Non-Current		
Development and capitalised project costs	**27,188**	25,473
	27,188	**25,473**

The inventories with an aggregate carrying value of $27.2m as at 30 June 2025 (2024: $25.5m) have been pledged as security to secure an external loan.

15 Investments

	As at	
	30 June 2025 $'000	30 June 2024 $'000
Current		
Investments measured at amortised cost:		
Term deposits	**67**	64
Investments measured at fair value through profit or loss:		
Qualitas Investments	**1,640**	2,123
	1,707	**2,187**
Non-Current		
Investments measured at amortised cost:		
Qualitas Co-Investments	**62,819**	34,655
Qualitas Loan Investments	**31,350**	25,548
Others	**20**	20
Investments measured at fair value through profit or loss:		
Qualitas Investments	**4,325**	3,677
Qualitas Co-investments	**61,093**	40,645
	159,607	**104,545**
	161,314	**106,732**

16 Intangible asset – Capitalised contract costs

	As at	
	30 June 2025 $'000	30 June 2024 $'000
Opening net book amount at beginning of period	**2,943**	3,612
Amortisation charge	**(667)**	(669)
Closing net book amount at end of period	**2,276**	**2,943**

The above comprises a current balance of $667,000 (2024: $667,000) and non-current balance of $1,609,000 (2024: $2,276,000).

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17 Loans

	At 30 June 2025 $'000	At 30 June 2024 $'000
Liquidity Lending Facility	—	11,630
Qualitas Loans	**18,179**	—
Qualitas Bridge	**6,104**	—
USMF Loan	**643**	—
Loan – GQ Multifamily Unit Trust	**5,385**	2,608
	30,311	**14,238**

There is a related party loan with the Group's joint venture (GQ Multifamily Unit Trust) of $5.4m at 30 June 2025. Of the $5.4m loan $3.5m is an unsecured interest free loan.

18 Mortgage Loans

	At 30 June 2025 $'000	At 30 June 2024 $'000
Gross mortgage loans – held directly	—	276,954
Allowance for expected credit losses	—	(464)
Total mortgage loans – net of allowance for expected credit losses	**—**	**276,490**
Maturity analysis:		
No longer than three months	—	49,755
Longer than three months but no longer than twelve months	—	61,450
Longer than one year but no longer than three years	—	165,749
Total mortgage loans	**—**	**276,954**
Allowance for expected credit losses – Opening balance	**(464)**	(575)
Decrease in allowance during the year	**464**	111
Allowance for expected credit losses – Closing balance	**—**	**(464)**

	12-month ECL applied $'000	Lifetime ECL applied $'000	Total $'000
As at 30 June 2025			
Gross mortgage loans			
Gross mortgage loans balance	—	—	—
Allowance for expected credit loss	—	—	—
Total	**—**	**—**	**—**
As at 30 June 2024			
Gross mortgage loans			
Gross mortgage loans balance	265,414	11,540	276,954
Allowance for expected credit loss	(254)	(210)	(464)
Total	**265,160**	**11,330**	**276,490**

As the Group lost control of Arch Finance Warehouse Trust during the year, there are no balances presented as at 30 June 2025. Refer to Note 33 for further details.

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Notes to the consolidated financial report

18 Mortgage Loans continued

As at 30 June 2024, there are three Arch Finance loans with a combined value of $4,440,000 that are greater than 30 days in arrears (significant increased credit risk since initial recognition). The first loan with a value of $2,664,900 is more than 120 days past due and has an expected credit loss allowance of $167,239. The loan balance is considered recoverable to the extent of the expected credit loss recognised. The remainder of the loans have a cumulative value of $8,875,000 and are more than 30 days past due with an expected credit loss allowance of $42,779. The loan balances are considered recoverable to the extent of the expected credit loss recognised.

	At	
Mortgage loans – Geographical diversification	30 June 2025 $'000	30 June 2024 $'000
Victoria	—	88,837
New South Wales	—	147,933
Queensland	—	30,447
South Australia	—	6,547
Others	—	2,726
	—	**276,490**

	At	
Mortgage loans – Loan to value ratios	30 June 2025 $'000	30 June 2024 $'000
0-30%	—	18,710
30-50%	—	65,374
50-70%	—	192,406
70-80%	—	—
80-100%	—	—
	—	**276,490**

Please refer to Note 33 for further information regarding the loss of control of Arch Finance Warehouse Trust which has resulted in a material change in value of mortgage loans held by the Group during the period.

19 Trade and other payables

	As at	
	30 June 2025 $'000	30 June 2024 $'000
Current		
Trade payables	**38**	99
Sundry payables	**12,873**	10,451
Interest payable on Notes – Arch Finance	—	1,783
Taxes payable	**7,580**	8,283
GST payable	**1,775**	2,492
	22,266	**23,108**

20 Deferred income

	As at	
	30 June 2025 $'000	30 June 2024 $'000
Current		
Management fees received in advance	**990**	1,151
Deferred arranger fees	**768**	842
Other	—	15
	1,758	**2,008**
Non-Current		
Interest reserve	—	1,070
	1,758	**3,078**

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21 Employee benefits

	As at 30 June 2025 $'000	30 June 2024 $'000
Current		
Accrued incentives	**17,253**	14,075
Accrued annual leave	**2,068**	1,699
Accrued long-service leave	**888**	364
	20,209	**16,138**
Non-Current		
Accrued incentives	**2,191**	2,394
Accrued long-service leave	**902**	1,110
	3,093	**3,504**
	23,302	**19,642**

Accrued incentives include amounts accrued in relation to performance fee bonuses payable to employees of the Group.

The present value of employee benefits not expected to be settled within 12 months of balance date have been calculated using the following inputs or assumptions at the reporting date:

Assumed rate of increase in wages/salaries	4.25%
Discount rate	4.30%
Settlement term	7 years

22 Leases

The Group has entered into commercial property leases for its office accommodation. These leases have a remaining life of up to 8 years. The Group has no other capital or lease commitments.

Right-of-use assets	As at 30 June 2025 $'000	30 June 2024 $'000
Balance at beginning of period	**3,035**	2,165
Acquired during the period	**7,105**	2,756
Derecognition of right-of-use assets	**—**	(799)
Depreciation charge for the period	**(1,286)**	(1,087)
Balance at end of period	**8,854**	**3,035**

The above comprises a current balance of $1,407,000 (2024: $1,033,000) and non-current balance of $7,447,000 (2024: $2,002,000).

Lease liabilities	As at 30 June 2025 $'000	30 June 2024 $'000
Balance at beginning of period	**3,154**	2,285
Acquired during the period	**7,078**	2,756
Interest on lease liabilities during the period	**294**	144
Derecognition of lease liabilities	**—**	(790)
Rent payments	**(1,196)**	(1,241)
Balance at end of period	**9,330**	**3,154**

The above comprises a current balance of $825,000 (2024: $998,000) and non-current balance of $8,505,000 (2024: $2,156,000).

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22 Leases continued

Maturity analysis	As at 30 June 2025 $'000	As at 30 June 2024 $'000
Within one year	**825**	998
Later than one year but no later than five years	**4,473**	2,156
Later than five years	**4,032**	—
	9,330	**3,154**

Amounts recognised in profit or loss	As at 30 June 2025 $'000	As at 30 June 2024 $'000
Depreciation on right-of-use assets	**1,286**	1,087
Interest expense on lease liabilities	**294**	144
Expenses relating to short-term leases	**28**	27
	1,608	**1,258**

Amounts recognised in statement of cash flow	As at 30 June 2025 $'000	As at 30 June 2024 $'000
Total cash flows for leases	**1,196**	1,241
	1,196	**1,241**

23 Loans and borrowings

	As at 30 June 2025 $'000	As at 30 June 2024 $'000
Current		
Interest bearing notes – banks & other financial institutions	**—**	101,769
Qualitas Real Estate Income Fund Manager Loan	**1,617**	1,221
	1,617	**102,990**
Non-Current		
Interest bearing notes – banks & other financial institutions	**—**	151,943
Qualitas Real Estate Income Fund Manager Loan	**18,193**	13,570
Project Funding Loan	**24,909**	23,635
	43,102	**189,148**
	44,719	**292,138**

Interest bearing notes – bank & other financial institutions

As the Group lost control of Arch Finance Warehouse Trust during the year, there are no interest bearing loan notes presented as at 30 June 2025.

In 2024 the notes collectively had an effective limit available for drawing of $323,755,000 and were issued as agreed by the Class A Subscriber, Class B Subscribers, Class C Subscribers and the Trust. The proceeds of Class A, B and C notes issued were advanced as mortgage loans with a term not exceeding three years and were secured by registered first mortgages over real property.

Notes were repayable on the repayment of the mortgage loans which have a maximum term of three years.

Qualitas Real Estate Income Fund Manager Loan

The Qualitas Real Estate Income Fund Manager Loan is amortised over 10 years from the date of the most recent raise. Interest rate on the loan is 5%. As at 30 June 2025, the Manager Loan has a carrying value of $19,810,408 and a fair value of $19,068,220.

Project Funding loan

The loan with an external loan provider in relation to the development property held through Inventories has a facility limit of $14,105,000. The loan is at a variable rate of 8.89% per annum. The loan has a carrying value of $13,245,271.98 as at 30 June 2025.

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24 Equity-accounted investees

The Group is part of a joint venture arrangement with Gurner Multifamily Pty Ltd, with the joint venture obtaining control over four initial assets. The Group has joint control and a 50% ownership interest. The joint venture is a strategic partnership to establish a build-to-rent platform.

	As at	
	30 June 2025 $'000	30 June 2024 $'000
Interest in joint venture	**4,653**	3,696
Percentage ownership interest	**50%**	**50%**
Non-current assets	**12,414**	10,351
Current assets (including cash and cash equivalents)	**8,739**	2,721
Non-current liabilities (Including non-current financial liabilities excluding trade and other payables and provisions)	**(11,261)**	(5,217)
Current liabilities (including current financial liabilities excluding trade and other payables and provisions)	**(586)**	(463)
Net assets (100%)	**9,306**	**7,392**
Group's share of net assets (50%)	**4,653**	3,696
Carrying amount of interest in joint venture	**4,653**	**3,696**
Revenue	**3,568**	1,989
Depreciation and amortisation	**(107)**	(46)
Employee costs	**(206)**	(781)
Other expenses	**(2,370)**	(1,406)
Profit/(loss) and other comprehensive income (100%)	**885**	(244)
Profit/(loss) and other comprehensive income (50%)	**443**	(122)
Group's share of total comprehensive income	**443**	**(122)**

25 Capital, reserves and dividends

a) Issued capital

	$'000	Number of shares
As at 30 June 2025		
Opening balance at 1 July 2024	**725,135**	**298,295,084**
IPO costs reflected through equity (tax effected)	**758**	**—**
Transfer from share based payment reserve	**1,538**	**—**
Contributions of capital through share issuance	**213**	**1,878,904**
Closing balance at 30 June 2025 (including Treasury shares)	**727,644**	**300,173,988**
Less Treasury shares	**—**	**(6,716,035)**
Closing balance at 30 June 2025 (excluding Treasury shares)	**727,644**	**293,457,953**
As at 30 June 2024		
Opening balance at 1 July 2023	724,267	296,016,053
IPO costs reflected through equity (tax effected)	758	—
Contributions of capital through share issuance	110	2,279,031
Closing balance at 30 June 2024 (including Treasury shares)	**725,135**	**298,295,084**
Less Treasury shares	—	(5,539,444)
Closing balance at 30 June 2024 (excluding Treasury shares)	**725,135**	**292,755,640**

In accordance with shareholder approval at the Company's 2024 AGM, 1,878,904 ordinary shares were issued to the Group Managing Director in the form of loan shares on 8 December 2024. These are accounted for as share-based payments and as such no equity contribution has been recorded in relation to the issue of the shares. As the shares have not vested, they are classified as treasury shares and are excluded from total shares on issue. Any repayments of the loan throughout the year are recorded as equity contributions on those shares.

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25 Capital, reserves and dividends continued

b) Treasury shares

When shares recognised are repurchased, the amount of consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

c) Dividends

On 21 August 2024, the Directors declared a fully franked dividend of 5.75 cents per share which amounted to $17,151,967 to be paid on 3 October 2024 with a record date of 12 September 2024.

On 25 February 2025, the Directors declared an interim fully franked dividend of 2.50 cents per share which amounted to $7,504,350 to be paid on 28 March 2025 with a record date of 12 March 2025.

d) Reserves

Share based payments reserve

The share based payments reserve arises on the grant of options, performance rights and deferred Share Rights to select employees under the Company's equity-based remuneration plans.

Common control reserve

The difference between the purchase consideration and the net assets acquired on the restructure under common control, were accounted for in equity and transferred to a common control reserve.

Treasury share reserve

The reserve for the Group's treasury shares comprised the cost of the Company's shares held by the Group. At 30 June 2025 the Group held 6,716,035 shares (2024: 5,539,444).

26 Earnings per share

a) Basic earnings per share

The calculation of the basic EPS has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	As at	
	30 June 2025 $'000	30 June 2024 $'000
i) Profit/(loss) attributable to ordinary shareholders (basic)		
Profit/(loss) for the period attributable to the owners of the Company	**33,411**	26,180
ii) Weighted-average number of ordinary shares (basic)		
Weighted-average number of ordinary shares at 30 June	**291,960**	290,989

b) Diluted earnings per share

The calculation of the diluted EPS has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential of ordinary shares.

	As at	
	30 June 2025 $'000	30 June 2024 $'000
i) Profit/(loss) attributable to ordinary shareholders (diluted)		
Profit/(loss) for the period attributable to the owners of the Company	**33,411**	26,180
ii) Weighted-average number of ordinary shares (diluted)		
Weighted-average number of ordinary shares at 30 June (basic)	**291,960**	290,989
Effect of conversion of convertible notes	**—**	—
Effect of share options on issue	**7,676**	6,330
Weighted-average number of ordinary shares at 30 June (diluted)	**299,636**	**297,319**

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27 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to ordinary shareholders.

The Group's net cash/(debt) to adjusted equity ratio at 30 June 2025 and 2024 was as follows:

	As at	
	30 June 2025 $'000	30 June 2024 $'000
Total liabilities	**(101,375)**	(341,120)
Less: cash and cash equivalents	**148,784**	194,381
Net cash/(debt)	**47,409**	**(146,739)**
Total equity	**380,370**	367,012
Less: Share based payments reserve	**(6,303)**	(4,269)
Adjusted equity	**374,067**	**362,743**
Net cash/(debt) to adjusted equity ratio	**0.13**	(0.40)

28 Share based payment

a) Description of share-based payment arrangement

At 30 June 2025, the Group had the following share-based payment arrangements:

i) Short term incentive plan ("STI")

The Board has determined that the current remuneration policy for senior management and other selected employees of the Group will include STI. Under the STI, participants will have an opportunity to receive an incentive payment calculated as a percentage of their Fixed annual remuneration each year, conditional upon performance against a scorecard of financial and non-financial measures. The performance measures against which each participant's STI is assessed and their relative weightings are set by the Board each year. In addition, the Board will have discretion to reduce any FY25 STI (by up to 100%) due to poor behaviour.

For FY25, the Board has approved that, under the Executive STI framework, 50% of any STI award will be delivered in cash and the remaining 50% granted as equity, deferred for a further two years and subject to the terms of the Qualitas Employee Equity Plan (QEEP). Under the Non-Executive STI framework, the first $100,000 of any STI award will be delivered in cash, with 57.5% of the remaining award paid in cash and the balance granted as equity, also deferred for a further two years and subject to the terms of the QEEP. The QEEP provides flexibility for the Group to grant options to acquire Shares, rights to acquire Shares and/or Shares as incentives (Awards), subject to the terms of individual offers.

ii) Employee Equity Award

Select employees were granted Share Rights at Listing which will vest in two tranches; 50% on the third anniversary of the Listing Date, and the remaining 50% on the fifth anniversary of the Listing Date, subject to the continued tenure of the participants (Employee Equity Award). The total face value of all grants made under the Employee Equity Plan was $2,000,000 of which $1,447,578 has been forfeited to date. The number of Share Rights granted to participants was calculated by dividing the face value of the individual grant by the Offer Price. The Employee Equity Award will be granted under the terms of the QEEP.

In December 2024, being the third anniversary of the Listing Date, 50% of the Share Rights vested to the select employees who remain employed by the Group.

iii) Legacy Employee Equity Plan ("Intergen")

Under Intergen, employees (and their controlled entities) were able to acquire a beneficial interest in non-ordinary shares in Qualitas Property Partners Pty Ltd and non-ordinary units in the Qualitas Investments Unit Trust via a limited recourse loan. These shares and units were converted into 3,011,352 shares (of which 1,244,360 have been forfeited to date) shortly prior to completion, in accordance with the Restructure Deed, and will vest in two tranches; 50% on the third anniversary of the Listing Date, and the remaining 50% on the fifth anniversary of the Listing Date, subject to the continued tenure of the participants. Andrew Schwartz, Mark Fischer and Philip Dowman do not participate in the Legacy Employee Equity Plan.

iv) Reconciliation of rights under share-based payment schemes

	Balance 1 July 2024[1]	Grant Date	Granted	Vested	Forfeited	Balance 30 June 2025
Short Term Incentive (STI)	1,059,464	30/06/2025	317,295	(429,367)	—	947,392
Employee Equity Award	563,914		—	(272,945)	(50,000)	240,969
Legacy Employee Equity Plan (Intergen)	1,766,992		—	(883,496)	—	883,496
Total	**3,390,370**		**317,295**	**(1,585,808)**	**(50,000)**	**2,071,857**

1. Opening balance adjusted for the actual number of awards issued. As at 30 June 2025 the awards were yet to be issued therefore the awards were based on an estimated amount.

v) Non-Executive Director Share Rights compensation

Non-Executive Directors were granted 170,000 Share Rights as compensation for contribution to the Group prior to listing. These rights were exercised during the period ending 30 June 2024 and as such the balance of rights held at the end of the period is nil.

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28 Share based payment continued

vi) Long-Term Incentive ("LTI")

Loan Plan

The Company granted Loan Shares to the Group Managing Director as a LTI under the Loan Plan at the Company's Annual General meeting on 29 November 2024. The LTI under the Loan Plan carries a maximum opportunity of $1,560,000. An interest-free limited recourse loan of $5,058,763 was provided by the Company to the Group Managing Director to purchase 1,878,904 newly issued shares. An independent valuation was obtained to determine the value of the loan and the maximum number of shares that were to be issued.

Executive LTI

In line with the Prospectus, the Board approved a grant of rights under the Executive LTI Plan during the period. The rights granted under the FY25 Executive LTI are against KPIs measured over a 3-year performance period from 1 July 2024 to 30 June 2027. The total number of LTI rights granted is 1,034,858.

Options Offer

Issue of 1,655,000 Options on 6 January 2025 to acquire Ordinary Shares in the Company to certain non-Executive employees under the Qualitas Employee Equity Plan at $2.71. Options vest and become exercisable subject to meeting Group and individual performance conditions and continued service over a five-year vesting period. The Options have an expiry date of 6 January 2035.

b) Measurement of fair value

i) Equity-settled share-based payment arrangements

The fair value of the employee share purchase plan has been measured using the Black-Scholes formula. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The requirement that the employee has to serve in order to purchase shares under the share purchase plan has been incorporated into the fair value at grant date by applying a discount to the valuation obtained. The discount has been determined by estimating the probability that the employee will stop serving based on historical behaviour.

The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plans were as follows.

	Expected life of rights	Fair Value at grant date	Security price at grant date	Exercise price	Expected dividends	Risk-free interest rate
30 June 2025						
FY22 STI	**2 years**	**$2.19**	**$2.19**	**—**	**—**	**—**
FY22 Employee Equity Plan	**3 – 5 years**	**$2.15 – $2.28**	**$2.60**	**—**	**3%**	**0.12%**
FY22 Intergen	**3 – 5 years**	**$0.013 – $0.017**	**$0.07**	**—**	**3%**	**0.12%**
FY23 STI	**2 years**	**$2.38**	**$2.38**	**—**	**—**	**—**
FY23 Loan Plan	**3.5 years**	**$0.73**	**$2.43**	**$2.43**	**—**	**3.21%**
FY23 Executive LTI	**3 years**	**$1.26**	**$1.56**	**—**	**3%**	**1.64%**
FY23 Options Offer	**5 years**	**$0.88**	**$2.66**	**$2.75**	**3%**	**3.62%**
FY24 STI	**2 years**	**$2.36**	**$2.35**	**—**	**—**	**—**
FY24 Loan Plan	**3.5 years**	**$0.66**	**$2.13**	**$2.13**	**—**	**4.19%**
FY24 Executive LTI	**3 years**	**$2.46**	**$2.69**	**—**	**3%**	**1.59%**
FY24 Options Offer	**5 years**	**$0.68**	**$2.27**	**$2.31**	**4%**	**4.53%**
FY25 Loan Plan	**3.5 years**	**$0.81**	**$2.61**	**$2.61**	**—**	**4.19%**
FY25 Executive LTI	**3 years**	**$2.09**	**$2.36**	**—**	**4%**	**1.90%**
FY25 STI	**2 years**	**$3.45**[1]	**$3.45**[1]	**—**	**—**	**—**
30 June 2024						
FY22 STI	2 years	$2.19	$2.19	—	—	—
FY22 Employee Equity Plan	3 – 5 years	$2.15 – $2.28	$2.60	—	3%	0.12%
FY22 Intergen	3 – 5 years	$0.013 – $0.017	$0.07	—	3%	0.12%
FY23 STI	2 years	$2.38	$2.38	—	—	—
FY23 Loan Plan	3.5 years	$0.73	$2.43	$2.43	—	3.21%
FY23 Executive LTI	3 years	$1.26	$1.56	—	3%	1.64%
FY23 Options Offer	5 years	$0.88	$2.66	$2.75	3%	3.62%
FY24 STI	2 years	$2.36[2]	$2.36[2]	—	—	—
FY24 Loan Plan	3.5 years	$0.66	$2.13	$2.13	—	4.19%
FY24 Executive LTI	3 years	$2.46	$2.69	—	3%	1.59%
FY24 Options Offer	5 years	$0.68	$2.27	$2.31	4%	4.53%

1. Estimated fair value and security price for FY25 STI Rights as at 30 June 2025.
2. Estimated fair value and security price for FY24 STI Rights as at 30 June 2024.

Expense recognised in the profit or loss

The share-based payment expense incurred in the period was $3,621,487 (2024: $2,370,729).

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Notes to the consolidated financial report

29 Related parties

a) Key management personnel compensation

The following were key management personnel of the Company at any time during the reporting period:

Andrew Fairley AM	Non-Executive Chairman	Appointed 4 November 2021	
Brian Delaney	Non-Executive Director	Appointed 4 November 2021	Retired 23 October 2024
JoAnne Stephenson	Non-Executive Director	Appointed 4 November 2021	
Mary Ploughman	Non-Executive Director	Appointed 4 November 2021	
Darren Steinberg	Independent Non-Executive Director	Appointed 1 October 2024	
Bruce MacDiarmid	Independent Non-Executive Director	Appointed 15 April 2025	
Andrew Schwartz	Group Managing Director and Chief Investment Officer	Appointed 4 November 2021	
Philip Dowman	Chief Financial Officer	Appointed 16 December 2021	
Mark Fischer	Global Head of Real Estate	Appointed 16 December 2021	

The key management personnel compensation comprised:

	For the year ended	
	30 June 2025 $'000	30 June 2024 $'000
Short-term employee benefits	**3,309**	2,974
Other long-term benefits	**(494)**	(661)
Shared based payments	**2,024**	1,069
Post-employment benefits	**123**	137
	4,962	**3,519**

b) Loans to key management personnel and their related parties

Details regarding loans outstanding at the reporting date to key management personnel and their related parties at any time in the reporting period, are as follows:

	2025 $'000	2024 $'000
Total for key management personnel at beginning of period	**501**	461
Interest paid/payable during the period	**44**	40
Total for key management personnel at end of period	**545**	**501**

The loan to key management personnel relates to a Qualitas employee share scheme whereby participants were issued shares under an employee loan share plan. The loans are full recourse and are not within the scope of AASB 2 Share-based payments. Interest is payable on the loans at market interest rates. No amounts have been written down or have an allowance for expected credit loss as the balance is considered fully recoverable.

c) Other key management personnel transactions

During the period $59,704 was reimbursed to a key management person relating to work expenses incurred.

There are no other transactions with key management persons or their related parties other than those that have been disclosed in this report.

d) Loans to other related parties

There are several related party loan with the Group's joint venture entities totalling of $5,385,098 as at 30 June 2025.

e) Ultimate parent

The Ultimate parent entity of the Group is Qualitas Limited.

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Notes to the consolidated financial report

30 Parent entity disclosures

As at, and throughout, the financial period ended 30 June 2025 the parent entity of the Group was Qualitas Limited.

Results of the parent entity

	Year ended	
	30 June 2025 $'000	30 June 2024 $'000
Profit for the period	**173,013**	14,440
Other comprehensive income	**—**	—
Total comprehensive income for the period	**173,013**	**14,440**

Financial position of parent entity at year end

	At	
	30 June 2025 $'000	30 June 2024 $'000
Current assets	**89,021**	188,189
Non-current assets	**403,995**	179,955
Total assets	**493,016**	**368,144**
Current liabilities	**7,580**	7,803
Non-current liabilities	**—**	—
Total liabilities	**7,580**	**7,803**
Net assets	**485,436**	**360,341**
Total equity of the parent entity comprising of:		
Share capital	**325,371**	322,862
Retained earnings	**160,065**	37,479
Total equity	**486,436**	**360,341**

During the year, Qualitas Limited (parent entity) received dividends from wholly owned subsidiary entities within the Group, representing distributions of their retained earnings.

Parent entity contingent liabilities

The Directors are of the opinion that there are no contingent liabilities, as it is not probable that a future sacrifice of economic benefits will be required, or the amount is not capable of reliable measurement.

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Notes to the consolidated financial report

31 Reconciliation of operating profit to net cash inflow from operating activities

	Year ended 30 June 2025 $'000	Year ended 30 June 2024 $'000
Profit for the period	**33,411**	26,180
Adjustments for:		
Depreciation	**2,675**	2,232
Employee share based payments	**3,621**	2,371
Net (gains)/losses on financial instruments at fair value through profit or loss	**(1,137)**	(1,149)
Changes in:		
Trade and other receivables	**(24,325)**	68,393
Inventories	**(1,714)**	(1,011)
Prepayments	**(352)**	131
Intangibles – capitalised contract costs	**(195)**	(9)
Trade and other payables	**(105)**	7,068
Deferred tax assets	**(4,772)**	(2,396)
Deferred income	**(397)**	(1,398)
Employee benefits	**3,660**	(5,411)
Tax payables	**54**	7,655
Investment loans – classified as operating activity	**11,054**	(30,262)
Net cash inflow from operating activities	**21,478**	72,394

a) Components of cash and cash equivalents

Cash at the end of the financial period as shown in the statement of cash flows is reconciled to the statement of financial position as follows:

	Year ended 30 June 2025 $'000	Year ended 30 June 2024 $'000
Cash and cash equivalents	**148,784**	194,381

32 Auditors' remuneration

During the period, the following fees were paid or payable for services provided by KPMG, the auditor of the Group:

	For the year ended 30 June 2025 $'000	For the year ended 30 June 2024 $'000
Audit and review services		
Auditors of the Group – KPMG		
Audit and review of financial report	**357**	351
Other assurance and audit related services	**65**	82
Total remuneration for audit and review services	**422**	**433**
Other services		
Auditors of the Group – KPMG		
Tax services	**130**	103
Advisory services	**—**	2
Total remuneration for other services	**130**	**105**
Total auditors' remuneration	**552**	**538**

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Notes to the consolidated financial report

33 Loss of control of subsidiary

On 26 November 2024 the Arch Finance Warehouse Trust (100% controlled subsidiary of the Group) Noteholder Agreement was amended resulting in changes to the rights of the primary noteholder. This change resulted in the loss of effective control by the Group of the Arch Finance Warehouse Trust (Warehouse Trust) and as a result under Accounting Standards, the Group would not be required to consolidate the results of the Warehouse Trust from the date of loss of control.

Arch Finance Pty Ltd (100% controlled subsidiary of the Group) as Trustee for Arch Finance Unit Trust (100% controlled subsidiary of the Group) continues to act as manager of the Warehouse Trust, retaining its management rights to originate loans and service the Warehouse Trust under the amended agreements. The Group also retains its residual income unit, entitling it to residual income distributions from the Warehouse Trust and will continue to hold loan notes in the Warehouse Trust. The results of the subsidiary have been presented in the Consolidated Statement of Comprehensive Income as ordinary operations up to the date of loss of control. The calculation of the gain/loss on loss of control is $0 as set out in the table below.

The Group's continuing investment in Arch Finance Warehouse Trust through the residual income unit is measured at its fair value on the date of loss of control and will be subsequently measured at fair value through profit or loss in accordance with AASB 9 Financial Instruments. The fair value on the date of loss of control was $10 represented by the net asset value attributable to residual income unit holders.

The Group also holds loan notes in Arch Finance Warehouse Trust, which are measured at amortised cost in accordance with AASB 9. Financial Instruments. The carrying value of the loan notes on the date of loss of control was $23,134,573 (net of Expected Credit Loss Provision). Note that the loan notes were previously eliminated on consolidation.

The profit on loss of control of the subsidiary is calculated as following:

	$
Fair value of consideration received on loss of control	—
Add: Recognized amount of distribution of shares	—
Add: Fair value of retained non-controlling interest	(23,134,583)
Less: Carrying amount of non-controlling interest in former subsidiary	—
Total	**(23,134,583)**
Less: Carrying value of former subsidiary net assets	(23,134,583)
Net impact	**—**

34 Contingent assets and liabilities and commitments

The Group is subject to a number of obligations which, if not discharged, may give rise to potential claims or other costs. Where some loss from an actual or alleged non-performance of an obligation is more likely than not and can be reliably estimated, provisions have been made. The Group considers that the outcome of any specific enquiry which is underway as at 30 June 2025, and has not been provided for, is not expected to affect its financial position in any material way, either individually or in aggregate.

35 Events occurring after the reporting period

Subsequent to year end, on 21 August 2025, the Directors declared a fully franked dividend of 7.50 cents per share which amounted to $22,513,049 to be paid on 19 September 2025 with a record date of 5 September 2025.

No significant events have occurred since the reporting period which would impact on the financial position of the Group disclosed in the consolidated statement of financial position as at 30 June 2025 or on the results and cash flows of the Group for the current reporting period ended on that date.

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Consolidated entity disclosure statement

Set out below is a list of entities that are consolidated in this set of Consolidated financial statements at the end of the financial year. Where an company is a corporate trustee, the trustee entity has been included below the Company in the list.

	Body Corporate, Partnership or trust	Place incorporated /formed	Australian or foreign tax resident	Jurisdiction for foreign residency	% of share capital held directly or indirectly by the Group	
					2025	2024
Qualitas Limited	Company	Australia	Australian	N/A		
Qualitas Investments Unit Trust	Trust	Australia	Australian	N/A	**100%**	100%
Qualitas Investments Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Arch Finance Unit Trust	Trust	Australia	Australian	N/A	**100%**	100%
Arch Finance Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Arch Finance Warehouse Trust	Trust	Australia	Australian	N/A	**0%**	100%
Arch Finance Holdings Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QEP DHH Investor B Unit Trust	Trust	Australia	Australian	N/A	**100%**	100%
QEP DHH Investor B Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QFM Hold Co Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Funds Management Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas REO Fund Manager Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREO Fund Manager II Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREO Nominee Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREO Fixed Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREO Fixed A Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREO Growth Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREO Growth A Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREO Growth A II Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREO Fixed A II Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Peer Estate Administrators Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Peer Estate Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Peer Estate Investor Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Peer Estate IP Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Peer Estate Finance Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Peer Estate Mortgages Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Peer Estate Pool Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QCD Fund Manager Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QCD Fund Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QSD Fund Feeders Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QCRF Runaway Bay Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QSD Fund Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Discretionary Funds Management Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QFI Fund Manager Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QFI Fund Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QFI Property Fund Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QUMF No. 1 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QRI Manager Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QRI Fund Services Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QUMF Fund Manager Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QPICF Financier (Qld) Pty Ltd (previously A.C.N. 628 444 888 Pty Ltd)	Company	Australia	Australian	N/A	**0%**	100%
QSH No.1 Manager Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas BTR Impact Fund Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
A.C.N. 628 444 897 Pty Ltd (previously QMD Fund Pty Ltd)	Company	Australia	Australian	N/A	**100%**	100%
QUMF Property No. 1 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Administrators (NZ) Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Property Partners Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
3 Carrington Road Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
3 Carrington Road Unit Trust	Trust	Australia	Australian	N/A	**100%**	100%
Hollywood Apartments Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QEP DHH Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QEP DHH Unit Trust	Trust	Australia	Australian	N/A	**100%**	100%
QEP First Mortgage Enhancement Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QEP First Mortgage Enhancement Unit Trust	Trust	Australia	Australian	N/A	**100%**	100%
QEP Marrickville No. 2 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%

Consolidated entity disclosure table continues on following page

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Consolidated entity disclosure statement

	Body Corporate, Partnership or trust	Place incorporated /formed	Australian or foreign tax resident	Jurisdiction for foreign residency	% of share capital held directly or indirectly by the Group	
					2025	2024
QEP Marrickville Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QEP Marrickville Unit Trust	Trust	Australia	Australian	N/A	**100%**	100%
QEP Marrickville Unit Trust No. 2	Trust	Australia	Australian	N/A	**100%**	100%
QPP Pagewood Pty Ltd	Company	Australia	Australian	N/A	**0%**	100%
QREF Senior Debt No. 17 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREF Debt No.19 Pty Ltd (previously QREF Senior Debt No. 19 Pty Ltd)	Company	Australia	Australian	N/A	**100%**	100%
QREF Senior Debt No.23 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREF Senior Debt No.25 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREF Mezzanine Debt No.26 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREF Senior Debt No.27 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Direct Credit Portfolio Pty Ltd (previously QREF Debt No. 28 Pty Ltd)	Company	Australia	Australian	N/A	**100%**	100%
QREF Senior Debt No.29 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREF Senior Debt No.30 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREF Senior Debt No.31 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Operations Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Advisory Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas CDF investor Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Equity Partners Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Equity Partners Unit Trust	Trust	Australia	Australian	N/A	**100%**	100%
Qualitas Agency Services Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Real Estate Finance Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas REIT Partners Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas REIT Partners Unit Trust	Trust	Australia	Australian	N/A	**100%**	100%
Qualitas Securities Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QPP Pagewood Finance Pty Ltd	Company	Australia	Australian	N/A	**0%**	100%
QUSOF Investor Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QUSOF Investor II Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QUSOF Bridge Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Bridge Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QCRF III Runaway Bay Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Fund Holdings Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Seniors Housing No.1 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Seniors Housing Property No.1 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREO Australian Feeder Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QDREF ORMEAU Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QCAB Overflow Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QCD Fund No.2 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QEP Development Services (Bondi) Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QSH No.1 Burnside Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QSH NO.1 Keilor Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QSH NO.1 Taylors Hill Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Australia Multifamily Property Fund Pty Ltd	Company	Australia	Australian	N/A	**0%**	100%
QPagewood Pty Ltd	Company	Australia	Australian	N/A	**0%**	100%
QPagewood Finance Pty Ltd	Company	Australia	Australian	N/A	**0%**	100%
A.C.N. 629 885 230 Pty Ltd (previously QLDF Pty Ltd)	Company	Australia	Australian	N/A	**100%**	100%
QREO Holding II Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QREO II Financier Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Q Queens Parade Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Q Beach House Developer Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Q Beach House Nominee Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Private Income Credit Fund	Trust	Australia	Australian	N/A	**0%**	51%
Qualitas Tactical Credit Fund	Trust	Australia	Australian	N/A	**0%**	42%
Q City Road Developer Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Q MS Developer Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%

Consolidated entity disclosure table continues on following page

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Consolidated entity disclosure statement

	Body Corporate, Partnership or trust	Place incorporated /formed	Australian or foreign tax resident	Jurisdiction for foreign residency	% of share capital held directly or indirectly by the Group 2025	2024
Q Queens Parade Developer Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas Co-Investments Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Chauvel Holdings Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas JF Holdings Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Qualitas South Yarra Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Capital Management Australia Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Chauvel Capital Investment Services #2 Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Chauvel Capital Investment Services #3 Pty Ltd	Company	Australia	Australian	N/A	**0%**	100%
Chauvel Capital Investment Services #4 Pty Ltd	Company	Australia	Australian	N/A	**0%**	100%
Chauvel Capital Investment Services #5 Pty Ltd	Company	Australia	Australian	N/A	**0%**	100%
Chauvel Capital Investment Services (Ashgrove) Pty Ltd	Company	Australia	Australian	N/A	**0%**	100%
Chauvel Capital Investment Services Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Chauvel Capital Partners Funds Management Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Chauvel Capital Partners Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
The Capital Management Unit Trust	Trust	Australia	Australian	N/A	**100%**	100%
Qualitas Diversified Investments Sarl (previously QREO II GP Sarl)	Company	Luxembourg	Foreign	Luxembourg	**100%**	100%
Qualitas US Del GP LLC	Company	United States	Foreign	United States	**100%**	100%
Qualitas US Office Del GP LLC	Company	United States	Foreign	United States	**100%**	100%
Qualitas Assembly Co-invest Pty Ltd	Company	Australia	Australian	N/A	**0%**	100%
QREO II Alexandria Mezz Pty Ltd (previously QREO Growth A III Sub Pty Ltd)	Company	Australia	Australian	N/A	**0%**	100%
Treasury Finance Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Q Hassall Street Developer Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Q Hassall Street Nominee Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Q City Road Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Treasury Finance Unit Trust	Trust	Australia	Australian	N/A	**100%**	0%
Qualitas Direct Loan Fund Pty Ltd	Company	Australia	Australian	N/A	**100%**	0%
Qualitas Income Credit 2 Holdings Pty Ltd	Company	Australia	Australian	N/A	**100%**	0%
Q City Road Developer Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
Q MS Developer Pty Ltd	Company	Australia	Australian	N/A	**100%**	100%
QO Hold Co Pty Ltd	Company	Australia	Australian	N/A	**100%**	0%
QDREF Docklands Pty Ltd	Company	Australia	Australian	N/A	**100%**	0%

Basis of preparation

Key assumptions and judgements

Determination of tax residency

Section 295 (3A) of the Corporation Acts 2001 requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. In the context of an entity which was an Australian resident, "Australian resident" has the meaning provided in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. In determining Australian and foreign tax residency status, the consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/8. Australian tax law does not contain specific residency tests for trusts. Generally, these entities are taxed on a flow through basis so there is no need for a general residence test. The tax status of trusts has been provided where relevant.

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Directors' declaration

1. In the opinion of the Directors of Qualitas Limited:
   a) The consolidated financial report and notes set out on pages 24 to 62 are in accordance with the *Corporations Act 2001*, including:
      i) Giving a true and fair view of the Group's financial position at 30 June 2025 and of its performance for the year ended 30 June 2025;
      ii) Complying with Australian Accounting Standards and the Corporations Regulations 2001;
      iii) The information contained within the consolidated entity disclosure statement is true and correct as at 30 June 2025; and
   b) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.
2. The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Controller for the period ended 30 June 2025.
3. The Directors draw attention to Note 2 of the consolidated financial report, which includes a statement of compliance with International Financial Reporting Standards.

This declaration is made in accordance with a resolution of the Directors.



Andrew Fairley AM
Chairman
Melbourne
21 August 2025

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Independent auditor's audit report

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Independent Auditor's Report

To the shareholders of Qualitas Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Qualitas Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2025 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001,* in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2025
- Consolidated statement of comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2025
- Notes, including material accounting policies
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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Independent auditor's audit report

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Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Recognition of performance fee income ($8,349,000) and valuation of accrued performance fees ($42,578,000)	
Refer to Note 7a to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
The Group earns performance fee income from the funds it manages in accordance with investment management agreements, based on the performance obligations by the funds. Recognition of performance fee income and the associated performance fee accrual is a key audit matter due to the following: • the significant audit effort and judgement we have applied in assessing the Group's recognition and measurement of performance fee income and the associated performance fee accrual. Complexity and judgements involved in applying the requirements of AASB 15 Revenue from Contracts with Customers include judgements made by the Group in: • Assessing the underlying timing of its performance fee income recognition based on the terms of the investment management agreements, the stage of the investment lifecycle and performance of the underlying Fund; • Estimating the expected value of variable consideration based on fund returns and fund net asset values; • Determining the amount for which it is highly probable that a significant revenue reversal will not subsequently occur (applying the constraint); and • Evaluating the valuation of the associated performance fee accrual	Our procedures included: • Obtaining an understanding of the performance fee income recognition process and key controls. • Evaluating the Group's accounting policies for revenue recognition in relation to performance fee income against the requirements of AASB 15 and our understanding of the business. • Reading the relevant investment management agreements to understand the key terms of the arrangements and the performance obligations. • Assessing the Group's judgements in relation to the timing of revenue recognised. This included assessment of which funds the Group had recognised performance fees from, based on the stage of the investment lifecycle, expected termination and the performance to date of the underlying fund. Our assessment was based on our procedures on the underlying Funds. • Re-calculating a sample of the estimated expected value of variable consideration in accordance with the relevant investment management agreements, including testing a sample of inputs such as Fund returns and Fund Net Asset Values to underlying Fund source documentation. • Challenged management's judgements in determining the portion of revenue constraint applied to the expected value of variable consideration. This included

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In assessing this key audit matter, we involved senior audit team members who understand the Group's business, industry and economic environment it operates in.	performing probability weighted scenario and sensitivity analysis over variable consideration and developing a reasonable possible range to compare against the variable consideration recognised. • We assessed the appropriateness of the carrying amount of the related performance accrual, taking into consideration the procedures noted above. • We assessed the appropriateness of the Group's disclosures in the financial report using our understanding obtained from our testing and against the requirements of the accounting standard.

Other Information

Other Information is financial and non-financial information in Qualitas Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Directors' Report. The Chairman and Managing Director Letter, Company Overview, Strategy, People and Environmental, Social and Governance Report, Corporate Governance Statement, Shareholder information and Company Directory are made available to us after the date of the auditor's report.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration *Report* and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the [Company/Group], and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error

Independent auditor's audit report

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- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at:
https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf
This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Qualitas Limited for the year ended 30 June 2025, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages 42 to 52 of the Directors' report for the year ended 30 June 2025.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.

KPMG

KPMG

Maria Trinci
Partner

Melbourne
21 August 2025

Shareholder information

Information contained in this section is valid as of 12 September 2025, unless otherwise stated. Qualitas is listed on the Australian Securities Exchange (ASX) under the ASX Listing Code: QAL.

Number of holders of ordinary shares

There are 300,173,988 fully paid ordinary shares in the Company on issue across 1,231 holders.

Substantial shareholders[1]

Shareholder	Shares Held	% of Issued Capital
QPP Holdings Pty Ltd / Andrew Schwartz[2]	71,125,150	23.84
Redrocks ACS Pty Ltd	66,830,066	22.3
River Capital Pty Ltd	15,927,366	5.3

1. Per relevant substantial holder notices to ASX: QAL.
2. Andrew Schwartz's total indirect and direct holdings in the Company is 72,417,181 ordinary shares, per Appendix 3Y released 1 September 2025.

Distribution of shareholders

Holding distribution 12 Sep 2025

Range	Securities	%	No. of holders	%
100,001 and Over	284,694,272	94.84	64	5.20
10,001 to 100,000	13,248,596	4.41	413	33.55
5,001 to 10,000	1,372,648	0.46	171	13.89
1,001 to 5,000	700,406	0.23	253	20.55
1 to 1,000	158,066	0.05	330	26.81
Total	**300,173,988**	**100.00**	**1,231**	**100.00**

Unmarketable parcels

Number of shareholders holding less than a marketable parcel of shares (i.e. less than $500): Nil.

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Shareholder information

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Top 20 Shareholders

Rank	Name	A/C designation	12 Sep 2025	%IC
1	QPP HOLDINGS PTY LTD[1]	<QUALITAS HOLDINGS (AJS) TRUST A/C>	66,830,066	22.26
1	REDROCKS ACS PTY LTD	<REDROCKS ACS A/C>	66,830,066	22.26
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED		35,515,700	11.83
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED		29,335,635	9.77
4	CITICORP NOMINEES PTY LIMITED		21,271,091	7.09
5	JURRAH INVESTMENTS PTY LTD	<RM DAVIS INVESTMENT TRUST>	10,102,242	3.37
6	IBROX CAPITAL MANAGEMENT PTY LTD[2]	<IBROX INVESTMENTS QUALITAS DISCRETIONARY TRUST A/C>	7,770,927	2.59
7	NETWEALTH INVESTMENTS LIMITED	<WRAP SERVICES A/C>	7,331,508	2.44
8	VENTI SEVEN PTY LTD		6,753,973	2.25
9	PACIFIC CUSTODIANS PTY LIMITED	<QAL EMP SUB REGISTER A/C>	5,617,877	1.87
10	BNP PARIBAS NOMS (NZ) LTD		4,175,588	1.39
11	HHV INVESTMENTS PTY LTD	<HHV ESOP A/C>	3,595,664	1.2
12	NETWEALTH INVESTMENTS LIMITED	<SUPER SERVICES A/C>	3,165,232	1.05
13	MRS SAU HAN ALICE PHILLIPS		2,341,899	0.78
14	MELTIM HOLDINGS PTY LTD	<MELTIM FAMILY TRUST A/C>	1,569,873	0.52
15	ANDREW JAMES SCHWARTZ[3]		1,429,180	0.48
16	BNP PARIBAS NOMS PTY LTD		823,426	0.27
17	BNP PARIBAS NOMINEES PTY LTD	<HUB24 CUSTODIAL SERV LTD>	795,072	0.26
18	BNP PARIBAS NOMINEES PTY LTD	<IB AU NOMS RETAILCLIENT>	719,726	0.24
19	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2		582,116	0.19
20	GSLA NO.1 PTY LTD	<GSLA NO.1 FAMILY TRUST A/C>	555,665	0.19
		Total	**275,974,745**	**91.94**
		Balance of register	**24,199,243**	**8.06**
		Grand total	**300,173,988**	**100.00**

1. Indirect holding of KMP Andrew Schwartz.
2. Indirect holding of KMP Mark Fischer.
3. Refer to Company's Appendix 3Y dated 1 September 2025 for full list of indirect and direct holdings of KMP Andrew Schwartz.

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Voting Rights

Ordinary shares: Each fully paid ordinary share carries one vote on a poll.

Options/Rights: No voting rights until exercised and converted into ordinary shares.

Stock Exchange Listing

The Company's ordinary shares are quoted on the Australian Securities Exchange under the code ASX: QAL.

On-market buy-back

There is no on-market buy-back in place.

Employee equity plans

Performance rights on issue

There are 2,951,093 unquoted performance share rights on issue, across 33 holders, under the Company's Employee Equity Plan.

LTI non-executive options on issue

There are 3,664,223 unquoted options on issue, across 17 holders, under the Company's Employee Equity Plan.

Loan shares

There are 4,157,935 quoted shares on issue, across 1 holder, under the Company's Long Term Incentive Loan Plan.

Issue of securities

The Company issued 1,878,904 Ordinary Fully Paid securities on 20 December 2024 under the Company's Long Term Incentive Loan Share Plan to the Group Managing Director. The issue price per security was $2.6924. The issue was approved by shareholders at the Company's Annual General Meeting held 29 November 2024. Further information can be found in the 2024 Notice of Meeting.

On-market purchases

5,132 ordinary shares were purchased on-market by the Company, for an average price of $3.755007 on 3 September 2025, for the period to satisfy the director allocation as described on page 18 of the Company's 2025 Annual Financial Report under the Company's Employee Equity Plan.

Glossary

Listed Entity		Listed Fund	
ASX: QAL	Qualitas Limited	ASX: QRI	Qualitas Real Estate Income Fund

Glossary

ADI	Authorised deposit-taking institution
APAC	Asia-Pacific
ASX	Australian Securities Exchange
Average Fee Earning FUM	Average monthly Fee Earning FUM excluding BTR equity and Arch Finance
Average Invested FUM	Average monthly Invested FUM excluding BTR equity and Arch Finance
BMF	Base management fee
BTR	Build-to-rent
CAGR	Compound annual growth rate
CRE	Commercial real estate
Closed-end fund	Fund with expiry date
Committed FUM / FUM	Funds under management represented by committed capital from investors with signed investor agreements
Deployed Capital	Capital committed on investments
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 / FEF	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 not yet earning fees	Undeployed committed capital that is not yet earning base management fees
GAV	Gross Asset Value
Invested FUM	FUM that is currently deployed. This includes capital drawn for equity funds and funds drawn on live deals/ loans less repayments for credit funds
HNW	High net worth
IC approved investments	Investments approved by fund Investment Committee with financial close subject to satisfaction of condition precedents
IPO	Initial Public Offering
IRR	Internal rate of return
JV	Joint venture
LIT	Listed Investment Trust
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.
NPAT	Net profit after tax
NPBT	Net profit before tax
Open-ended Fund	Fund without an expiry date
Peak Draw	Refers to an allocation methodology applicable to institutional construction loan mandates
Perpetual capital	Open-ended fund with no mandated expiry date
PF	Performance fee
RAP	Reconciliation Action Plan
Total return credit	Construction and opportunistic credit

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Company directory

Qualitas Limited (Registered Office)

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Victoria 3000, Australia
T +61 3 9612 3900
www.qualitas.com.au
investor.relations@qualitas.com.au

Securities Exchange Listing

Qualitas (QAL) is listed on the
Australian Securities Exchange (ASX)
ASX code: QAL

Board of Directors

Andrew Fairley AM
Independent Non-Executive Chairman

Andrew Schwartz
Group Managing Director, Co-Founder
and Chief Investment Officer

Mary Ploughman
Independent Non-Executive Director

JoAnne Stephenson
Independent Non-Executive Director

Darren Steinberg
Independent Non-Executive Director

Bruce MacDiarmid
Independent Non-Executive Director

Company Secretary

Terrie Morgan

Share Registry

Australia

MUFG Corporate Markets (AU) Limited
Level 41, 161 Castlereagh Street,
Sydney NSW 2000
T 8280 7100 (within Australia)
+61 2 8280 7100 (outside Australia)

Qualitas contact

T 1800 628 703 (within Australia)
E qualitas@cm.mpms.mufg.com

Auditor

KPMG
Tower Two, Collins Square
727 Collins Street
Melbourne VIC 3008

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Disclaimer

This Annual Report contains general information only and does not consider your investment objectives, financial situation or needs. Qualitas Limited (ACN 655 057 855) (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 considers your personal circumstances, you should consult a licensed or authorised financial adviser. Past performance is not a reliable indicator of future performance.

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