



## ASX Release

REAL ASSETS  
PRIVATE EQUITY  
CREDIT

360 Capital Group (ASX: TGP)

24 February 2022

Appendix 4D

For the half year ended 31 December 2021

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360 Capital Group comprises the stapling of ordinary shares in 360 Capital Group Limited (ACN 113 569 136) and units in 360 Capital Investment Trust (ARSN 104 552 598)

This Preliminary Financial Report is given to the ASX in accordance with Listing Rule 4.2.A. This report should be read in conjunction with the Annual Report for the year ended 30 June 2021. It is also recommended that the Annual Report be considered together with any public announcements made by the Group. Reference should also be made to the statement of significant accounting policies as outlined in the Financial Report. The Interim Financial Report for the half year ended 31 December 2021 is attached and forms part of this Appendix 4D.

### Details of reporting period

Current reporting period: 1 July 2020 – 31 December 2021  
Prior corresponding period: 1 July 2019 – 31 December 2020

### Results announcement to the market

	31 Dec 2021 \$'000	31 Dec 2020 \$'000	Movement \$'000	Movement %
Revenue and other income from ordinary activities	45,300	15,445	29,855	193.3%
Profit attributable to stapled securityholders for the year	25,657	1,769	23,888	1350.4%
Operating profit <sup>1</sup>	15,600	471	15,129	3212.1%

<sup>1</sup> Operating profit is a financial measure which is not prescribed by Australian Accounting Standards (AAS) and represents the profit under AAS adjusted for non-operating items. The Responsible Entity considers operating profit to reflect the core earnings of the Fund. Operating earnings is used by the Board to make strategic decisions and as a guide to assessing an appropriate distribution to declare. A reconciliation of the Fund's statutory profit to operating earnings is provided in Note 1 of the Interim Financial Report.

	31 Dec 2021 Cents per security	31 Dec 2020 Cents per security	Movement Cents per security	Movement %
Earnings per security – Basic	11.7	0.8	10.9	1362.5%
Earnings per security – Diluted	11.4	0.8	10.6	1325.0%
Operating profit per security	7.1	0.2	6.9	3450.0%

360 Capital Group Limited ABN 18 113 569 136 and 360 Capital FM Limited ABN 15 090 664 396 (AFSL 221474) as responsible entity of the 360 Capital Investment Trust ARSN 104 552 598





## ASX Release

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### Distributions / Dividends

During the half-year, distributions made by 360 Capital Group to securityholders were in the form of fully franked dividend from 360 Capital Group Limited. In the comparative period distributions were made as distributions from 360 Capital Investment Trust.

	Amount per Security (cents)	Franked amount per security (cents)	Total paid \$'000	Record date	Date of payment
September 2021 quarter dividend -fully franked	1.5	1.5	3,285	30 September 2021	27 October 2021
December 2021 quarter dividend – fully franked	1.5	1.5	3,285	31 December 2021	27 January 2022
<b>Total dividend for the period ended 31 December 2021</b>	<b>3.0</b>	<b>3.0</b>	<b>6,570</b>		
September 2020 quarter distribution	1.0	0.0	2,295	30 September 2020	27 October 2020
December 2020 quarter distribution	1.0	0.0	2,295	31 December 2020	27 January 2021
<b>Total distribution for the period ended 31 December 2020</b>	<b>2.0</b>	<b>0.0</b>	<b>4,590</b>		

### Net tangible asset per security

	31 Dec 2021 \$	31 Dec 2020 \$
NTA per security	0.98	0.89

### Control Gained and Lost over Entities during the year

Refer to Note 11 *Business combinations and asset acquisitions* and Note 12 *Business divestment* of the Interim Financial Report.

### Details of Associates and Joint Venture Entities

Refer to Note 5 *Investments accounted for using the equity method* of the Financial Report.



360 Capital



# 360 CAPITAL GROUP

(ASX:TGP)

INTERIM FINANCIAL REPORT  
For the half year ended 31 December 2021

## General information

The interim financial report is a general- purpose financial report which has been prepared in accordance with AASB 134: Interim Financial Reporting and the Corporations Act 2001. The interim financial report of 360 Capital Group comprises the consolidated financial statements of 360 Capital Group Limited and its controlled entities and 360 Capital Investment Trust (ARSN 104 552 598) and its controlled entities. A 360 Capital Group stapled security comprises one 360 Capital Group Limited share stapled to one 360 Capital Investment Trust unit to create a single listed entity traded on the Australian Stock Exchange (ASX). The stapled security cannot be traded or dealt with separately.

The interim financial report does not include all of the notes and information required for a full annual financial report and should be read in conjunction with the annual financial report for the year ended 30 June 2021 and any public announcements made by 360 Capital Group during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The annual financial report of the 360 Capital Group for the year ended 30 June 2021 is available upon request from the registered office at Suite 3701, Level 37, 1 Macquarie Place, Sydney NSW 2000 Australia or at [www.360capital.com.au](http://www.360capital.com.au).

The interim financial report is presented in Australian dollars.

360 Capital Group is an entity of the kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission (ASIC). In accordance with that Instrument, amounts in the interim financial report and Directors' report have been rounded to the nearest thousand dollars, unless otherwise stated.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 February 2022.



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The Directors of 360 Capital Group Limited (Company) along with the Directors of 360 Capital FM Limited (CFML) (ABN 15 090 664 396) (AFSL No 221474), the Responsible Entity present their report, together with the interim financial report of 360 Capital Group (Group) (ASX: TGP) for the half year ended 31 December 2021. 360 Capital Group comprises 360 Capital Group Limited (Parent Entity) and its controlled entities and 360 Capital Investment Trust (Trust) and its controlled entities.

#### Directors

The following persons were Directors of 360 Capital Group Limited during the half year and up to the date of this report, unless otherwise stated:

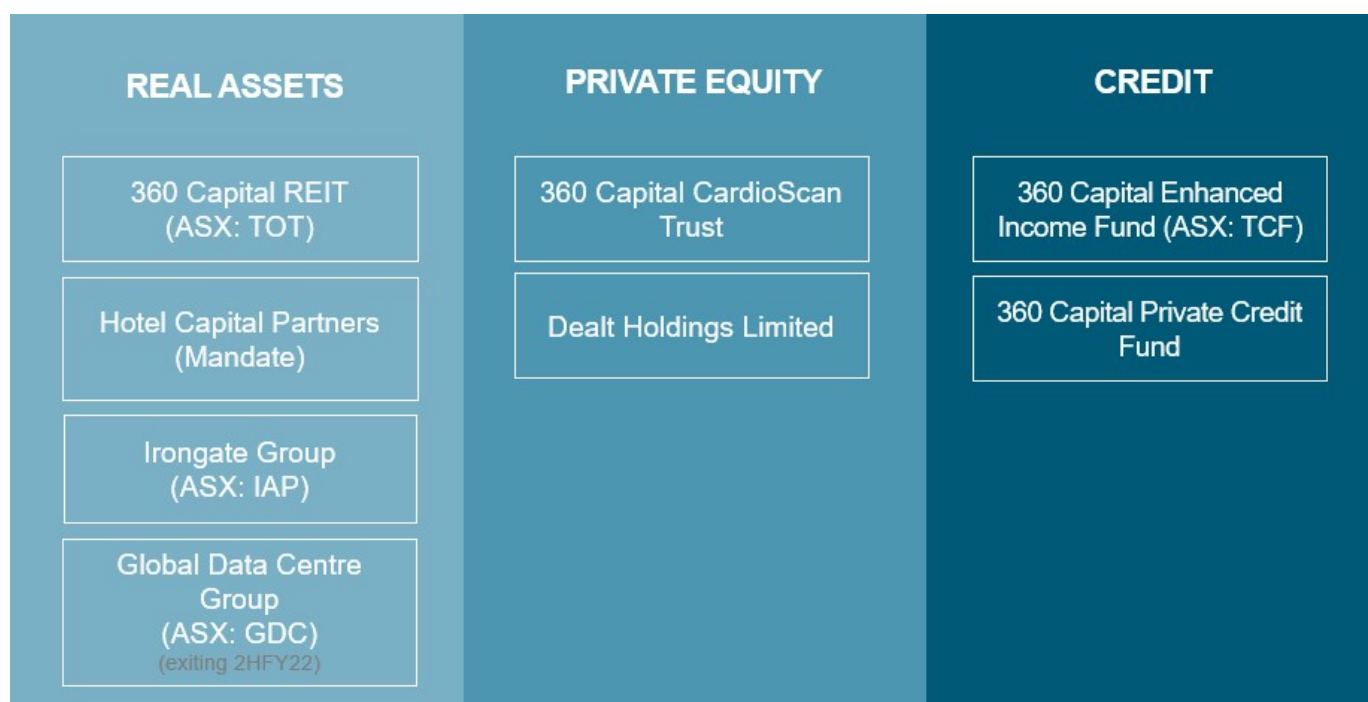
David van Aanholt (Chairman)  
Tony Robert Pitt  
William John Ballhausen  
Andrew Graeme Moffat

#### Principal activities

The Group is an ASX-listed, investment and funds management group, focused on strategic and active investment management of alternative assets.

The Group operates predominantly in Australian and New Zealand investing and managing across three strategies:

- Real Assets
- Private Equity
- Credit



Operating and financial overview

Key financial highlights for the half year ended 31 December 2021

Statutory net profit

**\$25.7m**

(December 2020: \$1.8 million)

Statutory net profit attributable to securityholders of 11.7cps (December 2020: 0.8cps) more than prior period due to increase in distribution income and gain from investment disposal

Operating profit

**\$15.6m**

(December 2020: \$0.5 million)

Operating profit and earnings per security (EPS) of 7.1cps<sup>1</sup> (December 2020: 0.2cps), increase primarily due to gain from disposal of investments

Distributions

**3.0cps**

(December 2020: 2.0cps)

Distributions of 3.0cps, increase by 1.0cps from prior half year

Net asset value

**\$1.00**

per security  
(June 2021: \$0.91)

Net asset value (NAV) increased by 9.0cps during period

ASX closing price

**\$0.825**

per security  
(June 2021: \$0.885)

Decrease in ASX price by 6.8% from 30 June 2021

<sup>1</sup> Operating profit is a financial measure which is not prescribed by Australian Accounting Standards (AAS) and represents the profit under AAS adjusted for non-operating items. The Directors consider operating profit to reflect the core earnings of the Group and it is used as a guide to assess the Group's ability to pay distributions to securityholders. The operating profit has not been subject to any specific audit procedures by the Group's auditor but has been extracted from Note 1: Segment reporting.

## Key operational achievements for the half year ended 31 December 2021

Significant cash balance

**\$91.0m**

Capital to fund future  
opportunities

Cash balance as at 31 December 2021  
placing the Group in a strong position to take  
advantage of future opportunities

Investment

**IRONGATE**

ASX: IAP

The Groups carrying value of its investment in  
Irongate Group (ASX: IAP) as at 31 December  
2021 was approximately \$83.8 million,  
representing a 7.1% stake, contributing \$2.1  
million in income during the period



### Operating and financial

The Groups' investment strategies which make up its alternative assets management and investment strategy are:

- Real Assets
- Private Equity
- Credit

During the first six months to 31 December 2021, the Group has been focused on executing its alternative assets funds management simplification strategy and setting the base for growth across its three key investment strategies of: Real Assets, Private Equity and Credit.

The financial results for the 6 months to 31 December 2021 were well above forecast. Combined with a strong balance sheet, potentially significant profits from Irongate Group investment, and a pipeline of funds management transactions and initiatives in the second half, the Group is well positioned for a strong FY22.

### Group key operational highlights for the half year ended 31 December 2021

#### Real assets

- 360 Capital REIT (ASX:TOT) simplified strategy to a pure REIT, disposing \$6.0 million of non-core assets.
- The Group and TOT combined have \$191.3 million invested in Irongate Group (ASX: IAP) acquired at an average price of \$1.41 per security, post period Charter Hall lodged an indicative proposal with IAP at \$1.90 per security on ex-distribution basis and with a memorandum of understanding agreeing to sell TOT and Group four assets for \$336 million.
- Post period, the Group entered into an agreement with TOT (subject to various conditions including TOT and Group securityholder approval) to buy TOT's 50% equity interest in PMG for NZ\$21.875 million. PMG has approximately NZ\$879 million of Funds Under Management (FUM) comprising a series of unlisted, open ended real estate investment funds.
- Hotel Capital Partners (HCP) (70% owned by TGP) settled its first hotel acquisition for \$146.0 million on behalf of a US based private equity fund and made offers on several more properties and platforms to build out its portfolio.
- The Group sold its 33.2% stake in Global Data Centre Group (ASX: GDC) for \$42.0 million in September 2021 and 50% share in the GDC investment manager for \$4.4 million in December 2021 as part of its funds management simplification strategy.

#### Private equity

- Group sold Digital Software Solutions Pty Ltd in September 2021 with Group receiving a 1.8x multiple on its capital invested.
- Group disposed of its 39.1% stake in 360 Capital FibreconX Trust and its 50% interest in the management rights for a total of \$26.7 million equating to an IRR of approximately 177% generating a pre-tax distributable profit of approximately \$17.1 million.

#### Credit

- Established the 360 Capital Private Credit Fund, open ended credit, unlisted, wholesale fund for sophisticated investors to invest in corporate credit transaction alongside TCF. Initial raising completed in January 2022 and now continuously open for investment.
- 360 Capital Enhanced Income Fund (ASX:TCF) completed a capital raising in December 2021 and alongside 360 Capital Private Credit Fund is expected to complete its next loan investment of approximately \$23.0 million in early 2022.

#### Funds management

As outlined in the FY21 results, the Group decided to undertake a simplification strategy in its funds management business to focus on higher margin activities which can be scaled.

Over the past six months it has executed on this strategy, including:

- Closed down all public equity funds including the sale of Ralton Asset Management;
- Exited its co-investment and management interests in Global Data Centre Group; and
- Sold its co-investment and management interests in FibreconX.

The Group currently has FUM of approximately \$563 million (excluding undrawn mandates). Revenue from funds management activities was \$5.7 million, including the gain realised on the disposal of the GDC investment manager, for the 6 months to 31 December 2021, up 159% from \$2.2m in the prior period.

## Operating and financial review (continued)

### Principal investments

Over the six months to 31 December 2021, the Group disposed of its co-investments in the digital infrastructure activities being:

- 360 Capital FibreconX Trust for \$26.7 million, equating to an IRR of 177% return on original \$10.0 million investment; and
- 33.2% in Global Data Centre Group for \$42.0 million in line with our cost base.

Contracted the sale of E&P Financial Group Limited for \$29.9 million in the prior period and settled this investment for \$29.9 million in July 2021.

Following the sale of Digital Software Solutions Pty Ltd in September 2021, the Group received a return on its capital while also maintaining a position as the largest shareholder in Dealt Holdings Limited.

Given the discounted trading price of TOT, the Group has invested a further \$4.3 million into TOT over the 6 months to 31 December 2021, increasing its ownership to 23.1%.

In support of TOT's investment in IAP, the Group invested a further \$20.8 million to increase its ownership in IAP from 5.4% to 7.1% over the 6 months to 31 December 2021. The IAP share price increased from \$1.45 to \$1.73 per security during the 6 months to 31 December 2021.

As at 31 December 2021, the value of the Group's co-investments comprised: \$83.8 million in Irongate Group; \$40.8 million in TOT; \$4.0 million in TCF and \$8.7 million in unlisted investments.

### Proposed Irongate Group transaction

On 28 January 2021, TGP and TOT entered into a memorandum of understand (MOU) with a Charter Hall Group (ASX: CHC) managed partnership comprised of Dutch pension fund PGGM (PGGM) and Charter Hall Group (Charter Hall Partnership).

The MOU facilitated Charter Hall Partnership to make a non binding indicative offer to IAP Board to purchase all of the IAP securities on issue (including TOT's and TGP's holdings totalling approximately 135.4 million securities) for \$1.90 per security plus pay the March 22 distribution (estimated at \$0.0467 per security) by way of a Trust Scheme (Indicative Proposal).

Terms of the MOU include (but not limited to) the following conditions:

- TOT will purchase a portfolio of 3 modern office buildings in IAP totalling \$254.0 million comprising a portfolio WALE of approximately 8.3 years;
- TGP will purchase a 50% share in 100 Willis Street, Wellington NZ for \$82.0 million and enter into a call option agreement to purchase the remaining 50% off Charter Hall Partnership in the future; and
- TGP had requested to purchase the IAP's fund manager and co-investment stakes, however, we have been informed that certain stakeholders may have pre-emptive rights and therefore we have assumed we will not be purchasing the fund manager and co-investment stakes.

The IAP Board has granted the Charter Hall Partnership an exclusivity period of approximately 6 weeks due diligence in order to convert its indicative proposal to a binding proposal. TOT and TGP have also entered into agreements with Charter Hall Partnership to allow it to undertake due diligence on its assets it proposes to buy under the MOU.

### Board and management changes

Post period the Group announced that from 1 March 2022, the following changes are being made to the Board and management:

- James Storey appointed Group Chief Executive Officer;
- Tony Pitt appointed Executive Chairman; and
- Tony McGrath appointed Non-Executive Director.

### Impact of COVID-19

The World Health Organization declared a global pandemic in March 2020 as a result of the novel coronavirus (COVID-19). The Group has considered the impact of COVID-19 in preparing its financial report for the half year. Although society has already adapted significantly to deal with COVID-19 through various measures such as vaccinations, social distancing, quarantining, travel restrictions together with support through government economic stimulus, the future social, medical and economic impacts worldwide are unknown as the pandemic situation continues to evolve. Factors including lockdowns, domestic and international travel restrictions continue to make operating conditions challenging for the Group and businesses in general.

### Summary and Outlook

The Group is an investor and fund manager of alternative assets who partners with its stakeholders to identify, invest and realise on opportunities. The Group intends to continue to execute on its refined strategy across its three strategic pillars representing real assets, private equity and credit.

### Dividends and distributions

The Company declared dividends during the half year and up to the date of this report as detailed below (December 2020: nil).

	31 December 2021 \$'000	31 December 2020 \$'000
<b>Dividends</b>		
1.5 cents per share fully franked dividend paid 27 October 2021	3,285	-
1.5 cents per share fully franked dividend paid 27 January 2022	3,285	-
	<b>6,570</b>	<b>-</b>

There were no distributions declared by 360 Capital Investment Trust directly to securityholders during the half year. Distributions declared by the Trust in the prior half year were as follows:

	31 December 2021 \$'000	31 December 2020 \$'000
<b>Distributions</b>		
1.0 cent per unit paid on 27 October 2020	-	2,295
1.0 cent per unit paid on 27 January 2021	-	2,295
	<b>-</b>	<b>4,590</b>

### Significant changes in state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of 360 Capital Group that occurred during the half year under review other than those listed above or elsewhere in the Directors' report.

### Likely developments and expected results of operations

The Group will continue to focus on scaling its activities within its four strategic pillars to grow funds management and investment revenue.

#### Events subsequent to balance date

Post period, TGP entered into an agreement with TOT (subject to TOT and TGP Securityholder approval) to buy TOT's 50% equity interest in PMG for NZ\$21.875 million.

On 28 January 2021, TGP and TOT entered into a memorandum of understand with a Charter Hall Group managed partnership comprised of Dutch pension fund PGGM and Charter Hall Group to facilitate Charter Hall Partnership to make a non binding indicative offer to IAP Board to purchase all of the IAP securities on issue (including TOT's and TGP's holdings totalling approximately 135.4 million securities) for \$1.90 per security plus pay the March 22 distribution (estimated at \$0.0467 per security) by way of a Trust Scheme.

The IAP Board has granted the Charter Hall Partnership an exclusivity period of approximately 6 weeks due diligence in order to convert its indicative proposal to a binding proposal. TOT and TGP have also entered into agreements with Charter Hall Partnership to allow it to undertake due diligence on its assets it proposes to buy under the MOU. Refer to Proposed Irongate Group transaction as disclosed above.

No other circumstances have arisen since the end of the half year which have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

#### Buy back arrangement

The Group is not under any obligation to buy back, purchase or redeem units from unitholders. During the half year, the Group bought back and cancelled 11,050,000 units related to the Group's 2017 employee share plan at an average price of \$0.77 (December 2020: 1,350,000 at an average price of \$1.01).

#### Auditor's independence declaration

The auditor's independence declaration required under Section 307C of the Corporations Act 2001 is set out on page 9 and forms part of the Directors' report for the half year ended 31 December 2021.

#### Rounding of amounts

360 Capital Group is an entity of the kind referred to in Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission (ASIC). In accordance with that Instrument, amounts in the interim financial report and Directors' report have been rounded to the nearest thousand dollars, unless otherwise stated.

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



**David van Aanholt**  
Chairman

Sydney  
24 February 2022



**Tony Robert Pitt**  
Managing Director



**Building a better  
working world**

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## **Auditor's Independence Declaration to the Directors of 360 Capital Group Limited**

As lead auditor for the review of the half-year financial report of 360 Capital Group Limited for the half-year ended 31 December 2021, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of 360 Capital Group Limited and the entities it controlled during the financial period.

Ernst & Young

Douglas Bain  
Partner  
24 February 2022

360 Capital Group  
Consolidated interim statement of profit or loss and other comprehensive income  
For the half year ended 31 December 2021

	<b>31 December</b>	<b>31 December</b>
	<b>2021</b>	<b>2020</b>
<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Revenue from continuing operations</b>		
Rental from investment properties	433	1,332
Management fees	990	1,050
Data centre services revenue	1,560	-
Distributions	2,210	837
Finance revenue	124	430
<b>Total revenue from continuing operations</b>	<b>5,317</b>	<b>3,649</b>
<b>Other income</b>		
Net gain on disposal of subsidiary	14,984	106
Net gain on fair value of financial assets	12,911	9,492
Net gain on disposal of equity accounted investments	5,147	1,116
Share of equity accounted profits	6,516	953
Foreign exchange gains	299	-
Other income	126	129
<b>Total other income</b>	<b>39,983</b>	<b>11,796</b>
<b>Total revenue from continuing operations and other income</b>	<b>45,300</b>	<b>15,445</b>
Employee benefit expenses	4,374	4,130
Administration expenses	1,886	1,668
Management fees	586	3,026
Investment property expenses	64	128
Data centre facility costs	599	-
Depreciation expenses	631	16
Finance expenses	181	155
Transaction costs	60	2,792
Net loss on fair value of investment properties	-	542
Foreign exchange losses	-	1,215
Loss allowance	5	78
<b>Profit from continuing operations before income tax</b>	<b>36,914</b>	<b>1,695</b>
Income tax expense	3	885
<b>Profit for the half year</b>	<b>27,669</b>	<b>810</b>
<b>Profit for the year attributable to:</b>		
Shareholders of 360 Capital Group Limited	25,970	1,041
Unitholders of 360 Capital Investment Trust	(313)	728
<b>Profit after tax attributable to the stapled securityholders</b>	<b>25,657</b>	<b>1,769</b>
External non-controlling interests	2,012	(959)
<b>Profit for the half year</b>	<b>27,669</b>	<b>810</b>

360 Capital Group  
Consolidated interim statement of profit or loss and other comprehensive income  
For the half year ended 31 December 2021

	31 December 2021	31 December 2020
Note	\$'000	\$'000
<b>Profit for the half year</b>	<b>27,669</b>	810
<b>Other comprehensive income that may be reclassified to profit or loss</b>		
Other comprehensive income for the half year	1,683	2,116
Net foreign currency gain/(loss) transferred to the income statement on business divestment, net of tax	240	-
<b>Total other comprehensive income for the half year</b>	<b>1,923</b>	2,116
<b>Total comprehensive income for the half year</b>	<b>29,592</b>	2,926
<b>Total comprehensive income attributable to:</b>		
Shareholders of 360 Capital Group Limited	25,970	5,796
Unitholders of 360 Capital Investment Trust	485	(185)
<b>Total comprehensive income attributable to the stapled securityholders</b>	<b>26,455</b>	5,611
External non-controlling interests	3,137	(2,685)
<b>Total comprehensive income for the half year</b>	<b>29,592</b>	2,926
<b>Earnings per stapled security for profit after tax attributable to the stapled securityholders of 360 Capital Group</b>		
	<b>Cents</b>	<b>Cents</b>
Basic earnings per security	14	11.7
Diluted earnings per security	14	11.4

*The above consolidated interim statement of profit or loss and other comprehensive income should be read with the accompanying notes.*

360 Capital Group  
Consolidated interim statement of financial position  
As at 31 December 2021

		31 December 2021 \$'000	30 June 2021 \$'000
	Note		
<b>Current assets</b>			
Cash and cash equivalents		90,969	54,263
Receivables		904	38,105
Loans receivable		17	2,489
Other current assets		554	1,230
<b>Total current assets</b>		<b>92,444</b>	<b>96,087</b>
<b>Non-current assets</b>			
Financial assets at fair value through profit or loss	4	99,146	96,403
Investments equity accounted	5	43,428	69,413
Investment properties		-	45,000
Intangible assets	6	2,614	26,587
Property, plant and equipment	7	280	31,174
Right-of-use assets	8	2,496	3,185
Deferred tax assets		209	1,898
<b>Total non-current assets</b>		<b>148,173</b>	<b>273,660</b>
<b>Total assets</b>		<b>240,617</b>	<b>369,747</b>
<b>Current liabilities</b>			
Trade and other payables		501	19,742
Lease liabilities	8	659	578
Distribution payable	2	3,285	2,827
Income tax payable		4,607	115
Provisions		223	401
<b>Total current liabilities</b>		<b>9,275</b>	<b>23,663</b>
<b>Non-current liabilities</b>			
Borrowings		-	19,927
Lease liabilities	8	2,280	3,723
Deferred tax liabilities		5,679	3,810
Provisions		204	194
<b>Total non-current liabilities</b>		<b>8,163</b>	<b>27,654</b>
<b>Total liabilities</b>		<b>17,438</b>	<b>51,317</b>
<b>Net assets</b>		<b>223,179</b>	<b>318,430</b>



360 Capital Group  
 Consolidated interim statement of financial position  
 As at 31 December 2021

		31 December 2021 \$'000	30 June 2021 \$'000
	Note		
<b>Equity</b>			
Issued capital - ordinary shares	9	1,241	1,241
Issued capital - trust units	9	195,395	195,395
Security based payments reserve		10,921	10,539
Other capital reserve		(110)	2,961
Retained earnings		10,469	(11,754)
<b>Total equity attributable to stapled Securityholders</b>		<b>217,916</b>	198,382
External non-controlling interest		5,263	120,048
<b>Total equity</b>		<b>223,179</b>	318,430

*The above consolidated interim statement of financial position should be read with the accompanying notes.*

360 Capital Group  
 Consolidated interim statement of changes in equity  
 For the half year ended 31 December 2021

	Note	Issued capital - ordinary shares \$'000	Issued capital - trust units \$'000	Security based payments reserve \$'000	Other capital reserve - Corporate \$'000	Other capital reserve - Trust \$'000	Retained earnings - Corporate \$'000	Accumulated losses - Trust \$'000	Total equity attributable to stapled Securityholders \$'000	External non-controlling interest \$'000	Total equity \$'000
<b>Balance at 1 July 2021</b>		1,241	195,395	10,539	4,898	(1,937)	14,092	(25,846)	198,382	120,048	318,430
Profit for the year		-	-	-	-	-	25,970	(313)	25,657	2,012	27,669
Comprehensive income for the year		-	-	-	-	798	-	-	798	1,125	1,923
Total comprehensive income for the half year		-	-	-	-	798	25,970	(313)	26,455	3,137	29,592
Reclassification between reserves on disposal of investments		-	-	-	(5,008)	1,139	5,008	(1,139)	-	-	-
Transactions with non-controlling interests		-	-	-	-	-	-	(702)	(702)	(117,922)	(118,624)
<b>Transactions with Securityholders in their capacity as Securityholders</b>											
Issued shares/units - ESP cancellation		-	-	-	-	-	-	(31)	(31)	-	(31)
Security based payment transactions		-	-	382	-	-	-	-	382	-	382
Dividends/distributions	2	-	-	-	-	-	(6,570)	-	(6,570)	-	(6,570)
		-	-	382	-	-	(6,570)	(31)	(6,219)	-	(6,219)
<b>Balance at 31 December 2021</b>		<b>1,241</b>	<b>195,395</b>	<b>10,921</b>	<b>(110)</b>	<b>-</b>	<b>38,500</b>	<b>(28,031)</b>	<b>217,916</b>	<b>5,263</b>	<b>223,179</b>
<b>Balance at 1 July 2020</b>		1,191	194,877	9,380	-	-	10,081	(20,249)	195,280	68,039	263,319
Profit for the year		-	-	-	-	-	1,041	728	1,769	(959)	810
Comprehensive income for the year		-	-	-	4,755	(913)	-	-	3,842	(1,726)	2,116
Total comprehensive income for the half year		-	-	-	4,755	(913)	1,041	728	5,611	(2,685)	2,926
<b>Transactions with non-controlling interests</b>		-	-	-	-	(909)	-	849	(60)	45,269	45,209
<b>Transactions with Securityholders in their capacity as Securityholders</b>											
Security based payment transactions		-	-	444	-	-	-	-	444	-	444
Equity raising transaction costs		-	(5)	-	-	-	-	-	(5)	-	(5)
Dividends/distributions	2	-	-	-	-	-	-	(4,590)	(4,590)	-	(4,590)
		-	(5)	444	-	-	-	(4,590)	(4,151)	-	(4,151)
<b>Balance at 31 December 2020</b>		<b>1,191</b>	<b>194,872</b>	<b>9,824</b>	<b>4,755</b>	<b>(1,822)</b>	<b>11,122</b>	<b>(23,262)</b>	<b>196,680</b>	<b>110,623</b>	<b>307,303</b>

The above consolidated interim statement of changes in equity should be read with the accompanying notes.

360 Capital Group  
Consolidated interim statement of cash flows  
For the half year ended 31 December 2021

	31 December 2021 \$'000	31 December 2020 \$'000
<b>Cash flows from operating activities</b>		
Cash receipts from customers (inclusive of GST)	10,935	2,236
Cash payments to suppliers and employees (inclusive of GST)	(12,048)	(4,773)
Distributions received	3,456	1,042
Finance revenue	130	512
Finance expenses	(117)	(55)
Finance expenses	(812)	-
<b>Net cash (outflows)/inflows from operating activities</b>	<b>1,544</b>	<b>(1,038)</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of investment properties	5,456	-
Payments for property, plant and equipment	(6,212)	(7,260)
Payments for equity accounted investments	(5,636)	-
Payments for financial assets	(20,807)	(52,331)
Proceeds from disposal of financial assets	28,933	8,335
Payment for intangible assets	(538)	(40)
Proceeds from disposal of subsidiaries - net of cash acquired	68,165	(43,204)
Payment of transaction costs	-	(53)
Proceeds from loans receivable	-	19,800
<b>Net cash outflows from investing activities</b>	<b>69,361</b>	<b>(74,753)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	1,008	20,000
Payments for borrowing costs	(7)	(108)
Payment of transaction costs to issue capital NCI	(48)	(1,038)
Proceeds from issue of capital – NCI, net of capital raising costs	-	36,385
Distributions paid to stapled securityholders	(5,585)	(4,604)
Distributions paid to external non-controlling interests	(526)	(1,964)
Payment for buy back of stapled securities NCI	-	(669)
Redemption of units from external non-controlling interests	-	(10,723)
<b>Net cash inflows from financing activities</b>	<b>(5,158)</b>	<b>37,279</b>
<b>Net decrease in cash and cash equivalents</b>	<b>65,747</b>	<b>(38,512)</b>
Cash and cash equivalents at the beginning of the half year	54,263	149,521
Cash balance on consolidation of controlled entities	50	12,624
Cash balance on deconsolidation of controlled entities	(29,091)	(8,645)
<b>Cash and cash equivalents at the end of the half year</b>	<b>90,969</b>	<b>114,988</b>

The above consolidated interim statement of cash flows should be read with the accompanying notes.

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## Financial Information

**This section provides additional information about those individual line items in the financial statements that the directors consider most relevant in the context of the operations of the Group.**

### Note 1: Segment reporting

Segment information is presented in respect of the Group's operating segments, which are the primary basis of segment reporting. An operating segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other operating segments. The primary segments are based on the Group's management and internal reporting structure. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

#### Core operations

The Group reports on the following core business segments comprising the three investment strategies which make up its alternative asset management and investment strategy:

- Real Assets
- Private Equity
- Credit

Following a simplification of the Group's investment strategy, the Group has exited its public equity strategy and will focus on the three remaining segments being real assets, private equity and credit. Given there are residual costs associated with the public equities segment during the period this continues to be reported separately.

The Group's management strategy and measures of performance focus on the returns from these core segments in order to deliver returns and value to investors. Operating segments are determined based on the information which is regularly reviewed by the Managing Director, who is the Chief Operating Decision Maker within the Group. The information provided is net of non-operating items comprising transaction costs, unrealised fair value adjustments of financial assets and other assets, unrealised foreign exchange gains and losses, impairment adjustments, share of equity accounted profits in excess of distributions received, security based payments expense and all other non-operating items. Funds management revenue and Investment revenue includes realised and distributable gains made on disposal of investments and other interests. Distributable gain or loss represents the cash surplus or deficit between acquisition cost and proceeds on disposal and may differ to the realised accounting gain or loss.

#### Corporate

Income and expenses for management of the Group on an overall basis and unallocated overheads are not allocated to the three core operating segments. Cash and borrowings are not directly allocated to an operating segment. Also tax assets and liabilities and other incidental assets and liabilities are not allocated to core operating segments as they are either non-core or for management of the Group on an overall basis. All these items are included under corporate in the segment disclosures.

#### Consolidation and eliminations

Included in this segment are the elimination of inter-group transactions and conversion of the consolidated results from certain entities deemed to be controlled under AASB 10, these entities have material non-controlling interests. The performance of these controlled entities are considered to be non-core segments and are reviewed separately to that of the performance of the Group's business segments.

#### Geographical segments

In presenting information on the basis of geographical segments, segment revenue and segment assets are based on the geographical location of the underlying assets. All segments operate solely within Australia, except those relating to consolidated entities have material non-controlling interests, which are not reported on separately.

**Note 1: Segment reporting (continued)**

The operating segments provided to the Board for the reportable segments for the half year ended 31 December 2021 are as follows:

Half-year ended 31 December 2021	Real Assets	Private Equity	Public Equity	Credit	Corporate	Operating profit	Consolidation & eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Funds management revenue	5,546	9	-	143	1	5,699	(2,913)	2,786
Investment revenue	3,406	17,103	-	121	-	20,630	1,547	22,177
Rental revenue	-	-	-	-	-	-	369	369
Finance revenue	1	-	-	-	109	110	14	124
<b>Total revenue and other income</b>	<b>8,953</b>	<b>17,112</b>	<b>-</b>	<b>264</b>	<b>110</b>	<b>26,439</b>	<b>(983)</b>	<b>25,456</b>
Operating expenses	1,621	22	98	955	1,991	4,687	2,189	6,876
<b>Earnings before interest and tax (EBIT)</b>	<b>7,332</b>	<b>17,090</b>	<b>(98)</b>	<b>(691)</b>	<b>(1,881)</b>	<b>21,752</b>	<b>(3,172)</b>	<b>18,580</b>
Interest expense	-	-	-	-	-	-	181	181
<b>Operating profit before tax</b>	<b>7,332</b>	<b>17,090</b>	<b>(98)</b>	<b>(691)</b>	<b>(1,881)</b>	<b>21,752</b>	<b>(3,353)</b>	<b>18,399</b>
Income tax benefit/(expense)	-	-	-	-	(6,152)	(6,152)	100	(6,052)
<b>Operating profit (before non-operating items)</b>	<b>7,332</b>	<b>17,090</b>	<b>(98)</b>	<b>(691)</b>	<b>(8,033)</b>	<b>15,600</b>	<b>(3,253)</b>	<b>12,347</b>
Non-operating items	17,116	(3,254)	(23)	(73)	(3,709)	10,057	5,265	15,322
<b>Statutory net profit attributable to securityholders</b>	<b>24,448</b>	<b>13,836</b>	<b>(121)</b>	<b>(764)</b>	<b>(11,742)</b>	<b>25,657</b>	<b>2,012</b>	<b>27,669</b>
<b>Operating earnings used in calculating - operating EPS</b>						<b>15,600</b>		
Weighted average number of securities - basic ('000)						218,998		
<b>Operating profit per security (EPS) - cents</b>						<b>7.1</b>		

**Note 1: Segment reporting (continued)**

The operating segments provided to the Board for the reportable segments for the half year ended 31 December 2020 are as follows:

Half-year ended 31 December 2020	Real Assets	Private Equity	Public Equity	Credit	Corporate	Operating profit	Consolidation & eliminations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Funds management revenue	1,311	301	187	-	356	2,155	538	2,693
Investment revenue	1,422	206	-	-	-	1,628	431	2,059
Rental revenue	-	-	-	-	-	-	1,332	1,332
Finance revenue	119	-	-	-	203	322	108	430
<b>Total revenue and other income</b>	<b>2,852</b>	<b>507</b>	<b>187</b>	<b>-</b>	<b>559</b>	<b>4,105</b>	<b>2,409</b>	<b>6,514</b>
Operating expenses	485	147	459	419	2,773	4,283	3,964	8,247
<b>Earnings before interest and tax (EBIT)</b>	<b>2,367</b>	<b>360</b>	<b>(272)</b>	<b>(419)</b>	<b>(2,214)</b>	<b>(178)</b>	<b>(1,555)</b>	<b>(1,733)</b>
Interest expense	-	-	-	-	-	-	155	155
<b>Operating profit before tax</b>	<b>2,367</b>	<b>360</b>	<b>(272)</b>	<b>(419)</b>	<b>(2,214)</b>	<b>(178)</b>	<b>(1,710)</b>	<b>(1,888)</b>
Income tax benefit/(expense)	-	-	-	-	649	649	361	1,010
<b>Operating profit (before non-operating items)</b>	<b>2,367</b>	<b>360</b>	<b>(272)</b>	<b>(419)</b>	<b>(1,565)</b>	<b>471</b>	<b>(1,349)</b>	<b>(878)</b>
Non-operating items	(890)	5,114	(220)	(171)	(2,535)	1,298	390	1,688
<b>Statutory net profit attributable to securityholders</b>	<b>1,477</b>	<b>5,474</b>	<b>(492)</b>	<b>(590)</b>	<b>(4,100)</b>	<b>1,769</b>	<b>(959)</b>	<b>810</b>
<b>Operating earnings used in calculating - operating EPS</b>						<b>471</b>		
Weighted average number of securities - basic ('000)						218,373		
<b>Operating profit per security (EPS) - cents</b>						<b>0.2</b>		

**Note 1: Segment reporting (continued)**

Reconciliation of profit to operating profit for the half year is as follows:

	Operating profit 31 December 2021 \$'000	Operating profit 31 December 2020 \$'000	31 December 2021 \$'000	31 December 2020 \$'000
<b>Profit after tax attributable to stapled securityholders</b>	<b>25,657</b>	1,769		
<b>Profit for the year</b>			<b>27,669</b>	810
<b>Non-operating items</b>				
Net gain on fair value of financial assets	(12,911)	(7,178)	(12,911)	(9,492)
Distributable gain on disposal	3,474	-	-	542
Security based payments expense	271	474	415	691
Share of equity accounted profits, non-operating	(4,591)	2,831	(4,847)	591
Foreign exchange gains	66	-	(1,424)	1,215
Lease adjustments, AASB16	184	-	186	-
Transaction costs	187	552	60	2,792
Other items	70	128	7	78
Tax effect of non-operating items	3,193	1,895	3,193	1,895
<b>Operating profit (before non-operating items)</b>	<b>15,600</b>	471	<b>12,348</b>	(878)



360 Capital Group  
Condensed notes to the interim financial report  
For the half year ended 31 December 2021

**Note 1: Segment reporting (continued)**

	Real Assets \$'000	Private Equity \$'000	Public Equity \$'000	Credit \$'000	Corporate \$'000	Total core \$'000	Consolidation & eliminations \$'000	Total \$'000
<b>As at 31 December 2021</b>								
<b>Assets</b>								
Cash and cash equivalents	-	-	-	-	90,961	90,961	8	90,969
Loans receivable	-	-	-	-	-	-	17	17
Financial assets and equity accounted assets	127,231	6,090	-	3,962	-	137,283	5,291	142,574
Investment properties & property plant and equipment	-	-	-	-	2,775	2,775	1	2,776
Other assets	-	-	-	-	1,796	1,796	(129)	1,667
Goodwill & Intangibles	2,500	-	-	114	-	2,614	-	2,614
<b>Total assets</b>	<b>129,731</b>	<b>6,090</b>	<b>-</b>	<b>4,076</b>	<b>95,532</b>	<b>235,429</b>	<b>5,188</b>	<b>240,617</b>
<b>Liabilities</b>								
Borrowings	-	-	-	-	-	-	-	-
Other liabilities	286	(52)	37	15	17,227	17,513	(75)	17,438
<b>Total liabilities</b>	<b>286</b>	<b>(52)</b>	<b>37</b>	<b>15</b>	<b>17,227</b>	<b>17,513</b>	<b>(75)</b>	<b>17,438</b>
<b>Net assets</b>	<b>129,445</b>	<b>6,142</b>	<b>(37)</b>	<b>4,061</b>	<b>78,305</b>	<b>217,916</b>	<b>5,263</b>	<b>223,179</b>
<b>Net assets used to calculate NAV per security</b>						<b>217,916</b>		
Total issued securities - basic ('000)						218,998		
<b>NAV per security basic - \$</b>						<b>1.00</b>		

	Real Assets \$'000	Private Equity \$'000	Public Equity \$'000	Credit \$'000	Corporate \$'000	Total core \$'000	Consolidation & eliminations \$'000	Total \$'000
<b>As at 30 June 2021</b>								
<b>Assets</b>								
Cash and cash equivalents	-	-	-	-	19,308	19,308	34,955	54,263
Loans receivable	-	-	-	-	-	-	2,489	2,489
Financial assets and equity accounted assets	127,098	18,490	-	3,964	-	149,552	16,264	165,816
Investment properties & property plant and equipment	-	-	-	-	2,814	2,814	76,545	79,359
Other assets	3,391	28,960	69	57	1,637	34,114	7,119	41,233
Goodwill & Intangibles	2,500	-	-	114	-	2,614	23,973	26,587
<b>Total assets</b>	<b>132,989</b>	<b>47,450</b>	<b>69</b>	<b>4,135</b>	<b>23,759</b>	<b>208,402</b>	<b>161,345</b>	<b>369,747</b>
<b>Liabilities</b>								
Borrowings	-	-	-	-	-	-	19,927	19,927
Other liabilities	962	174	307	254	8,323	10,020	21,370	31,390
<b>Total liabilities</b>	<b>962</b>	<b>174</b>	<b>307</b>	<b>254</b>	<b>8,323</b>	<b>10,020</b>	<b>41,297</b>	<b>51,317</b>
<b>Net assets</b>	<b>132,027</b>	<b>47,276</b>	<b>(238)</b>	<b>3,881</b>	<b>15,436</b>	<b>198,382</b>	<b>120,048</b>	<b>318,430</b>
<b>Net assets used to calculate NAV per security</b>						<b>198,382</b>		
Total issued securities - basic ('000)						218,998		
<b>NAV per security basic - \$</b>						<b>0.91</b>		

**Note 2: Distributions and dividends**

The Company declared dividends during the half year and up to the date of this report as detailed below (December 2020: nil).

	31 December 2021	31 December 2020
	\$'000	\$'000
<b>Dividends</b>		
1.5 cents per share fully franked dividend paid 27 October 2021	3,285	-
1.5 cents per share fully franked dividend paid 27 January 2022	3,285	-
	<b>6,570</b>	<b>-</b>

There were no distributions declared by 360 Capital Investment Trust directly to securityholders during the half year. Distributions declared by the Trust in the prior half year were as follows:

	31 December 2021	31 December 2020
	\$'000	\$'000
<b>Distributions</b>		
1.0 cent per unit paid on 27 October 2020	-	2,295
1.0 cent per unit paid on 27 January 2021	-	2,295
	-	4,590

**Note 3: Income tax expense**

The Group calculates income tax expense using the tax rate applicable to the expected total annual earnings. The major components of income tax expense during the half year are:

	31 December 2021	31 December 2020
	\$'000	\$'000
<b>Profit before tax attributable to stapled securityholders</b>	<b>34,902</b>	<b>3,016</b>
Income tax expense at the corporate rate of 30% (Dec 2020: 26%)	10,471	784
<u>Increase/(decrease) in income tax expense due to:</u>		
Tax deferred distribution income	83	-
Accounting profit on sale of shares	(1,544)	(54)
Capital gain on disposal of shares	1,452	-
Capital losses applied to disposal of shares	(244)	-
Unrealised foreign exchange gain on financial asset	-	-
Net gain from business acquisition	(108)	-
Trust income exempt from income tax	93	(189)
Transaction costs adjustment	-	54
Equity accounted investment (loss)/profits	(952)	379
Employee Security Plan interest income taxable	-	58
Security based payments expense non-tax deductible	81	123
Intangible assets	-	55
Other tax adjustments	58	24
<b>Income tax expense</b>	<b>9,390</b>	<b>1,234</b>
Impact for change in tax rate	236	12
Franking credits	(277)	-
Adjustment for prior periods	(4)	-
Tax attributable to non-controlling interests	(100)	(361)
<b>Income tax expense recognised in the statement of profit or loss</b>	<b>9,245</b>	<b>885</b>

**Note 4: Financial assets at fair value through the profit or loss**

	<b>31 December</b>	<b>30 June</b>
	<b>2021</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Non-current</b>		
Shares in unlisted companies	11,381	42,356
Shares in listed companies	87,765	54,047
Total non-current	<b>99,146</b>	96,403
<b>Total</b>	<b>99,146</b>	96,403

Movements in the carrying value during the period are as follows:

	<b>31 December</b>	<b>30 June</b>
	<b>2021</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at 1 July	96,403	20,927
Financial assets acquired – on market	20,771	73,716
Financial assets acquired - other	-	32,856
Financial assets disposed - unlisted	-	(2,226)
Financial assets disposed - listed	-	(29,412)
Financial assets disposed - other	-	(1,269)
Gain on disposal of financial assets	-	8,912
Fair value adjustment of financial assets	12,947	3,800
Derecognition on deconsolidation	(31,687)	(9,846)
Unrealised foreign exchange gain on financial assets	712	(932)
Other movements	-	(123)
Closing balance	<b>99,146</b>	96,403

**Note 5: Investments accounted for using the equity method**

	31 December 2021 %	30 June 2021 %	31 December 2021 \$'000	30 June 2021 \$'000
<b>Joint ventures</b>				
AMF Finance Pty Limited	100.0	50.0	-	82
TGP TOT JV Pty Limited	100.0	50.0	-	575
360 Capital Digital Management Pty Ltd <sup>2</sup>	-	50.0	-	945
Digital Software Solutions Pty Ltd <sup>2</sup>	-	45.0	-	984
Hotel Capital Partners Pty Limited <sup>1</sup>	70.0	70.0	311	180
Dealt Holdings Limited	26.5	-	2,250	-
Gateway Network Connections LLC <sup>2</sup>	-	51.0	-	27,301
Etix Everywhere Nantes 2 S.A.S <sup>2</sup>	-	50.0	-	2,128
Etix Everywhere Nord S.A.S <sup>2</sup>	-	50.0	-	1,047
BelgiumDC SA <sup>2</sup>	-	50.0	-	2,796
Etix Everywhere Compunet Inversiones S.A.S <sup>2</sup>	-	50.0	-	1,560
Etix Compunet S.A.S <sup>2</sup>	-	50.0	-	128
<b>Associate</b>				
360 Capital REIT	23.1	20.2	40,867	31,687
			<b>43,428</b>	<b>69,413</b>

<sup>1</sup> Ownership of Hotel Capital Partners Pty Limited is 70% and voting rights held are 50%, as a result the Group does not control the entity.

<sup>2</sup> These equity accounted investments were derecognised during the half year following the disposal and deconsolidation of Global Data Centre Group.

Joint ventures

On 1 November 2021, the Group acquired TOT's share of AMF Finance Pty Limited (AMF) for \$60,755 representing book value. AMF is now a 100% owned subsidiary of the Group and will be consolidated into TGP financial results.

In October 2021 the Group purchased TOT's 50% stake in TGP TOT JV Pty (TGP TOT JV) Limited for \$569,192, representing 50% of the value of the underlying Dealt Limited (DET) shares based on their last capital raise price of \$0.50. DET has since delisted and changed its name to Dealt Holdings Limited. TGP TOT JV is now a 100% owned subsidiary of the Group and is consolidated into TGP financial results of half year ended 31 December 2021.

On 16 December 2021, the Group sold its JV interest in 360 Capital Digital Management Pty Limited for \$4,556,343 to entities associated with David Yuile who was the 50% JV partner in 360 Capital Digital Management Pty Limited.

The Group & its JV partners sold Digital Software Solutions Pty Ltd to Dealt Holdings Limited (previously Velocity Property Group (VP7) which has since been de-listed from the ASX. The Group received \$1.8 million (50% cash & 50% scrip in Dealt Holdings Limited) representing 11.7% of the company. Together with its 14.8% holding in TGP TOT JV (now 100% owned), the Group holds a total of 26.5% of Dealt Holdings Limited.

On 7 September 2021, the Group disposed of its co-investment in GDC for \$41.9 million, realising a loss of \$0.3 million. As a result, the Group's indirect investments in Etix Everywhere entities are disposed accordingly.

Associate

The Group holds a 23.1% interest in the 360 Capital REIT (ASX:TOT)(June 2021: 20.2%).

**Note 5: Investments accounted for using the equity method (continued)**

Reconciliation of movements in equity accounted investments for the half year are as follows:

	<b>31 December</b>	<b>30 June</b>
	<b>2021</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Opening Balance - 1 July	69,413	33,726
Acquisitions of JV interests	6,274	837
Gain from acquisition	1,333	-
Acquisitions through business combination	-	34,876
Derecognition on deconsolidation	(36,113)	-
Disposal of interest	(1,182)	-
Equity accounted profit for the year	5,183	2,730
Transferred to Investment in subsidiaries	(593)	-
Distributions	(1,317)	(1,667)
Foreign currency translation	430	(1,089)
<b>Total</b>	<b>43,428</b>	<b>69,413</b>

**Note 6: Intangible assets**

	<b>31 December</b>	<b>30 June</b>
	<b>2021</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Non-current</b>		
Indefinite life management rights	2,614	2,614
Software	-	1,251
Customer contracts	-	6,004
Goodwill	-	17,841
Impairment provision	-	(1,123)
<b>Closing balance</b>	<b>2,614</b>	<b>26,587</b>

Movements in intangible assets for the half year are as follows:

	<b>31 December</b>	<b>30 June</b>
	<b>2021</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cost</b>		
Opening balance at 1 July	26,822	3,943
Acquisition of management rights	-	114
Derecognition on deconsolidation	(24,736)	-
Goodwill recognised	-	17,588
Software acquisition	-	961
Customer contracts acquisition	-	6,536
Exchange differences on translation of foreign exchange	528	(1,197)
Provision for impairment	-	(1,123)
<b>Closing balance</b>	<b>2,614</b>	<b>26,822</b>

**Note 6: Intangible assets (continued)**

**Accumulated Amortisation**

Opening balance at 1 July	(235)	-
Derecognition on deconsolidation	399	-
Amortisation	(164)	(235)
<b>Closing balance</b>	-	(235)
<b>Net book value</b>	<b>2,614</b>	26,587

During the half year, the Group derecognised the intangible assets related to the acquisition of the Etix Everywhere business as the result of deconsolidation of its co-investment in GDC.

**Note 7: Property, plant and equipment**

	<b>31 December</b>	<b>30 June</b>
	<b>2021</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Non-current</b>		
Construction in progress	-	27,521
Buildings	-	2,184
Equipment	280	1,469
<b>Closing balance</b>	<b>280</b>	31,174

Movements in the carrying value during the half year are as follows:

	<b>31 December</b>	<b>30 June</b>
	<b>2021</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cost</b>		
Opening amount at 1 July	31,437	655
Additions	277	26,966
Disposal	(20)	
Derecognition on deconsolidation	(31,299)	-
Acquired through business combination	-	4,131
Exchange differences on translation of foreign operation	-	(315)
<b>Closing amount</b>	<b>395</b>	31,437
<b>Accumulated Depreciation</b>		
Opening amount at 1 July	(263)	-
Depreciation charge	(142)	(260)
Derecognition on deconsolidation	290	-
Exchange differences on translation of foreign operation	-	(3)
<b>Closing amount</b>	<b>(115)</b>	(263)
<b>Net book value</b>	<b>280</b>	31,174

During the half year, the Group derecognised the property, plant and equipment related to the acquisition of the Etix Everywhere business and Construction in progress is related to FibreconX Pty Limited, as the result of deconsolidation of its co-investment in GDC.

**Note 8: Leases**

	<b>31 December 2021</b>	<b>30 June 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Right-of-use assets</b>		
Property leases	2,496	3,185
<b>Closing balance</b>	<b>2,496</b>	<b>3,185</b>
<b>Lease liabilities</b>		
Current	659	578
Noncurrent	2,280	3,723
<b>Closing balance</b>	<b>2,939</b>	<b>4,301</b>

Movements in the carrying value of right-of-use assets during the half year are as follows:

	<b>31 December 2021</b>	<b>30 June 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Right-of-use assets</b>		
Opening amount at 1 July	3,185	-
Additions - office lease	-	2,863
Depreciation charge	(325)	(211)
Derecognition on deconsolidation	(364)	-
Acquired through business combination	-	533
<b>Closing amount</b>	<b>2,496</b>	<b>3,185</b>

Movements in the carrying value of lease liabilities during the half year are as follows:

	<b>31 December 2021</b>	<b>30 June 2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Lease liabilities</b>		
Opening amount at 1 July	4,301	-
Recognition of office lease liabilities	-	3,353
Drawdown from facility	-	1,073
Derecognition on deconsolidation	(1,299)	-
Payment of lease liabilities	(163)	-
Borrowing costs capitalised	100	(70)
Borrowing costs amortised	-	(55)
<b>Closing amount</b>	<b>2,939</b>	<b>4,301</b>

**Note 9: Equity**

**(a) Issued capital**

	<b>31 December</b>	<b>30 June</b>
	<b>2021</b>	<b>2021</b>
	<b>000's</b>	<b>000's</b>
360 Capital Group Limited - Ordinary shares issued <sup>1</sup>	218,998	218,998
360 Capital Investment Trust - Ordinary units issued <sup>1</sup>	218,998	218,998
	<b>\$'000</b>	<b>\$'000</b>
360 Capital Group Limited - Ordinary shares issued	1,241	1,241
360 Capital Investment Trust - Ordinary units issued	195,395	195,395
<b>Total issued capital</b>	<b>196,636</b>	<b>196,636</b>

1. Excluding ESP securities on issue and EIS rights issued

**(b) Movements in issued capital**

Movements in issued capital of the Group for the year were as follows:

	<b>31 December</b>	<b>30 June</b>
	<b>2021</b>	<b>2021</b>
	<b>000's</b>	<b>000's</b>
Opening balance at 1 July	218,998	218,373
Securities issued under scrip	-	625
<b>Closing balance</b>	<b>218,998</b>	<b>218,998</b>

Under Australian Accounting Standards securities issued under the 360 Capital Group Employee Security Plan (ESP) are required to be accounted for as options and are excluded from total issued capital, until such time as the relevant employee loans are fully repaid or the employee leaves the Group. Total ordinary securities issued as detailed above is reconciled to securities issued on the ASX as follows:

	<b>31 December</b>	<b>30 June</b>
	<b>2021</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Total ordinary securities disclosed 1 July	218,998	218,998
Balance of ESP securities August 2017 Plan	-	11,050
<b>Total securities issued on the ASX</b>	<b>218,998</b>	<b>230,048</b>

During the half year, the Group cancelled 11,050,000 units related to the Group's 2017 employee share plan at an average price of \$0.77 (December 2020: 1,350,000 at an average price of \$1.01).



**Note 9: Equity (continued)**

**(c) Share Based Payment (SBP) Schemes**

**Reconciliation of Shares and Rights outstanding under SBP Schemes**

Plan	1 July 21 Securities	Issued	Vested	Forfeited/ Cancelled	31 Dec 21 Securities
LTI - 23 December 2019	1,636,600		-	(472,000)	1,164,600
LTI - 21 October 2020	2,189,800		-	(771,600)	1,418,200
Retention – 4 November 2021	-	1,200,768	-	-	1,200,768
LTI – 4 November 2021	-	1,527,600	-	-	1,527,600
	3,826,400	2,728,368	-	(1,243,600)	5,311,168
ESP - 2 August 2017	11,050,000	-	-	(11,050,000)	-
	11,050,000	-	-	(11,050,000)	-
<b>Total</b>	<b>14,876,400</b>	<b>2,728,368</b>	<b>-</b>	<b>(12,293,600)</b>	<b>5,311,168</b>

Plan	1 July 20 Securities	Issued	Vested	Forfeited/ Cancelled	30 June 21 Securities
LTI – 23 December 2019	1,755,600	-	-	(119,000)	1,636,600
LTI - 21 October 2020	-	2,189,800	-	-	2,189,800
	1,755,600	2,189,800	-	(119,000)	3,826,400
ESP - 2 August 2017	12,500,000	-	-	(1,450,000)	11,050,000
	12,500,000	-	-	(1,450,000)	11,050,000
<b>Total</b>	<b>14,255,600</b>	<b>2,189,800</b>	<b>-</b>	<b>(1,569,000)</b>	<b>14,876,400</b>

Employee Security Plans (ESP)

On 2 August 2017 and 13 October 2017, a total of 12,500,000 stapled securities were granted to employees of the Stapled Group under the 360 Capital Group ESP. The issue price per security was \$0.98 which was equal to the volume weighted average price for the 10 days preceding the issue date. These ESP securities are not included in the calculation of the basic number of stapled securities on issue due to the non-recourse nature of the associated ESP loans.

The employees who participated in the ESP were also provided with a loan on the grant date of an amount equivalent to the face value of the securities. Interest on the loan is equal to any distributions or dividends paid on the securities over the 3 year period, and should performance hurdles not be met, or participants elect not to repay the loan, then the Board, at its discretion, will either sell or cancel the securities. The security based payments reserve captures all transactions relating to the securities under the plan.

Securities under the ESP were due to vest on 1 August 2020. Given the security price volatility triggered by the COVID-19 pandemic, together with ongoing market and economic uncertainty, the Board has decided to extend the vesting period by up to 12 months to 1 August 2021, subject to certain conditions and any securityholder approval where required. A holding lock remains on vested securities until such time as the associated loan is repaid.

In September 2020 and April 2021, 1,350,000 and 100,000 ESP securities were cancelled respectively, and in September 2021, the remaining 11,050,000 ESP securities were cancelled and the corresponding loans were repaid. At 31 December 2021, there is no outstanding ESP securities.

**Note 9: Equity (continued)**

**(c) Share Based Payment (SBP) Schemes (continued)**

Performance Rights

On 23 December 2019, a total of 1,364,200 and 391,400 performance rights were granted under Long Term Incentive offer (2019 LTI rights) to KMPs and staff respectively pursuant to the terms of the 360 Capital Group Executive Incentive Plan (EIP), exercisable from on or around 31 August 2022 (vesting date) subject to vesting conditions. The fair value of each performance right was \$0.81 at the issue date. Upon vesting and exercise in accordance with those plan terms, each performance right will vest and entitle the holder to one fully paid ordinary security (ASX:TGP). In September 2020, 119,000 performance rights were cancelled. And in August 2021 and December 2021, 446,700 and 25,300 performance rights were cancelled respectively.

On 21 October 2020, a total of 1,589,300 and 600,500 performance rights were granted under the Group's Long Term Incentive (LTI) offer (2020 LTI rights) to KMPs and staff respectively pursuant to the terms of the 360 Capital EIP, exercisable from on or around 31 August 2023 (vesting date) subject to vesting conditions. The fair value of each performance right was \$0.37 at the issue date. Upon vesting and exercise in accordance with those plan terms, each performance right will vest and entitle the holder to one fully paid ordinary security (ASX: TGP). In April 2021, August 2021 and December 2021, 55,900, 583,400 and 132,300 performance rights were cancelled respectively.

On 4 November 2021, a 1,200,768 retention offer were granted under the Group's Long Term Incentive (LTI) offer (2021 LTI rights) to KMPs pursuant to the terms of the 360 Capital EIP, exercisable from on or around 4 November 2026 (vesting date) subject to vesting conditions. The fair value of each performance right was \$0.36 at the issue date. Upon vesting and exercise in accordance with those plan terms, each performance right will vest and entitle the holder to one fully paid ordinary security (ASX:TGP).

On 4 November 2021, a total of 1,289,700 and 237,900 performance rights were granted under the Group's Long Term Incentive (LTI) offer (2021 LTI rights) to KMPs and staff respectively pursuant to the terms of the 360 Capital EIP, exercisable from on or around 31 August 2024 (vesting date) subject to vesting conditions. The fair value of each performance right was \$0.36 at the issue date. Upon vesting and exercise in accordance with those plan terms, each performance right will vest and entitle the holder to one fully paid ordinary security (ASX:TGP).

## Risk

This section of the notes discusses the Funds' exposure to various risks and shows how these could affect the consolidated entity's financial position and performance.

### Note 10: Other financial assets and liabilities

#### Fair values

The fair value of receivables, trade and other payables and distributions payable approximate their carrying amounts largely due to short-term maturities of these instruments.

#### Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows and based on the lowest level input that is significant to the fair value measurements as a whole:

Level 1 – Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities

Level 2 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable)

Level 3 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable)

For financial instruments that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period

At balance date, the Group held the following classes of financial instruments measured at fair value:

	Total	Level 1	Level 2	Level 3
As at 31 December 2021:	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	99,146	99,146	-	-
<b>As at 30 June 2021:</b>				
<b>Financial assets</b>				
Financial assets at fair value through profit or loss	96,403	54,047	-	42,356

During the period there were no transfers between Level 1 and Level 2 fair value measurements, and no other transfers into or out of Level 3 fair value measurements. Fair value hierarchy levels are reviewed on an annual basis unless there is a significant change in circumstances indicating that the classification may have changed.

#### Valuation techniques

##### Financial assets at fair value through profit or loss

For fair value profit or loss financial assets, the Group invests in listed and unlisted investments. The value of the investments in the listed market is stated at unit price as quoted on the ASX at each statement of financial position date. As such, listed investments are categorised as Level 1 instruments. Unlisted investments are not traded in an active market and are categorised as Level 3 instruments. NTA of the underlying investments is used as a basis for valuation however may be amended as deemed appropriate (e.g. when the NTA of the underlying investment is negative).

The NTA of investments is driven by underlying investment properties which are carried at fair value based on valuations using the capitalisation rate, markets sale comparison and discounted cash flow approaches. The significant Level 3 inputs in relation to the underlying property valuations of the investments include capitalisation rates and discount rates. The Group uses its judgment to select a variety of methods and makes assumptions that are mainly based on market conditions existing at each statement of financial position date.

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

## Group Structure

**This section of the notes provides information which will help users understand how the fund structure affects the financial position and performance of the consolidated entity.**

### **Note 11: Business combinations and asset acquisitions**

During the period, the following business combinations occurred:

#### **(a) AMF Finance Pty Limited (AMF)**

AMF was a joint venture between the Group and 360 Capital REIT (TOT) which originates alternative lending and structured financing solutions to Australian real estate investors and developers and receives all establishment fees on development transactions written by 360 Capital Group entities.

On 1 November 2021, the Group acquired the other 50% share of AMF from TOT for consideration of \$60,755, representing 50% of the fair value of net assets of AMF at that date. The Group's existing holding in AMF was previously equity accounted and recorded at share of net assets. AMF is now a 100% owned subsidiary of the Group and has been consolidated into the results of the Group from 1 November 2021.

#### **(b) TGP TOT JV Pty Limited (TGP TOT JV)**

TGP TOT JV was a joint venture between the Group and 360 Capital REIT (TOT) which acquired 19.99% strategic stake in Velocity Property Group (ASX: VP7) later renamed Dealt Limited (ASX: DET) for a total of \$1.6 million on 23 December 2019.

On 8 October 2021 the Group acquired TOT's 50% share of TGP TOT JV for consideration of \$569,192, representing 50% of the value of the underlying DET shares based on their last capital raise price of \$0.50. DET has since delisted and changed its name to Dealt Holdings Limited. TGP TOT JV is now a 100% owned subsidiary of the Group and will be consolidated into the results of the Group from 8 October 2021.

**Note 12: Business divestment**

Business divestment transactions during the half year ended 31 December 2021 are detailed below.

Global Data Centre Group (GDC)

On 7 September 2021 the Group disposed of its holding in GDC on-market for total consideration of \$41.9 million, representing \$1.93 per security.

Prior to the disposal, the Group held a 33.2% stake in GDC and as a consequence of the disposal, GDC has been deconsolidated from the results of the Group from 7 September 2021.

Details of the disposal consideration to divest the controlling interest in GDC on 7 September 2021 are as follows:

	<b>7 September 2021 \$'000</b>
Cash received (net of costs)	41,916
<b>Total consideration received</b>	<b>41,916</b>

Net assets divested:

	<b>\$'000</b>
<b>Assets</b>	
Cash and cash equivalents	20,605
Receivables and other current assets	3,855
Investment properties	45,000
Non-current assets	95,500
<b>Liabilities</b>	
Trade and other payables	(2,243)
Borrowings	(21,883)
Non-current liabilities	(3,655)
Carrying value of net assets divested	137,179
Less: Non-controlling interests	(94,962)
Carrying value of net assets divested excluding non-controlling interest	<b>42,217</b>
Consideration received (net of costs)	41,916
<b>Net loss on disposal (exclusive of foreign exchange loss)</b>	<b>(301)</b>

Other comprehensive income amounts previously recognised reclassified to profit or loss upon divestment:

	<b>\$'000</b>
Exchange losses on translation of foreign operations reclassified to profit or loss	(240)
<b>Total amounts reclassified to profit or loss</b>	<b>(240)</b>

**Note 12: Business divestment (continued)**

360 Capital FibreconX Trust (FCX Trust) & FibreconX Pty Limited (FibreconX)

360 Capital disposed of its 39.1% holding in 360 Capital FibreconX Trust on 16 November 2021 for total disposal consideration of \$26.2 million.

On 16 November 2021 the Group's holding in FCX Trust decreased from 33.7% to nil and accordingly the Trust has been deconsolidated from this date.

*Two-Step consolidation*

360 Capital FibreconX Trust holds 98.6% of FibreconX Pty Limited (Company) and as a result the company is consolidated into the results of FCX Trust. Accordingly, the results of the Company have been incorporated into the results of the Trust (and the Group) for the period from 1 July 2021 to 16 November 2021.

Details of the disposal consideration to divest the controlling interest in FibreconX Trust on 16 November 2021 are as follows:

	<b>16 November 2021 \$'000</b>
Cash received	26,249
<b>Total consideration received</b>	<b>26,249</b>

Net assets divested:

	<b>\$'000</b>
<b>Assets</b>	
Cash and cash equivalents	8,486
Receivables and other current assets	1,005
Investment properties	33,589
Non-current assets	1,871
<b>Liabilities</b>	
Trade and other payables	(13,194)
Non-current liabilities	(407)
Carrying value of net assets divested	31,350
Less: Non-controlling interests	(19,332)
Carrying value of net assets divested excluding non-controlling interest	<b>12,018</b>
Consideration received	26,249
<b>Net gain on disposal</b>	<b>14,231</b>

Reserves previously recognised reclassified to retained earnings upon divestment:

	<b>\$'000</b>
FCX Trust dilution gains on capital raise December 2020	5,008
Total amounts reclassified to retained earnings	<b>5,008</b>

## Unrecognised Items

**This section of the notes provides information about items that are not recognised in the financial statements as they do not yet satisfy the recognition criteria.**

### **Note 13: Events subsequent to balance date**

Post period, TGP entered into an agreement with TOT (subject to TOT and TGP Securityholder approval) to buy TOT's 50% equity interest in PMG for NZ\$21.875 million.

On 28 January 2021, TGP and TOT entered into a memorandum of understand with a Charter Hall Group managed partnership comprised of Dutch pension fund PGGM and Charter Hall Group.

The MOU facilitated Charter Hall Partnership to make a non binding indicative offer to IAP Board to purchase all of the IAP securities on issue (including TOT's and TGP's holdings totalling approximately 135.4 million securities) for \$1.90 per security plus pay the March 22 distribution (estimated at \$0.0467 per security) by way of a Trust Scheme.

Terms of the MOU include (but not limited to) the following conditions:

- TOT will purchase a portfolio of 3 modern office buildings in IAP totalling \$254.0 million comprising a portfolio WALE of approximately 8.3 years;
- TGP will purchase a 50% share in 100 Willis Street, Wellington NZ for \$82.0 million and enter into a call option agreement to purchase the remaining 50% off Charter Hall Partnership in the future; and
- TGP had requested to purchase the IAP's fund manager and co-investment stakes, however, we have been informed that certain stakeholders may have pre-emptive rights and therefore we have assumed we will not be purchasing the fund manager and co-investment stakes.

The IAP Board has granted the Charter Hall Partnership an exclusivity period of approximately 6 weeks due diligence in order to convert its indicative proposal to a binding proposal. TOT and TGP have also entered into agreements with Charter Hall Partnership to allow it to undertake due diligence on its assets it proposes to buy under the MOU.

No other circumstances have arisen since the end of the half year which have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

## Other Information

This section of the notes includes information that must be disclosed to comply with prescribed accounting standards and other pronouncements, but that are not immediately related to individual line items in the financial statements.

### Note 14: Earnings per stapled security

	31 December 2021	31 December 2020
	¢	¢
Basic earnings per stapled security	11.7	0.8
Diluted earnings per stapled security	11.4	0.8
	<b>\$'000</b>	<b>\$'000</b>
<b>Basic and diluted earnings</b>		
Profit attributable to stapled securityholders of 360 Capital Group used in calculating earnings per stapled security	25,657	1,769
	<b>000's</b>	<b>000's</b>
<b>Weighted average number of stapled securities used as a denominator</b>		
Weighted average number of stapled securities - basic	218,998	218,373
Weighted average number of stapled securities - diluted	224,102	230,176

### Dilution

In 2017, a total of 12,500,000 stapled securities were granted to employees of the Stapled Group under the 360 Capital Group Employee Security Plan (ESP). These ESP securities have an associated loan to the employees and are therefore excluded from the calculation of basic securities on issue due to the non-recourse nature of the associated ESP loans.

There has been some ESP securities cancelled since, and in September 2021, the remaining 11,050,000 ESP securities were cancelled and the corresponding loans were repaid. At 31 December 2021, there is no outstanding ESP securities.

Further information on the ESP is provided in Note 9.

### Note 15: Related party transactions

The following significant transactions occurred with related parties during the half year:

On 1 November 2021, the Group acquired the other 50% share of AMF from TOT for consideration of \$60,755, representing 50% of the fair value of net assets of AMF at that date.

On 8 October 2021 the Group acquired TOT's 50% share of TGP TOT JV for consideration of \$569,192, representing 50% of the value of the underlying DET shares based on their last capital raise price of \$0.50.

While the Group disposed of its co-investment in GDC in September 2021 and exited its investment in 360 Capital FibreconX Trust (FCXT), Tony Pitt, the director of 360 Capital FM Limited, (the responsible entity for both GDC and FCXT), also disposed of his investment in FCXT at market value.



**Note 16: Basis of preparation**

**a) Reporting entity**

The interim financial report is a general- purpose financial report which has been prepared in accordance with AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*. The interim financial report of 360 Capital Group comprises the consolidated financial statements of 360 Capital Group Limited and its controlled entities and 360 Capital Investment Trust (ARSN 104 552 598) and its controlled entities. A 360 Capital Group stapled security comprises one 360 Capital Group Limited share stapled to one 360 Capital Investment Trust unit to create a single listed entity traded on the Australian Stock Exchange (ASX). The stapled security cannot be traded or dealt with separately.

The interim financial report does not include all of the notes and information required for a full annual financial report and should be read in conjunction with the annual financial report for the year ended 30 June 2021 and any public announcements made by 360 Capital Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The annual financial report of the 360 Capital Group for the year ended 30 June 2021 is available upon request from the registered office at Suite 3701, Level 37, 1 Macquarie Place, Sydney NSW 2000 Australia or at [www.360capital.com.au](http://www.360capital.com.au).

Where accounting policies have changed, comparative financial information of the Group has been revised. The accounting policies adopted in this interim financial report are consistent with those of the previous financial year and corresponding interim reporting period, except for those disclosed in Note 17.

**b) Basis of preparation**

Basis of preparation

360 Capital Group Limited and its subsidiaries are for-profit entities for the purpose of preparing the interim financial report.

The interim financial report has been prepared on an accruals basis and on the historical cost basis except for investment properties, financial assets and financial liabilities, which are stated at their fair value or amortised cost.

The interim financial report is presented in Australian dollars.

360 Capital Group is an entity 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). In accordance with that Instrument, amounts in the annual financial report and Directors' report have been rounded to the nearest thousand dollars, unless otherwise stated.

**Note 17: Significant accounting policies**

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim report period with the following additional accounting policies now relevant for the period:

**a) Foreign currency**

The Group's consolidated financial statements are presented in Australian Dollars, which is also the parent company's functional currency.

On consolidation, the assets and liabilities of foreign operations are translated into Australian Dollars at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.

**b) Accounting standards issued but not yet effective**

The Group has adopted all Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. The following amendments to the Australian Accounting Standards (AAS) are applicable to this Financial Report.

- *AASB 2020-5 Amendments to AASs – Insurance Contracts*
- *AASB 2020-8 Amendments to AASs – Interest Rate Benchmark Reform – Phase 2*

These amendments had no impact on the consolidated financial statements of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

360 Capital Group  
Directors' declaration  
For the half year ended 31 December 2021

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In the opinion of the Directors of 360 Capital Group Limited:

- 1) The attached consolidated financial statements and notes are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half year ended on that date; and
  - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- 2) There are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

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



**David van Aanholt**  
Chairman



**Tony Robert Pitt**  
Managing Director

Sydney  
24 February 2022



**Building a better  
working world**

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## **Independent auditor's review report to the securityholders of 360 Capital Group Limited**

### **Conclusion**

We have reviewed the accompanying half-year financial report of 360 Capital Group Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated interim statement of financial position as at 31 December 2021, the consolidated interim statement of profit or loss and other comprehensive income, consolidated interim statement of changes in equity and consolidated interim statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2021 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### **Basis for conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### **Directors' responsibilities for the half-year financial report**

The directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### **Auditor's responsibilities for the review of the half-year financial report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Douglas Bain  
Partner  
Sydney  
24 February 2022

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strategic investment  
opportunities.

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