

REAL ASSETS
PRIVATE EQUITY
PUBLIC EQUITY
CREDIT



360 Capital



360 Capital Group ASX: TGP
2020 Annual Results Presentation
31 August 2020





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FY20 Key Highlights

Real Assets

- TOT merger with \$70m URB and completed \$10.8m institutional placement
- TGP and TOT purchase 19.9% stake in Velocity Property Group (ASX: VP7) and TOT lent \$33.7m
- 360 Capital Digital Infrastructure Fund (ASX:TDI) listed on the ASX after raising \$115m
- Commence establishment of 360 Capital Finance Group which will comprise the Dealt and AMF Finance

Private Equity

- Establishment of 360 Capital Cardioscan Trust
- Equities division own ~20% of Cardioscan – Global cardiac monitoring company

Public Equity

- 360 Capital Active Value Equity Fund achieves 15.7% return in FY20
- Acquisition of Ralton Asset Management Platform (\$87.4 m FUM as at 30 June 2020)

Credit

- 360 Capital Credit Income Fund launched as unlisted credit fund
- Acquired 19.9% stake in Australian Enhanced Income Fund (ASX: AYF) and proposed change in responsible entity to 360 Capital

Other

- TGP loans \$19.8m to childcare operator (fully repaid post period)
- Establishment of Cambridge Investment Partners
- Post period, acquired a 18.3% stake in Evans Dixon Limited (ASX:ED1)

>\$250m

Cash Balance across
Group and Funds¹

\$0

Group and Funds Debt

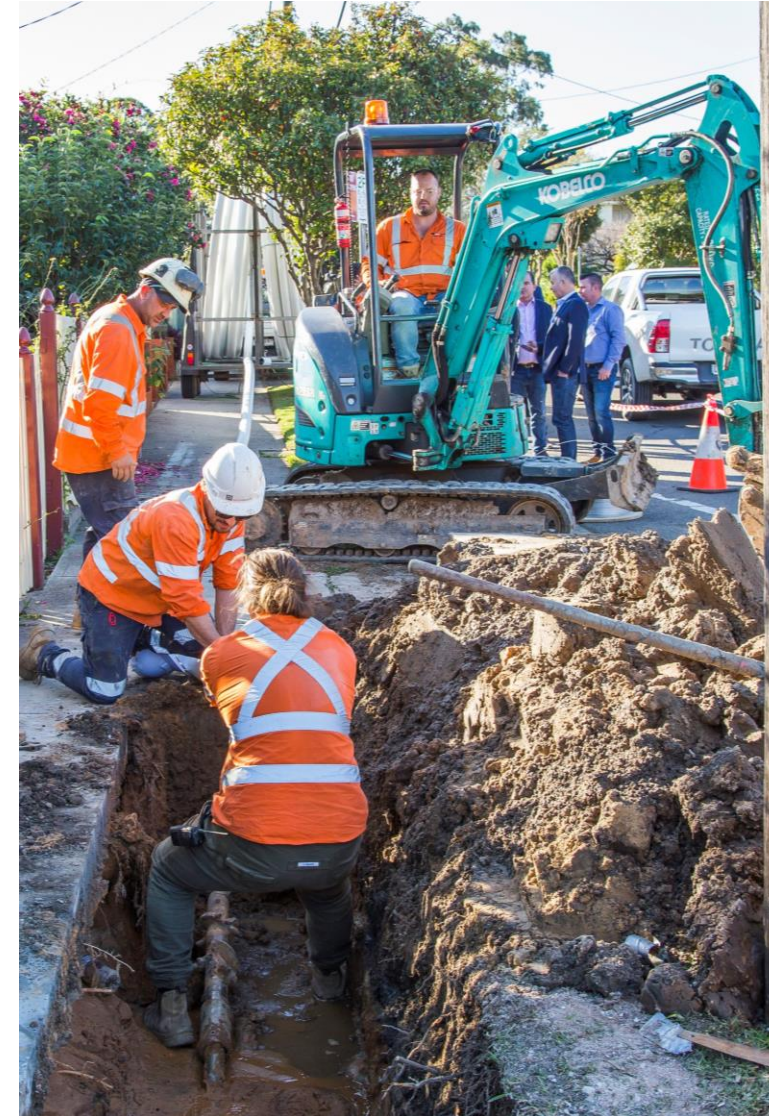
>9,500

Investor base

\$444m
FUM

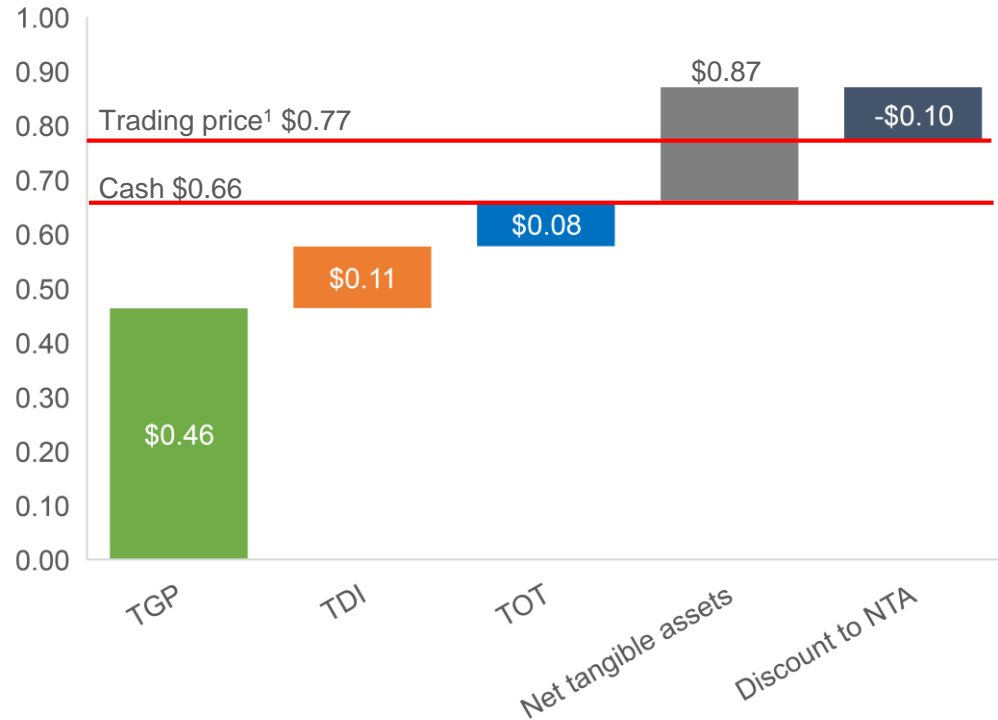
412% FUM Growth in
FY20

¹ As at 26 August 2020



FY20 Key Highlights- Value Proposition

Look Through Cash (\$0.66 per security)



¹ Closing price as at 27 August 2020

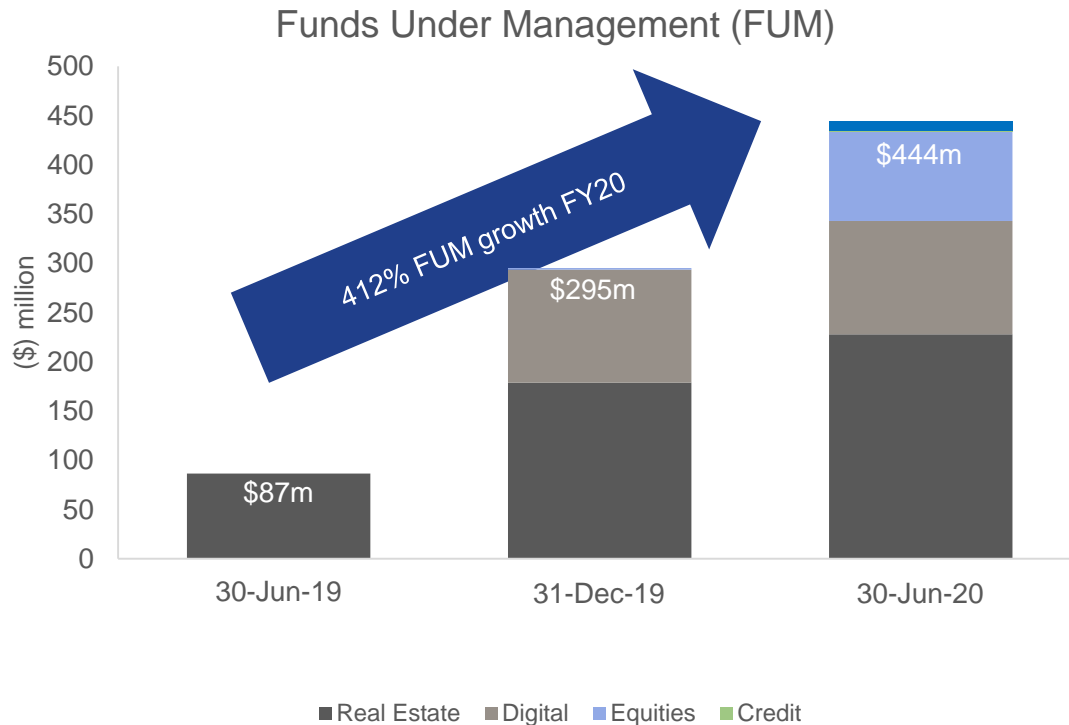
Multi Approach Growth Strategy

Organic Growth

Corporate Growth

FY20 Key Highlights- FUM Growth

FY20 FUM Growth



COVID-19 Impact

Negative Impact

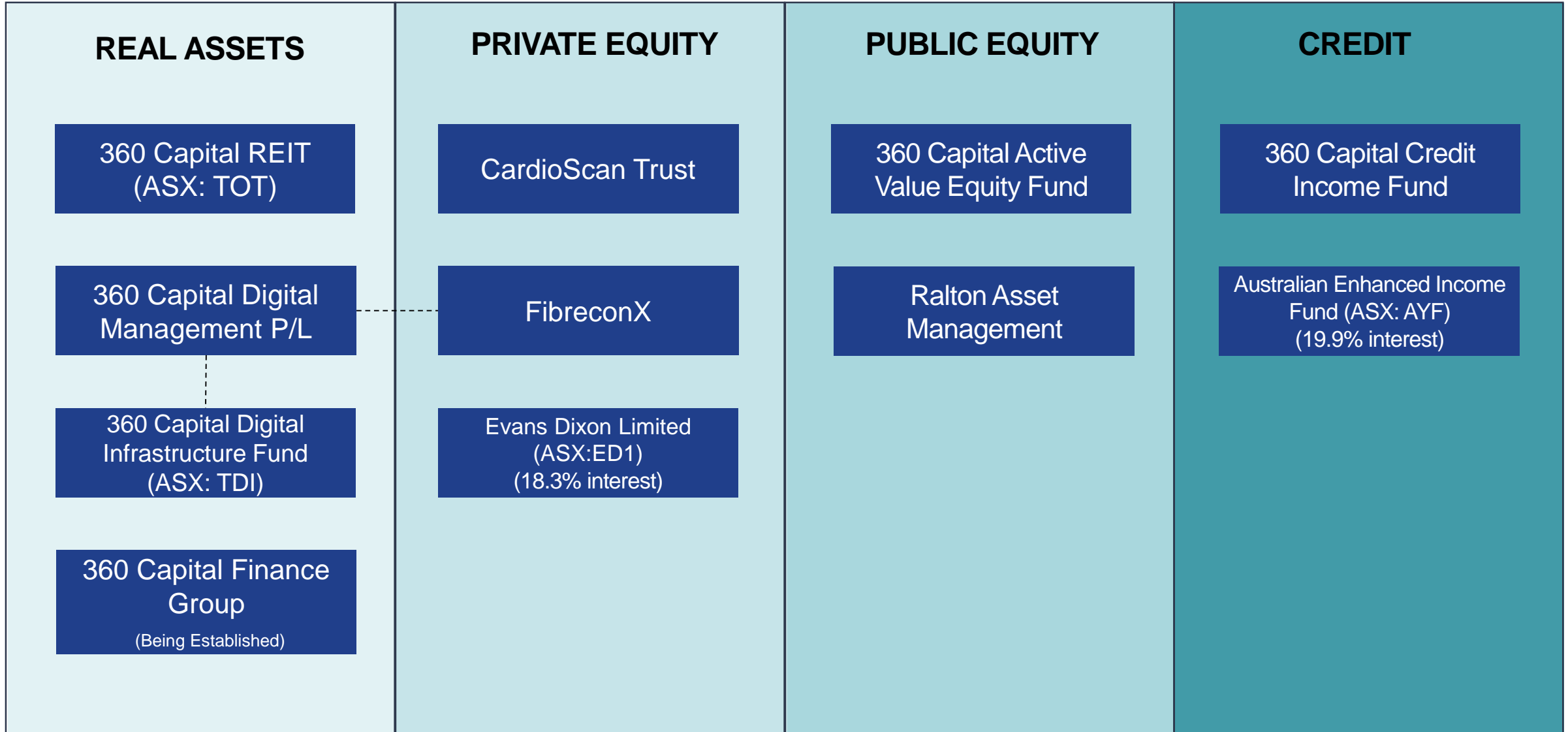
- Staff rotation impacted business continuity for approximately one month
- New product launches impacted 2nd half of FY20 including consultant delays, capital commitments and marketing activities
- Delays in acquisitions through market uncertainties, delaying FUM growth

Positive Impact

- Group has history of being more active in dislocated markets, potential distress and special situation opportunities
- High level of cash in Group and funds enables acquisitions in any market conditions



360 Capital's Funds/ Strategic Investments



Real Assets – 360 Capital REIT (ASX: TOT)

>\$90m

Cash balance
(as at 24 August 2020)

16.3%

Average IRR on
exited loans

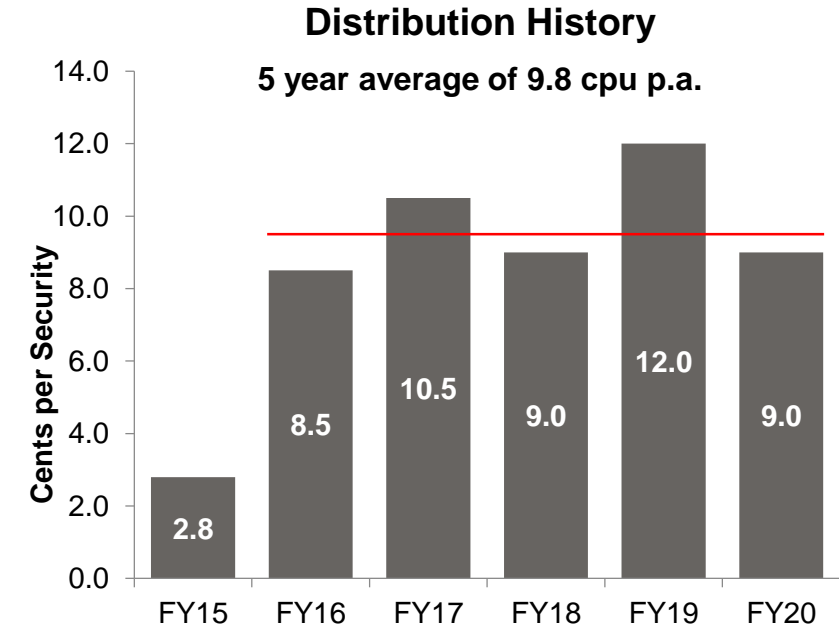
\$1.4m

FY20 fees, up
157% pcp

\$161.7m

Gross Assets
Up 87% pcp⁵

- Renamed 360 Capital Total Return Fund to 360 Capital REIT (“TOT”)
- Completed merger with URB Investments (URB), increasing the gross assets of TOT from \$103.4m¹ to \$161.7m²
- Completed institutional placement of \$10.8m in October 2019
- Achieved an average Internal Rate of Return (IRR) of 16.3% on exited loan investments
- Active management of TOT's loan portfolio resulted in \$63.1m in loan repayments during the reporting period and a further \$27.9m post period³
- Acquired 23 apartments in Gladesville, NSW at -20.0% below valuation and commenced sales campaign, selling 14 of 23 at an average premium of 23.8% to purchase price⁴
- In joint venture with TGP, 360 Capital REIT acquired a 19.9% interest in Velocity Property Group (ASX:VP7), given changing market conditions TOT/TGP took an active management in VP7 to increase sales of completed apartment stock and sell the development pipeline
- TOT has refined its focus to investing in real estate equity across both corporate and direct assets opportunities.



¹ Based on the 30 September 2019 proforma figure presented in the Scheme Booklet

² Total assets 30 June 2020

³ From 1 July 2020 to 21 August 2020

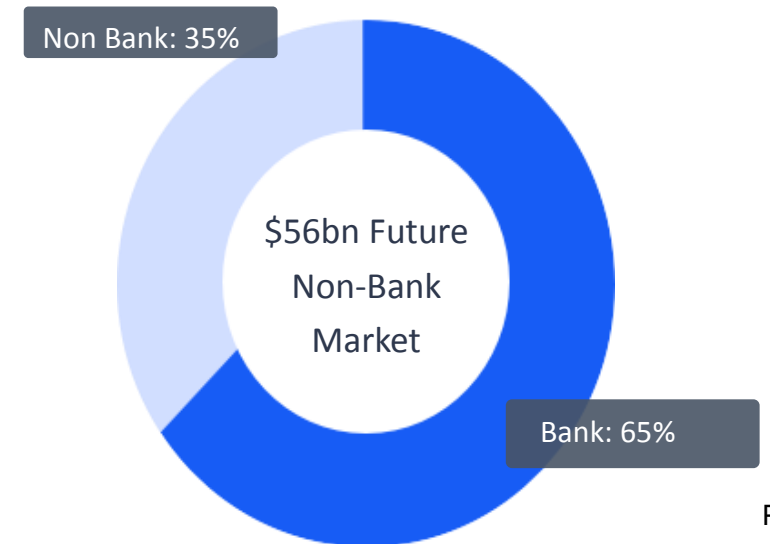
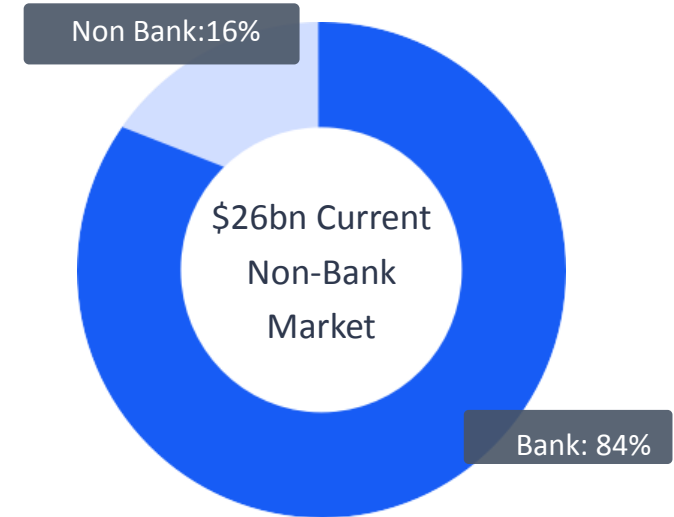
⁴ From the acquisition date to 21 August 2020

⁵ From 30 June 2019 to 30 June 2020

Proposed – 360 Capital Finance Group



- Proposed all real estate lending activities to be undertaken in new ASX listed vehicle - Managed by 360 Capital FM Limited
- Originate, lend and manage real estate loans in Australia and New Zealand
- Efficient business model - technology platform already established through Dealt
- Proven track record of over 3 years through AMF Finance
- Proposed \$100m minimum capital raising
- Targeting 6% p.a. distribution/dividend driven by establishment fees, broking fees, mortgage management fees and loan investments
- \$300 million warehouse debt facility in negotiation
- Potential acquisition of mortgage funds as sector expected to consolidate



360 Capital
Finance Group

dealt

A | M | F
Finance

Originate

Lend

Manage

Real Assets – 360 Capital Digital Infrastructure Fund

TDI Highlights and Other Initiatives

Strong Market Drivers Providing Tailwinds

- TDI listed on ASX on 31 October 2019 with >2000 investors;
- Raised \$115 million from the IPO and pre IPO;
- Purchased a Tier 3 data centre in Perth for \$37.0 million leased to Fujitsu Australia;
- Issued a \$10.7 million convertible note to a hyperscale data centre operator which was subsequently repaid, recognised a \$5.5 million gain on investment equating to an IRR on investment of 115%;
- Launched FibreconX;
- Guam data centre due for completion September 2020 and has signed 25 year contract with a large multinational tenant and subsea cable tenant;
- Restructured TDI as a stapled security enabling TDI to own operating assets;
- TDI will rebrand over the next few months to reflect the focus nature of the investment strategy;
- Digital JV looking to launch new digital investment products shortly, capitalizing on the expertise within the JV and Group

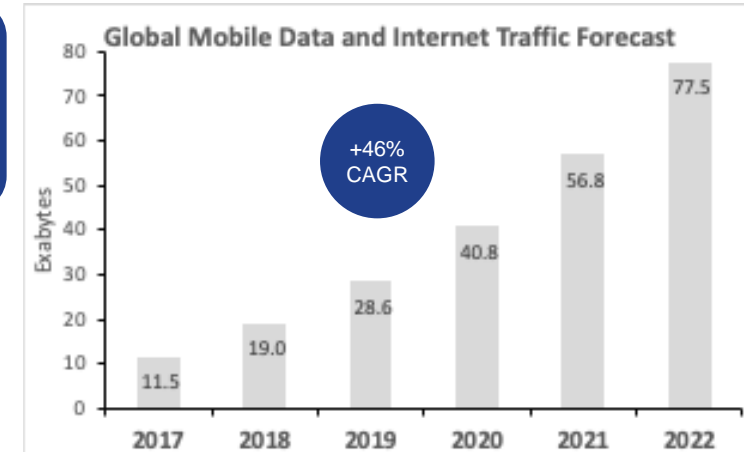
\$66.3m

Cash

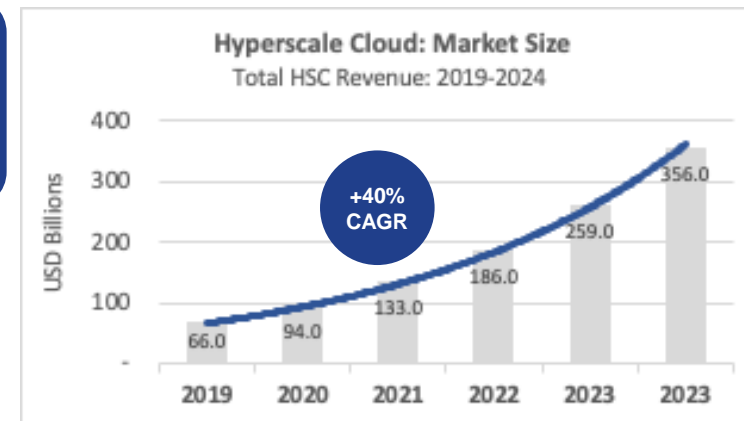
10.0cps

FY20 Distributions

In 2017, mobile traffic grew 71% with more than 50% of traffic now being video



Q2 FY20: AWS revenue grew 29% versus previous quarter





Private Equity

- Cardioscan Trust (Established: June 2020)
 - 360 Capital Cardioscan Trust and 360 Capital AVEF own ~20% of Cardioscan – Global cardiac monitoring company
 - High net worth and sophisticated investors only
 - Cardioscan expected to grow EBITDA +60% in next 2 years from identified contracts
 - Global growth, with operations in Australia, Singapore, HK, Malaysia, USA and Europe all with substantial growth opportunities
 - Potential further investment opportunity providing growth capital into Cardioscan via 360 Capital Cardioscan Trust
- Other potential SPV PE funds being established on range of businesses; building on relationships with new potential co-investors
- Acquisition, base fee and performance fees in each SPV



High Net Worth
Offering

60%+

Forecast 2 year
EBITDA growth

Public Equity

360 Capital Active Value Equity Fund

+15.7% return for
FY2020

Ralton ex 50 Strategy

3 months to July +12.5%
Outperforming index by
+2.5%

Since 2008 this strategy
has outperformed the
index by 5.3%pa

- 4 Person equity team established; Headed by Dennison Hambling, Head Public & Private Equity
- 4 Person independent Equity Investment committee established
- 360 Capital Active Value Equity Fund (AVEF) established (Nov 2019)
 - +15.7% return in FY20; positive start to FY21
 - Marketing of Fund ongoing, pledges being received
 - Group has committed \$10m of long-term capital to the strategy
 - Fund conservatively positioned; anticipating multiple opportunities 2H2020 and FY2021
- Ralton Asset Management (RAM) purchased (28th Feb 2020) for nominal amount
 - Zenith ratings retained.
 - Integration complete. One equity team established. Will Riggall remains head of RAM portfolios
 - Growth strategy identified (in conjunction with Cambridge Investment Partners)



Credit

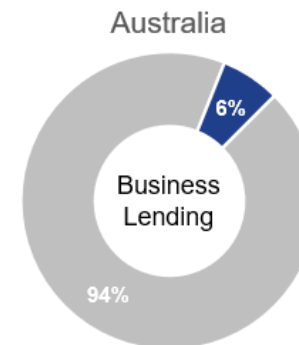
- Initial plans for a listed investment trust (LIT) impacted by COVID 19
- 360 Capital Credit Income Fund launched in May 2020
- 360 Capital has purchased 19.9% of the Australian Enhanced Income Fund (ASX: AYF) and have called a meeting to change the Fund's Responsible Entity to 360 Capital FM Limited
- Acquiring AYF complements the Group's existing credit offering providing investors attractive risk adjusted returns in both listed and unlisted structures
- Alternative credit market continues to grow in Australia (currently estimated at ~\$100bn) and attractive for investors globally with demand for yield and regular income

19.9%

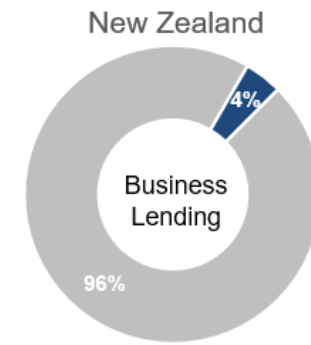
Acquisition of Australian Enhanced Income Fund

~\$100Bn

Growing Australian market



■ Banks ■ Non-Banks



■ Banks ■ Non-Banks



Financials - Balance Sheet

\$83.2m

Cash balance

As at 30 June 2020, TGP had a cash balance of \$83.2m. Post 30 June, Childcare loan repaid increasing cash to over \$100m

\$41.9m

Digital Fund Co-investment

\$41.9m co-investment into 360 Capital Digital Infrastructure Fund

\$31.5m

360 Capital REIT Co-investment

Group increased its co-investment into 360 Capital REIT in FY20 through its URB investment and subsequent TOT/URB merger

| | 30-Jun-20 (\$m) | 30-Jun-19 (\$m) | Change (\$m) | Change (%) |
|---|--------------------|--------------------|-----------------|---------------|
| Cash | 83.2 | 177.2 | (94.0) | -53% |
| 360 Capital Digital Infrastructure Fund | 41.9 | - | 41.9 | |
| 360 Capital REIT | 31.5 | 21.6 | 9.9 | 46% |
| 360 Capital Active Value Equity Fund | 3.6 | - | 3.6 | |
| CardioScan | 9.2 | - | 9.2 | |
| AMF Finance (JV) | 0.2 | 0.4 | (0.2) | -50% |
| Digital Management (JV) | 0.1 | - | 0.1 | |
| TGP TOT JV (JV) | 1.0 | - | 1.0 | |
| Digital Software Solutions (JV) | 1.0 | - | 1.0 | |
| Centuria Retail Fund | - | 2.2 | (2.2) | -100% |
| Childcare loan asset | 19.8 | - | 19.8 | |
| Receivables | 2.2 | 0.9 | 1.3 | 144% |
| Other assets | 17.3 | 13.6 | 3.7 | 27% |
| TOTAL ASSETS | 211.0 | 215.9 | (4.9) | -2% |
| Other liabilities | 3.4 | 0.9 | 2.5 | 278% |
| TOTAL LIABILITIES | 3.4 | 0.9 | 2.5 | 278% |
| NET ASSETS | 207.6 | 215.0 | (7.4) | -3% |
| Securities on issue | 230.8 | 230.8 | - | |



Financials – Profit and Loss

\$2.3m

Fee revenue

Management fees growing off low base. Most funds established in 2nd half of year. Expect significant increase in management fees in FY21 through new fund initiatives

\$1.6m

Increase in employment expenses

57% increase in employment expenses as new products were launched and the Group positioned for future growth

\$4.3m

Operating profit

Operating profit after tax of \$4.3m down 10% on pcp due to high cash levels during year

2.1cps

Earnings per security

Operating earnings per security of 2.1cps for the period reflects a 9% decrease pcp due to higher expenses

4.0cps

Distributions per security

Distributions of 4.0cps for the period, 1.0 cps less than the previous period

| | FY20 (\$m) | FY19 (\$m) | Change (\$m) | Change (%) |
|---|----------------|----------------|-----------------|---------------|
| Management Fee Revenue | 2.3 | 0.6 | 1.7 | 283% |
| Investment Revenue | 4.6 | 5.9 | (1.3) | (22%) |
| Finance Revenue | 2.6 | 2.3 | 0.3 | 13% |
| TOTAL REVENUE | 9.5 | 8.8 | 0.7 | 8% |
| Employment Expenses | (4.4) | (2.8) | (1.6) | 57% |
| Operating Expenses | (1.8) | (1.2) | (0.6) | 50% |
| OPERATING EARNINGS BEFORE INTEREST & TAX | 3.3 | 4.8 | (1.5) | (31%) |
| Interest Expense | - | (0.7) | | (100%) |
| OPERATING EARNINGS BEFORE TAX | 3.3 | 4.1 | (0.8) | (20%) |
| Income tax (expense)/benefit | 1.0 | 0.7 | 0.3 | 43% |
| OPERATING EARNINGS AFTER TAX | 4.3 | 4.8 | (0.5) | (10%) |
| Non-operating items | (3.0) | (3.2) | 0.2 | (6%) |
| STATUTORY PROFIT | 1.3 | 1.6 | (0.3) | (19%) |
| External NCI | - | - | - | |
| STATUTORY PROFIT ATTRIBUTABLE TO SECURITYHOLDERS | 1.3 | 1.6 | (0.3) | (19%) |
| | | | - | |
| OPERATING EPS | 2.1 cps | 2.3 cps | 0.2 cps | (9%) |
| DISTRIBUTIONS CPS | 4.0 cps | 5.0 cps | 1.0 cps | (20%) |

Note: Segment Profit and Loss based on management accounts. Refer to Note 1 in the Financial Report.

FY21 Key Focus

- Completing the listing of 360 Capital Finance Group - a commercial real estate debt company
- Redeploy 360 Capital REIT's significant cash balance into corporate and direct real estate assets and platforms, including potential partnership opportunities
- Deploying 360 Capital Digital Infrastructure Fund's (ASX:TDI) cash balance into data centres and improve the market awareness of the fund and the digital sector
- Investigate other digital infrastructure products for both listed and unlisted investors/partners
- Continue to establish single asset private equity funds for sophisticated and institutional investors
- Complete the transition of the 360 Capital Active Value Equity Fund onto the Aqua platform and scale the fund up as opportunities arise
- Complete the change of responsible entity of Australian Enhanced Income Fund (ASX:AYF) to 360 Capital FM Limited and recapitalise the fund
- Forecast annual distribution of 4.0cps for FY20 (paid quarterly)

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