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360 Capital

ASX Release

360 Capital Group (ASX: TGP) **25 August 2022**

Appendix 4E

For the year ended 30 June 2022

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 4.3A. This report should be read in conjunction with the Annual Report for the year ended 30 June 2022. 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 Annual Report for the year ended 30 June 2022 is attached and forms part of this Appendix 4E.

Details of reporting period

Current reporting period: 1 July 2021 – 30 June 2022

Prior corresponding period: 1 July 2020 – 30 June 2021

Results announcement to the market

	30 Jun 2022 $'000	30 Jun 2021 $'000	Movement $'000	Movement %
Revenue and other income from ordinary activities	59,131	39,914	19,217	48.1
Profit attributable to stapled securityholders for the year	31,671	5,290	26,381	498.7
Operating profit[1]	30,863	9,088	21,775	239.6

[1] 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. Operating earnings is used by the Board to make strategic decisions and as a guide to assess the Group's ability to pay distributions to securityholders. A reconciliation of the Fund's statutory profit to operating earnings is provided in Note 1 of the Financial Report.

	30 Jun 2022 Cents per security	30 Jun 2021 Cents per security	Movement Cents per security	Movement %
Earnings per security – Basic	14.5	2.4	12.1	504.2
Earnings per security – Diluted	14.3	2.3	12.0	521.7
Operating profit per security	14.1	4.2	9.9	235.7

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360 Capital

ASX Release

Distributions / Dividends

During the year, distributions made by 360 Capital Group to securityholders were in the form of a 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
March 2022 quarter dividend – fully franked	1.5	1.5	3,285	31 March 2022	27 April 2022
June 2022 quarter dividend – fully franked	1.5	1.5	3,285	30 June 2022	27 July 2022
Total dividends for the year ended 30 June 2022	**6.0**	**6.0**	**13,140**		
September 2020 quarter distribution	1.0	0.0	2,295	30 September 2020	28 October 2020
December 2020 quarter distribution	1.0	0.0	2,295	31 December 2020	27 January 2021
March 2021 quarter distribution	1.0	0.0	2,299	31 March 2021	28 April 2021
June 2021 quarter distribution	1.0	0.0	2,300	30 June 2021	28 July 2021
Total distributions for the year ended 30 June 2021	**4.0**	**0.0**	**9,189**		

Net tangible asset per security

	30 Jun 2022 $	30 Jun 2021 $
NTA per security	0.98	0.89

Control Gained or Lost over Entities during the year

Refer to Note 26 Subsidiaries and controlled entities and Note 24 Business combinations and acquisition of non-controlling interests of the Financial Report.

Details of Associates and Joint Venture Entities

Refer to Note 11 Investments equity accounted of the Financial Report.

360 Capital

360 CAPITAL GROUP

(ASX:TGP)

ANNUAL REPORT

For the year ended 30 June 2022

360 Capital Group (ASX:TGP) comprises 360 Capital Group Limited (ABN 18 113 569 136) and its controlled entities and 360 Capital Investment Trust (ARSN 104 552 598) and its controlled entities.

General information

The Annual Report of 360 Capital Group (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. 360 Capital Group is an Australian Securities Exchange (ASX) listed stapled security comprising 360 Capital Group Limited and 360 Capital Investment Trust trading as 360 Capital Group (ASX:TGP).

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 annual financial report of 360 Capital Group for the year ended 30 June 2022. The registered office and the principal place of business is Suite 3701, Level 37, 1 Macquarie Place, Sydney NSW 2000 Australia.

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 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 25 August 2022. The directors have the power to amend and reissue the financial statements.

Contents

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 annual financial report of 360 Capital Group (Group) (ASX: TGP) for the year ended 30 June 2022. 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 year and up to the date of this report unless otherwise stated:

Tony Robert Pitt (Executive Chairman)
David van Aanholt (Deputy Chairman)
William John Ballhausen
Andrew Graeme Moffat
Anthony Gregory McGrath (appointed 1 March 2022)

Principal activities

360 Capital Group is an ASX-listed, investment and funds management group, focused on strategic and active investment management of real estate assets. Led by a highly experienced team, the Group operates in Australian and New Zealand investing across real estate equity and credit opportunities.

Operating and financial overview

Key financial highlights for the year ended 30 June 2022

Statutory net profit

$31.7m

(2021: $5.3 million)

Statutory net profit of $31.7 million represents a 498.7% increase on prior year, primarily contributed to by the $21.3 million fair value gain on Irongate Group (ASX: IAP) (Irongate) investment.

Operating profit

$30.9m

(2021: $9.1 million)

Operating profit[1] of $30.9 million (equating to 14.1 cps) includes an operating gain recognised of $23.0 million on the Irongate investment.

Dividends

6.0cps

(2021: 4.0cps)

The Group's fully franked dividends during the year of 6.0 cps represent a 50.0% increase on the prior year distributions.

Net asset value

$0.99

per security
(2021: $0.91)

The Group's Net Asset Value (NAV) is $0.99 per security an increase of 8.0 cps or 8.8% on the prior year, primarily due to the fair value gain on the Irongate investment.

ASX closing price

$0.865

per security
(2021: $0.885)

The Group's closing price of $0.865 per security was down from $0.885 per security in the prior year. The closing price reflects a 15.6% discount to the Group's NAV as at 30 June 2022.

[1] 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. Operating earnings is used by the Board to make strategic decisions and 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.

Operating and financial overview (continued)

Key operational achievements for the year ended 30 June 2022

Significant cash balance

$160.0m

Capital to fund future opportunities

Post balance date following the settlement of the Irongate investment the Group currently has a cash balance of $160.0 million placing it in a strong position to capitalise on future opportunities.

Gain on Irongate Investment

$23.0m

The Group recognised an operating gain[1] on the Irongate investment of $23.0 million or 10.5 cps, before tax and transaction costs, and realised $92.0 million in proceeds from the Scheme of Arrangement, settled in July 2022.

[1] The Group recognised an operating gain of $23.0 million relating to the Scheme of Arrangement (SOA) between Charter Hall Partnership and Irongate approved by securityholder of Irongate on 29 June 2022. At 30 June 2022 all substantial conditions precedent relating to the SOA had been satisfied including a satisfactory Independent Expert Report, securityholder approval, FIRB and New Zealand Overseas Investment Office approval and only the Second Judicial Advice was outstanding which was subsequently received on 5 July 2022. Settlement of the sale of the IAP securities under the SOA occurred on 15 July 2022.

Operating and financial review (continued)

Group Overview

During the year, the Group focused on its core strengths of real estate investing and funds management. The Group's real estate investing and funds management activities comprise:

- 360 Capital REIT (ASX:TOT) – core income producing REIT
- Hotel Capital Partners – JV investing across hotel accommodation assets
- 360 Capital Strategic Real Estate Partners – real estate private equity partnership initially strategically and opportunistically investing in real estate REITs.

At the date of this report the Group holds a cash balance of approximately $160.0 million, following the settlement of the Irongate investment on 15 July 2022, providing the opportunity to capitalise on market volatility and market dislocation given the Group's track record across real estate investing.

Key financial highlights for the year ended 30 June 2022

- Statutory net profit attributable to securityholders of $31.7 million up 499% (2021: $5.3 million);
- Operating profit of $30.9 million up 239% (2021: $9.1 million);
- Statutory earnings of 14.5 cps, up 504% (2021: 2.4 cps);
- Operating EPS of 14.1 cps up 236% (2021: 4.2 cps);
- Dividends per security (DPS) of 6.0 cps (fully franked) up 50% (2021: 4.0 cps distributions);
- NAV per security of $0.99, up 8.8% (2021: $0.91);
- Strong balance sheet post settlement of Irongate investment of $160.0 million in cash, and no debt; and
- Post reporting date the Group declared a special 8.0 cps fully franked dividend.

Operating and financial review (continued)

Group key operational highlights for the year ending 30 June 2022

During the year, the management team has focused on simplifying the Group's business through realising significant co-investment positions, crystalising management rights, coupled with rationalising investment products and reducing operating costs to its core business of real estate investing and funds management. Highlights of the Group's activities by each strategy include:

Real Assets

- 360 Capital REIT (ASX:TOT) has implemented its strategy of becoming a pure REIT following the Irongate Group (ASX:IAP)(Irongate) transaction;
- The Group together with TOT invested a combined $191.6 million into Irongate which settled its trust scheme with a Charter Hall Partnership in July 2022 realising $257.3 million;
- Post reporting date, TOT acquired 3 modern commercial properties from the Irongate portfolio for $257.5 million;
- Post reporting date, TOT sold its 50% equity interest in PMG for NZ$22.0 million;
- Hotel Capital Partners (HCP) settled its first hotel acquisition in September 2021 for $146.0 million on behalf of a US based private equity fund and continues 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 its 50% share in the GDC investment manager for $4.4 million in December 2021 as part of its simplification strategy; and
- The Group established 360 Capital Strategic Real Estate Partners.

Private equity

- Group disposed of its 39.1% stake in 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 operating profit of approximately $17.1 million as part of its simplification strategy;
- The Group continues to monitor CardioScan's business expansion post Covid 19 pandemic, we have commenced discussions with company about options going forward and the fund's investment; and
- Group will focus on private equity real estate investing only going forward as part of its simplified business.

Credit

- 360 Capital Enhanced Income Fund (ASX:TCF) completed a capital raising in January 2022 raising a total of $4.0 million;
- In April 2022, the Fund provided an additional $2.6 million to its existing borrower and a further $1.5 million new loan to an associated borrower, resulting in the Fund's capital remaining fully deployed;
- A strategic review of TCF was undertaken, its loans continue to perform and potentially may be repaid prior to maturity. Upon repayment, the Responsible Entity will consult with unitholders to determine future strategy for the Fund;
- Group will strategically look to re-enter real estate debt investing through potential acquisitions to complement the Dealt real estate debt platform and Group will focus on real estate credit investing going forward as part of its simplified business.

Operating and financial review (continued)

Irongate transaction

As at 30 June 2022, the Group (7.1%) and TOT (12.8%) combined have 19.9% of investment in Irongate. Irongate is a diversified real estate investor with $1.59 billion of real estate assets on balance sheet and a third-party funds management platform. Irongate owns office and industrial assets across major metro markets and established precincts in Australia and New Zealand.

On 28 January 2022, the Group, TOT and Charter Hall Group (ASX: CHC) (Charter Hall) entered into a Memorandum of Understanding (MOU) under which Charter Hall submitted an indicative and non-binding proposal to acquire all of the stapled securities in Irongate including TOT's and TGP's combined 19.9% stake at the price of $1.90 per security, by way of an agreed trust scheme, and to sell to TGP and TOT certain assets of Irongate.

Following a period of due diligence, Charter Hall announced that a Charter Hall managed partnership comprising Dutch pension fund PGGM and Charter Hall had entered into a Scheme Implementation Agreement (SIA) with Irongate to acquire all IAP stapled securities by way of inter-conditional trust schemes, subject to certain conditions. Under the terms of the SIA, Irongate securityholders receive $1.90 cash per IAP stapled security and were entitled to retain the distribution for the period ending 31 March 2022 of up to 4.67 cents per IAP stapled security.

On 19 May 2022, Irongate released the Scheme Booklet for the securityholder meetings to consider and vote on the resolutions required to be passed by IAP securityholders to implement the Proposal. On 29 June 2022, the Scheme Meetings were held and the resolution to approve the Proposal were passed by the requisite majorities of IAP securityholders. On the same date, FIRB approval was obtained.

On 5 July 2022, being the second court date, the judicial advice in relation to implementation of the Proposal was also received, at which time, all conditions precedent has been satisfied. On 15 July 2022, the Scheme was implemented, and the sale proceeds were paid to the securityholders. The Group received cash consideration of $92.0 million for its 48.44 million IAP stapled securities.

TOT also received cash consideration of $165.3 million for its 86.98 million IAP stapled securities on 15 July 2022. The cash consideration along with a new debt facility entered into in July 2022 for $105.0 million was used to acquire the properties below:

- 38 Sydney Ave, Forrest ACT for a gross purchase price of $81.7 million, settled on 28 July 2022;
- 510 Church Street, Cremorne VIC for a gross purchase price of $135.0 million (50% of ownership), settled on 12 August 2022; and
- 34 Southgate Ave, Cannon Hill QLD for a gross purchase price of $40.8 million, expected to settle in September 2022.

Operating and financial review (continued)

Funds management

Following significant rationalisation and simplification during FY22, the Group's funds management platform comprised 3 ASX listed entities (including TGP), one private equity fund, a private capital mandate in Hotel Capital Partners and recently commenced the establishment of 360 Capital Strategic Real Estate Partners. Revenue from funds management was $6.6 million for FY22, up 12.1% on the prior year as a result of the realisation of funds management rights of non-core funds.

Growth in funds management activities will be as follows:

- TOT, continuing to grow from its current $265.2 million asset base through direct property acquisitions as well as M&A activity in either listed or unlisted funds;
- Hotel Capital Partners is 55% owned by the Group in partnership with two experienced partners in Stephen Burt and Lucia Grambalova. HCP will continue to grow its hotel assets through partnering with private capital partners; and
- 360 Capital Strategic Real Estate Partners (SREP) has been established to capitalise on the Group's 16 year corporate and M&A real estate track record. SREP is raising capital from global private equity real estate partners. SREP will capitalise on the continuing consolidation of the REIT markets in Australia and New Zealand.

The Group had planned to purchase TOT's 50% interest in PMG Funds (PMG) during the year, however, following a revised proposal from a group including existing PMG shareholders and given market volatility, the Group decided not to proceed and to focus its efforts on the Australian real estate sector for the near term.

Principal Investments

During the first half of FY22, 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% on the Group's original $10.0 million investment and on the sale of the Group's 33.2% stake in Global Data Centre Group for $42.0 million in line with its cost base.

The Group recycled its digital infrastructure co-investment by investing a total of $68.4 million into Irongate during FY22.

As at 30 June 22 the Group's co-investment totalled $146.4 million across TOT, Irongate, TCF and Cardioscan Trust. As outlined above, the Group received $92.0 million on 15 July 2022 from the realisation of its Irongate investment, significantly reducing the Group's overall co-investments. The Group generated total revenue of $47.1 million from principal investing during FY22.

Special dividend

Following significant post tax earnings in FY22 generating excess franking credits, coupled with the significant cash balance, on 25 August 2022, the Board declared a special fully franked dividend of 8.0 cps , with the option of securityholders being able to reinvest the special dividend back in the Group at a 1.5% discount to the 10 day VWAP via a the Distribution Reinvestment Plan (DRP).

The record date for the special dividend is 31 August 2022 and for those not electing to take up their DRP, payment of the special dividend will be on or around 7 October 2022. Securityholders electing to take up their DRP have until 14 September 2022 to elect to nominate to take up the DRP. The special dividend of 8.0 cps will replace previous FY23 forecast dividend of 6.0 cps. Any further FY23 dividends will be subject to revenue generated from deployment of the Group cash and further revenue from funds management activities. The Group's distribution/dividend policy going forward will be to target to distribute a minimum of 80% of the operating earnings for each year.

Operating and financial review (continued)

Board and management changes

During the year 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;
- David van Aanholt appointed Independent Deputy Chairman, previously Chairman;
- Anthony McGrath appointed Non-Executive Director: and
- Andrew Moffat and John Ballhausen remained Independent Non-Executive Directors.

Risks

The key risk areas that could impact the Group's ability to achieve its strategic objectives and impact its prospects for future years include regulatory, operational and market risks. The Group is subject to regulatory and licencing conditions including in relation to its funds management activities, any breach of these conditions could result in additional costs and restrictions imposed by regulators and could significantly impact the Group's ability to operate its funds and service its investors. The Group has always maintained a strict regulatory compliance framework and continually monitors its licence and regulatory compliance.

<u>Operating environment</u>

The Group has considered the impact of COVID-19 amongst other challenges including global supply chain disruption, increases in inflation and interest rates, geopolitical tensions and climate risks preparing its financial report for the year. The Group continually monitors these risks and considers them as part of its ongoing investment and funds management processes. Despite continuing challenges, including new strains of the virus, society has begun to learn to live with COVID-19 following the roll back of measures such as social distancing, travel restrictions and government economic stimulus.

Summary and Outlook

360 Capital Group is an investment and funds management group, focused on strategic and active investment management of real estate assets. The Group intends to continue to execute on its simplified strategy of real estate equity and credit investment and funds management.

Dividends and distributions

The Company declared $13.1 million fully franked dividends during the year as detailed below (June 2021: nil). There were no distributions declared by 360 Capital Investment Trust during the year (June 2021: $9.2 million).

	Date of payment	Cents per unit	30 June 2022 $'000	30 June 2021 $'000
September 2021 quarter fully franked dividend	27 October 2021	1.5	3,285	-
December 2021 quarter fully franked dividend	27 January 2022	1.5	3,285	-
March 2022 quarter fully franked dividend	27 April 2022	1.5	3,285	-
June 2022 quarter fully franked dividend	27 July 2022	1.5	3,285	-
Total dividends for the year ended 30 June 2022		**6.0**	**13,140**	**-**
September 2020 quarter distribution	27 October 2020	1.0	-	2,295
December 2020 quarter distribution	27 January 2021	1.0	-	2,295
March 2021 quarter distribution	28 April 2021	1.0	-	2,299
June 2021 quarter distribution	28 July 2021	1.0	-	2,300
Total distributions for the year ended 30 June 2021		4.0	-	9,189

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 year under review other than those referred to above or elsewhere in the Directors' report.

Likely developments and expected results of operations

The Group will continue to focus on implementing its simplified strategy focused on managing and investing in real estate assets. The Group will look for opportunities to capitalise on market volatility and dislocation using the Group's track record across real estate investing. Refer to Operating and financial review for further information.

Information on Directors and Key Management Personnel

Directors

Tony Robert Pitt – Executive Chairman

Tony is a founding Director of 360 Capital and has worked in the property and property funds management industries for over 25 years. As Executive Chairman, Tony is responsible for the Group's investments strategic direction and overall Group strategy. He has overseen the IPO on the ASX of four AREITs since 2012 as well as the creation of various unlisted funds, undertaken various corporate acquisitions and disposals, mergers and acquisitions and the ASX listing of 360 Capital Group.

Tony has formerly held numerous senior roles and directorships at Mirvac Group, James Fielding Group and Paladin Australia. He also held positions at Jones Lang LaSalle and CB Richard Ellis. Tony graduated from Curtin University with a Bachelor of Commerce (Property), has a Graduate Diploma in Applied Finance and Investment from the Financial Services Institute of Australasia.

David van Aanholt – Independent Deputy Chairman

David has over 30 years' experience in the property and funds management industry. Prior to establishing his own property group in 2007, David worked for the ASX listed Goodman Group where he was the Chief Executive Officer (Asia Pacific) and was responsible for Goodman's operations across the region. In his capacity as Deputy Chairman, David focuses on the Group's strategic and governance matters.

David holds a Bachelor of Business (Land Economy), a Post Graduate Diploma in Management and a Masters in Business Administration. David is non-executive Director and Chairman of Kennard's Self Storage Group and is a Councillor at the University of New England where he sits on various Committees and chairs the finance and infrastructure committee. David is a Fellow of the Australian Property Institute.

William John Ballhausen – Non-Executive Independent Director

John is a financial services professional with over 35 years' experience. He is a founder of Quay Fund Services Limited providing trustee and responsible entity services to fund managers. He is also a non-executive director of Arctic Intelligence.

John founded Rimcorp Property Limited and became its Managing Director. In 2008, Rimcorp was successfully sold with approximately $100 million in funds under management spread over four registered property schemes. Before 2002 John held the position of Chief Investment Officer of HIH Insurance, with responsibility for more than $3 billion of funds across fixed interest, equities and property asset classes.

John has a Bachelor of Commerce from the University of NSW, is a Fellow of the Financial Services Institute of Australasia and a Graduate of the Australian Institute of Company Directors.

Andrew Graeme Moffat – Non-Executive Independent Director

Andrew has in excess of 23 years of corporate and investment banking experience, including serving as a director of Equity Capital markets and Advisory for BNP Paribas Equities (Australia) Limited. Andrew is the sole principal of Cowoso Capital Pty Ltd, a company providing corporate advisory services.

Andrew is also a non-executive Director of Sports Entertainment Group Limited (previously Pacific Star Network Limited) (ASX: SEG), ICP Funding Pty Ltd and IPD Group Limited.

Information on Directors and Key Management Personnel (continued)

Anthony Gregory McGrath – Non-Executive Independent Director (appointed 1 March 2022)

Anthony is a chartered accountant of almost 40 years standing, specialising in restructuring and insolvency. Following an initial career at KPMG, in 2004 Anthony founded McGrathNicol, a specialist restructuring and forensics practice.

Today Anthony is a consultant to McGrathNicol, and is an experienced non-executive director.

In addition to 360 Capital, Anthony is a non-executive director at the NRL and Servcorp. He is also non-executive director for a range of not-for-profit entities, including the Australian National University, and the Sydney Archdiocese of the Catholic Church.

Senior Management

James Storey – Chief Executive Officer (appointed 1 March 2022, previously Head of Real Assets)

James has over 16 years' experience in real estate funds management including such areas as asset management, capital transactions, analytics and valuations. Prior to being promoted to Chief Executive Officer, James was Head of Real Assets of the Group and also his previous roles included Fund Manager of the 360 Capital Office Fund (ASX: TOF) and 360 Capital Industrial Fund (ASX: TIX) with a combined gross asset of over A$1.1b. Prior to his tenure at 360 Capital, James held the role of Investment Manager at Brookfield Office Properties, Senior Analyst at Valad Property Group and worked for Ernst & Young within its Transaction Advisory Services team.

James has a Bachelor of Business (Property Economics) from the University of Western Sydney and a graduate certificate of applied finance and investment. He is also a licensed real estate agent.

Glenn Butterworth – Chief Financial Officer and Joint Company Secretary

Glenn is a key executive within the business and is responsible for all 360 Capital's financial management activities. Glenn has over 25 years' experience and joined 360 Capital from Mirvac Group where he spent 11 years, including his role as Financial Controller of the Mirvac's Investment Division where he was responsible for Mirvac Property Trust, listed and wholesale managed funds and partnership structures and has a wealth of transactional and financial management experience. Glenn was appointed joint Company Secretary on 11 December 2019.

Glenn is a Chartered Accountant and holds a Bachelor of Commerce and commenced his career as an accountant at Deloitte.

Kim Child – General Counsel and Joint Company Secretary

Kim joined the Group and was appointed Company Secretary of 360 Capital Group in August 2020 having previously worked with the Group in private practice.

Kim has over 10 years of legal experience and has practiced corporate law in London and Sydney including at top tier firms Clayton Utz and King & Wood Mallesons. Kim has gained experience advising investors, asset and fund managers, financial institutions and listed and unlisted entities on strategic transactions in the corporate real estate sector.

Kim holds a Bachelor of Laws and is qualified to practice in both New South Wales and the UK.

Information on Directors and Key Management Personnel (continued)

Directors meetings

The number of Board meetings and Directors' attendance at those meetings during the year are set out below:

	Board		Audit Committee		Nominations & Remuneration	
	Meetings attended	Meetings held	Meetings attended	Meetings held	Meetings attended	Meetings held
Director						
Tony Robert Pitt	12	12	N/A	N/A	2	2
David van Aanholt [1]	12	12	6	6	-	-
William John Ballhausen [2]	11	12	6	7	2	2
Andrew Graeme Moffat	12	12	7	7	2	2
Anthony Gregory McGrath [3]	3	3	1	1	NA	NA

1 David van Aanholt appointed to Audit & Risk Committee until 28 February 2022 and appointed to Nominations and Remuneration Committee from 1 March 2022.

2 William Ballhausen appointed to Nominations & Remuneration Committee until 28 February 2022.

3 Anthony McGrath appointed to Board and Audit & Risk Committee from 1 March 2022.

Remuneration report (audited)

The Remuneration Report for the year ended 30 June 2022 outlines the remuneration arrangements of the 360 Capital Group in accordance with the requirements of the *Corporations Act 2001* and its regulations (the Act). This information has been audited as required by section 308(3C) of the Act.

The 360 Capital Group Board is committed to clear and transparent disclosure of the remuneration structure and details of the value that Key Management Personnel (KMP) derive from their remuneration arrangements.

The remuneration report is presented under the following sections:

a. Introduction
b. Remuneration governance
c. Executive remuneration arrangements
d. Executive remuneration outcomes
e. Executive contracts
f. Non-executive director remuneration arrangements
g. Additional disclosures relating to options and securities
h. Loans to key management personnel and their related parties
i Other transactions and balances with key management personnel and their related parties

Remuneration report (continued)

a. Introduction

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise).

(i) Executive Chairman

Tony Robert Pitt, (appointed 1 March 2022, previously Managing Director)

(ii) Non-executive directors (NEDs)

David van Aanholt, Independent Deputy Chairman

William John Ballhausen, Independent Director

Andrew Graeme Moffat, Independent Director

Anthony Gregory McGrath, Independent Director (appointed 1 March 2022)

(iii) Other KMP

James Storey, Chief Executive Officer (appointed 1 March 2022, previously Head of Real Assets)

Glenn Butterworth, Chief Financial Officer & Joint Company Secretary

Christopher Chase, Head of Private Credit (role made redundant on 6 June 2022)

There were no other changes to KMP after the reporting date and before the date the financial report was authorised for issue.

b. Remuneration governance

Nominations and Remuneration Committee

The Nominations and Remuneration Committee (Remuneration Committee) is appointed by the Board and comprises the following directors:

Andrew Graeme Moffat (Chairman of the Committee)

Tony Robert Pitt

William John Ballhausen (until 28 February 2022)

David van Aanholt (appointed from 1 March 2022)

The Remuneration Committee has delegated decision making authority for some matters related to the remuneration arrangements for NEDs and executives and is required to make recommendations to the Board on other matters.

Specifically, the Board approves the remuneration arrangements of the Executive Chairman, Chief Executive Officer and other executives and all awards made under the short term (STI) and long-term incentive (LTI) plans, following recommendations from the Remuneration Committee. The Board also sets the aggregate remuneration of NEDs, which is then subject to securityholder approval, and NED fee levels. The Remuneration Committee approves, having regard to the recommendations made by the Executive Chairman and Chief Executive Officer, the level of the Group STI pool. The Remuneration Committee meets throughout the year. The Executive Chairman is not present during any discussions related to his own remuneration arrangements.

Remuneration report (continued)

Further information on the Remuneration Committee's role, responsibilities and membership can be viewed at www.360capital.com.au

Use of remuneration advisors

To ensure the Remuneration Committee is fully informed when making remuneration decisions, it may seek external remuneration advice. Remuneration advisors are engaged by, and report directly to, the Committee. In selecting remuneration advisors, the Committee considers potential conflicts of interest and requires independence from the Group's key management personnel and other executives as part of their terms of engagement. No remuneration recommendation was provided by any external advisors during the 2022 financial year.

Remuneration report approval at 2021 Annual General Meeting (AGM)

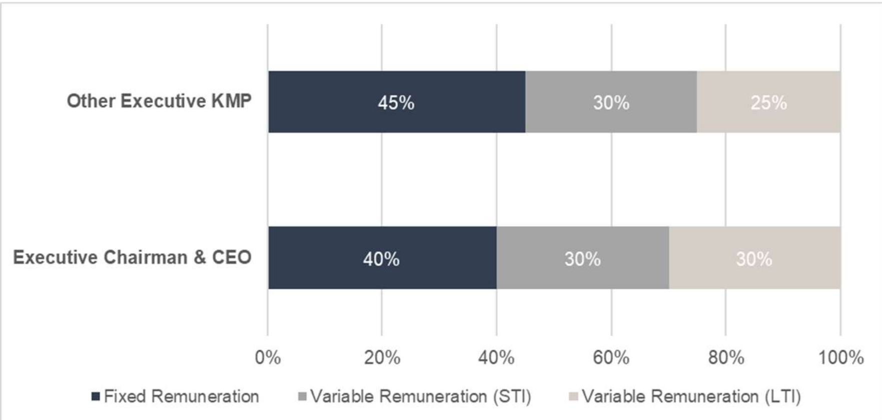
The remuneration report for the year ended 30 June 2021 received positive securityholder support at the AGM with a vote of 94.6% in favour.

Remuneration report (continued)

c. Executive remuneration arrangements

Remuneration principles and strategy
360 Capital Group's executive remuneration strategy is designed to attract, motivate and retain high performing individuals and encourage performance which aligns with the business strategy of the Group and long-term interest of securityholders.

Approach to setting remuneration
The Group aims to reward executives with a level and mix of remuneration appropriate to their position, responsibilities and performance within the Group and aligned with market practice. In determining the level and composition of executive KMP's remuneration the Remuneration Committee have regard to market levels of remuneration for comparable executive roles. Remuneration packages include a mix of fixed and variable remuneration which includes short and long-term performance based incentives.
While the actual allocation may vary from period to period the, the chart below details the target mix of fixed and variable remuneration components for executive KMP's.



For the year ended 30 June 2022, the executive remuneration framework consisted of fixed remuneration and short and long-term incentives as outlined below. The following table summarises the Executive Chairman's and Chief Executive Officer's and other executives' actual remuneration mix.

		Fixed remuneration	STI	LTI
Tony Pitt - Executive Chairman	**2022**	38.3%	30.8%	30.9%
	2021	55.1%	22.0%	22.8%
James Storey - Chief Executive Officer	**2022**	34.8%	32.7%	32.5%
	2021	50.6%	28.4%	20.9%
Glenn Butterworth - Chief Financial Officer	**2022**	39.3%	27.3%	33.4%
	2021	50.9%	28.6%	20.5%
Christopher Chase - Head of Private Credit [1]	**2022**	63.1%	3.4%	33.5%
	2021	53.8%	30.5%	15.8%
Dennison Hambling - Head of Public & Private Equity [2]	**2022**	- %	- %	- %
	2021	82.0%	- %	18.0%

1. Christopher Chase role was made redundant on 6 June 2022.
2. Dennison Hambling role was made redundant 1 July 2021.

Remuneration report (continued)

Details of fixed remuneration
Fixed remuneration levels are considered annually through a remuneration review that considers market data, insights into remuneration trends, the performance of the Group and individual, and the broader economic environment. Fixed remuneration comprises salary, superannuation and packaged benefits and is commensurate with an individual's responsibilities, performance, qualifications and experience.

Details of short-term incentives
The Group operates an annual STI program that is available to executives and awards a cash or equity bonus subject to the attainment of clearly defined Group performance measures. The Remuneration committee reviews Group performance measures included in the STI program annually.

Actual STI payments awarded to each executive depend on the extent to which specific targets have been met. The targets consist of a number of key performance indicators (KPIs) covering financial and non-financial measures of performance. Financial and non-financial measures are given equal weighting; however, in any year, one set of measures may be given greater weighting if it specifically relates to the delivery of Group initiatives underpinning the business strategy in that year. Although financial and non-financial measures are generally given equal weighting, the Group is generally expected to achieve at least 90% of the Board approved operating EPS target "financial gateway" before any STI will be granted.

The Group performance measures chosen represent the key drivers for the short-term success of the Group and provide a framework for delivering long-term value. The performance measures are consistent across the Executive Chairman and Chief Executive Officer and other executive roles. The performance measures (and their intended objectives) are as follows:

50% weighting to financial measures, comprising;
- Earnings per security: To align performance incentives to the key Group earnings performance measure.
- Total securityholder returns: To align performance incentives to returns to those of Group Securityholders.

50% weighting to non-financial measures, comprising;
- Implementation of key strategic initiatives: To ensure performance incentives are aimed at achieving the Group's strategy any key business objectives.
- Compliance and risk management: To ensure performance measures encourage the maintenance of an effective compliance and risk management culture.

On an annual basis, after consideration of performance against KPIs, the Board, in line with their responsibilities, determines the amount, if any, of the short-term incentive to be paid to each executive, seeking recommendations from the Executive Chairman and Chief Executive Officer as appropriate.

Remuneration report (continued)

Details of long-term incentives
LTI awards to executives are made under the executive LTI plan and are delivered in the form of securities or rights issued. The securities or rights will vest over a period of three years subject to meeting performance measures, with limited opportunity to retest. The Group currently has an Employee Incentive Plan (EIP) operating as its LTI plans.

The Group uses absolute Total Securityholder Return (TSR) as the performance measure for the LTI plan. LTI awards vest if the Group's TSR over a 3-year period achieves the following:

Award date 23 December 2019

Absolute TSR Achieved (% pa)	**Proportion of Target Award Vesting**
12%	100%
>8% and <12%	Pro Rata Allocation
8%	50%
<8%	0%

Award date 21 October 2020

Absolute TSR Achieved (% pa)	**Proportion of Target Award Vesting**
10%	100%
>8% and <10%	Pro Rata Allocation
8%	50%
<8%	0%

Award date 4 November 2021

Absolute TSR Achieved (% pa)	**Proportion of Target Award Vesting**
10%	100%
>6% and <10%	Pro Rata Allocation
6%	50%
<6%	0%

Absolute TSR was selected as the LTI performance measure for the following reasons:

- TSR ensures an alignment between comparative securityholder return and reward for executives.
- The alternate use of relative TSR is challenging due to identifying a comparable group of ASX listed companies that are of a similar size, industry sector and transitional phase, thus the comparator group would be unlikely to be comparable which is necessary for there to be TSR outcomes that reflect different management performances rather than other factors.
- No LTI awards vest when the Group's TSR is less than the minimum 6% per annum target. Thus, executives are not rewarded where securityholder returns are low or negative.
- Provides clear line of sight for executives.

Termination and change of control provisions
Where a participant ceases employment prior to their award vesting due to resignation or termination for cause, awards will be forfeited. Where a participant ceases employment for any other reason, they may retain a number of unvested awards pro-rated to reflect the participant's period of service during the LTI grant performance period at the absolute discretion of the Board. These unvested awards only vest subject to meeting the relevant LTI performance measures.

In the event of a change of control of the Group, the performance period end date will generally be brought forward to the date of the change of control and awards will vest subject to performance over this shortened period, subject to ultimate Board discretion.

Remuneration report (continued)

d. Executive remuneration outcomes for 2022

Fixed remuneration

For the year ended 30 June 2022 the fixed remuneration reviews were as follows:

Executive Chairman – role changed from Managing Director on 1 March 2022, no change to remuneration.

Chief Executive Officer – role changed from Head of Real Assets on 1 March 2022, fixed remuneration increased to $600,000 pa.

Chief Financial Officer/Joint Company Secretary – no change.

Head of Real Assets – from $400,000 pa to $425,000 pa effective from 1 July 2021, until change of role as above.

Head of Private Credit – from $375,000 pa to $425,000 pa effective from 1 July 2021, until role made redundant on 6 June 2022.

Group performance and its link to short-term incentives

The Group aims to align executive remuneration to its strategic business objectives and long-term interests of securityholders. The table below measures the Group's financial performance over the last five years as required by the Corporations Act 2001, however, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs.

The financial performance measures driving STI payment outcomes are primarily operating profit per security of the Group and TSR. The Group's TSR for the year ended 30 June 2022 was 4.5% (2021: 8.9%) compared to ASX Small Ordinaries Accumulation Index of -19.5% (2021: 33.2%) and the S&P/ ASX 300 A-REIT Accumulation Index of -11.2% (2021: 33.9%) for the same period.

	2018	2019	2020	2021	2022
Profit attributable to securityholders of the Group ('000)	16,181	1,594	1,345	5,290	31,671
Basic EPS (cents)	7.8	0.7	0.6	2.4	14.5
Operating EPS (cents)	5.0	2.3	2.1	4.2	14.1
Distributions per security (cents)	5.50	2.00	4.00	4.00	6.00
Special Dividend per security (cents)	21.01	3.00	-	-	-
Net Tangible Assets (NTA)	0.97	0.93	0.87	0.89	0.98
Security price ($)	1.02	1.03	0.85	0.885	0.865
Increase/(decrease) in security price	5.7%	1.0%	(17.5%)	4.1%	(2.3%)
Total KMP incentives as a percentage of profit for the year (%)	1.1%	36.6%	40.6%	32.8%	9.7%

Remuneration report (continued)

A total of $1.3 million in STI's were awarded during the financial year (2021: 930,000). The formal STI outcomes relating to this program are included in the table below for reference.

As detailed below, the 2022 STI financial gateway key performance measure Operating EPS for the year was achieved delivering 14.1 cps Operating EPS which was 101.4% above the Board's EPS target measure of 7.0 cps. The Groups TSR for financial year 2022 of 4.5% was higher than both the ASX Small Ordinaries Accumulation Index of -19.5% and the S&P/ ASX 300 A-REIT Accumulation Index of -11.2%. Whilst the Group achieved Operating EPS of 14.1 cps, distributed 6.0 cps and NTA grew by 9.0 cps for the financial year the Group's security price fell by 2.0 cps.

Across the non-financial performance measures the Group continued to execute on its strategies for its listed funds and began simplifying the core business back to focusing on real estate funds management and investment. The Group continued to maintain its strong compliance culture and risk management framework across the business.

The financial gateway KPI was met and financial performance measures met and the non-financial performance measures achieved during the year. Given the outstanding result across the KPIs, in particular the Operating EPS measure, the Remuneration Committee recommended that a total $1.3 million in cash STI's be awarded to the Executive Chairman and Chief Executive Officer and other executives for the 2022 year (2021: $930,000) representing 110% of maximum individual STI targets.

Performance measure	Weighting	Outcome	Action
Operating EPS	Gateway	Operating EPS 14.1 cps was above 90% of target.	STI measure satisfied
Operating EPS	50%	Operating EPS of 14.1 cps significantly above target by 101.4%.	STI measure satisfied
TSR for 2022		Total return of 4.5% higher than both S&P/ ASX 300 A-REIT index of -11.5% and ASX Small Ordinaries Index of -19.5% for the year.	STI measure satisfied
Implementation of key strategic initiatives	50%	Group performed in particular executing on Irongate transaction and exiting its Digital business and recognising significant profits across both.	STI measure satisfied
Compliance and risk management		Group continued to maintain a strong compliance and risk management focus and implemented its new ESG framework.	STI measure satisfied

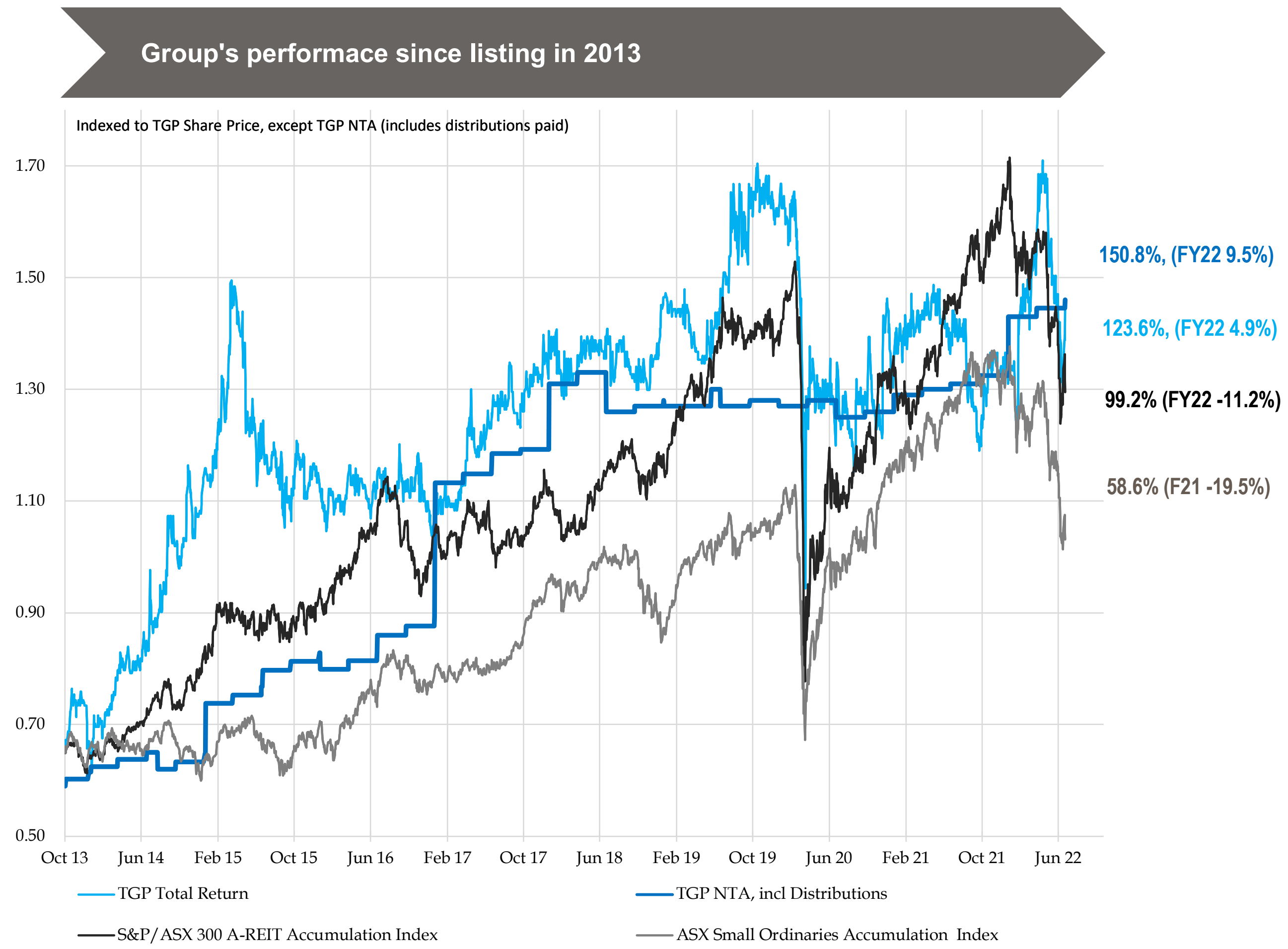
Remuneration report (continued)

Long term performance measure

The following chart demonstrates how the Group's TSR (including share price movements and dividends/distributions) has performed relative to the ASX Small Cap Industrials Accumulation Index and the S&P/ ASX 300 A-REIT Accumulation Index since listing of the Group in 2013. Whilst the LTI plan is based on absolute TSR the below graph gives an indication of the relative performance of the Group since the October 2013.

The LTI plans target returns in alignment with the Group's strategic return targets, with the TSR target of 10%-12% pa, over the 3 year vesting periods. The return targets reflected the Board's view of the existing position and likely future direction of the market and the broader economic environment at the time of issue.

The below chart illustrates the Group's historic performance relative to comparable indexes and the phases of the evolution of the Group's business.



Remuneration report (continued)

	Year	Salary & fees[1] $	Short-term incentive $	Non monetary benefits[3] $	Super-annuation $	Securities under ESP[4] $	Rights under EIP[5] $	Long term cash incentive[8]	Termination benefits	Long service leave[2] $	Total $	Performance related %
Executive Director												
Tony Pitt - Executive Director	**2022**	576,432	495,000	7,153	23,568	-	246,662	250,000	-	8,487	1,607,302	61.7%
	2021	578,306	250,000	8,750	21,694	76,633	182,733	-	-	17,190	1,135,306	44.9%
KMP												
James Storey - Chief Executive Officer	**2022**	459,765	495,000	2,127	23,568	-	241,350	250,000	-	41,756	1,513,566	65.2%
	2021	378,306	226,667	-	21,694	76,633	90,252	-	-	3,538	797,090	49.4%
Glenn Butterworth - Chief Financial Officer	**2022**	401,432	310,000	2,127	23,568	-	129,436	250,000	-	18,598	1,135,161	60.7%
	2021	403,306	240,833	-	21,694	76,633	95,889	-	-	3,711	842,066	49.1%
Christopher Chase - Head of Private Credit[6]	**2022**	374,062	37,500	2,127	23,568	-	117,118	250,000	291,205	-	1,095,580	36.9%
	2021	353,306	212,500	-	21,694	25,544	84,594	-	-	-	697,639	46.2%
Dennison Hambling - Head of Public & Private Equity[7]	**2022**	-	-	-	-	-	-	-	-	-	-	0.0%
	2021	410,119	-	-	21,694	-	95,038	-	-	-	526,852	18.0%
Total	**2022**	**1,811,691**	**1,337,500**	**13,533**	**94,272**	**-**	**734,567**	**1,000,000**	**291,205**	**68,841**	**5,351,609**	**57.4%**
	2021	2,123,342	930,000	8,750	108,471	255,444	548,506	-	-	24,439	3,998,953	43.4%

1. Salary and fees includes accrued annual leave paid out as part of salary.
2. Long service leave based on movement in accounting accrual for the year.
3. Car parking including associated Fringe Benefits Tax.
4. Securities were granted to employees under the Group Employee Security Plan (ESP) on 2 August 2017. The securities are subject to a 3 year Total Securityholder Return hurdle. The fair value of the grants was determined by an independent actuary and has been proportionally disclosed in the remuneration report to reflect the 3 year vesting period. Further information on 360 Capital Group Employee Security Plan is provided in Note 19(c).
5. Rights were granted to employees under the Group Employee Incentive Plan (EIP) on 23 December 2019, 20 October 2020 and 4 November 2021. The securities are subject to a 3 year Total Securityholder Return hurdle. The fair value of the grants was determined by an independent actuary and has been proportionally disclosed in the remuneration report to reflect the 3 year vesting period. Further information on 360 Capital Group Employee Security Plan and Employee Incentive Scheme is provided in Note 19(c).
6. Christopher Chase was appointed as a KMP of the Group from 27 August 2019. His role was made redundant on 6 June 2022. Termination payments totalling $291,205 were paid in June 2022.
7. Dennison Hambling was appointed as a KMP of the Group from 27 February 2020 and his position was made redundant on 1 July 2021. Termination payments totalling $116,391 were paid in July 2021.
8. Following the forfeiture of securities under 2017 ESP in August 2021 the Remuneration Committee considered and recommended to the Board who approved a payment of $250,000 to be made to the Executive Chairman and each KMP, totalling $1,000,000, based on their continued employment to 30 June 2022, Christopher Chase retained the payment in consideration of his role being made redundant on 6 June 2022.

Remuneration report (continued)

e. Executive contracts

Remuneration arrangements for Executive KMP, Executive Chairman and Chief Executive Officer, are formalised in employment agreements. These agreements are of a continuing nature and have no fixed term of service. There were no changes to the service agreements for executive KMP during the year other than those noted below. The following outlines the details of contracts with KMP.

Tony Pitt changed roles on 1 March 2022 to Executive Chairman, previously Managing Director, his fixed remuneration is $600,000 pa and this has not changed since October 2013. James Storey was appointed as Chief Executive Officer on 1 March 2022, his fixed remuneration was $600,000 his role was previously Head of Real Assets. The key terms of the service agreements for the Executive Chairman and other executive KMP members are as follows:

		Notice period		
	Contract term	**Employee**	**Group**	**Termination Payment** [1]
Executive Chairman	No fixed term	6 months [2]	12 months	12 months
Chief Executive Officer	No fixed term	12 months [2]	12 months	12 months
Other Executive KMP	No fixed term	3 months	6 months	6 months

1 Payable if the Group terminates employee with notice for reasons other than unsatisfactory performance.
2 In the event of change of circumstances one month's notice.

f. Non-executive director remuneration arrangements

Remuneration policy
The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain staff and directors of the highest calibre, whilst incurring a cost that is acceptable to securityholders.

The amount of aggregate remuneration sought to be approved by securityholders and the fee structure is reviewed annually against fees paid to NEDs of comparable companies. The Board considers advice from external consultants when undertaking the annual review process when required.

The Company's constitution and the ASX listing rules specify that the NED fee pool shall be determined from time to time by a general meeting. The latest determination was at the 2005 AGM when securityholders approved an aggregate fee pool of $750,000 per year. The Board will not seek any increase for the NED pool at the 2022 AGM.

Remuneration report (continued)

Structure

The remuneration of NEDs were updated during the year and consists of directors' fees and committee fees. The payment of additional fees for serving as Chair on a committee recognises the additional time commitment required by NEDs who serve on these sub-committees. Committee fees paid to Board members during the year are outlined below. Committee fees may vary based on time and effort required to fulfil the required duties. The table below summarises the NED standard committee fee entitlements.

Board fees	$	Committee fees	$
Deputy Chairman	120,000	Committee Chairman	10,000
Other NEDs	100,000	Committee Member	-

Included in the fees, the NEDs receive superannuation contributions at the Superannuation Guarantee Levy rate.

The remuneration of NEDs for the year ended 30 June 2022 is detailed below:

		Short-term benefits		Post-employment benefits	Security based benefits		
	Year	Salary	Committee Fees	Superannuation	Securities under ESP[1]	Total	Performance related
		$	$	$	$	$	%
NED							
David van Aanholt	**2022**	123,030	-	12,303	-	135,333	0.0%
	2021	130,000	-	12,350	2,554	144,904	1.8%
William Ballhausen	**2022**	86,970	3,030	9,000	-	99,000	0.0%
	2021	85,000	-	8,075	2,554	95,629	2.7%
Graham Lenzner [2]	**2022**	-	-	-	-	-	0.0%
	2021	63,750	-	6,056	2,138	71,944	3.0%
Anthony Gregory McGrath [3]	**2022**	30,303	3,030	3,333	-	36,666	0.0%
	2021	-		-	-	-	0.0%
Andrew Moffat	**2022**	86,970	3,030	9,000	-	99,000	0.0%
	2021	85,000	-	8,075	2,554	95,629	2.7%
Total	**2022**	**327,272**	**9,091**	**33,636**	**-**	**369,999**	**0.0%**
	2021	363,750	-	34,556	9,801	408,107	2.4%

[1] Securities were granted to employees under the 360 Capital Group Employee Security Plan on 2 August 2017. The securities were subject to a 3-year TSR hurdle, which was extended for a further 12 months with the securities due to vest on 1 August 2021. The 2017 ESP hurdles were not met by the 1 August 2021 and therefore the securities did not vest, the securities were subsequently bought back and cancelled, and loans repaid. The fair value of the grants was determined by an independent actuary and has been proportionally disclosed in the remuneration report to reflect the 3 year vesting period. Further information on 360 Capital Group Employee Security Plan is provided in Note 19.

[2] Graham Lenzner resigned on 31 March 2021, his 2017 ESP securities were bought back and cancelled, and loan settled.

[3] Anthony McGrath was appointed as director on 1 March 2022, prior to being appointed to the Group Board he was paid fees as a director of a subsidiary, these fees are not including in the above table.

Remuneration report (continued)

g. Additional disclosures relating to options and securities

Securities awarded, vested and lapsed during the year

Employee Share Plan
There were 10,300,000 securities awarded to KMPs and NEDs under the Group's ESP, which commenced on 2 August 2017 (2017 ESP), subject to a 3 year vesting period and TSR targets. Securities under the 2017 ESP were due to vest on 1 August 2020 however given the security price volatility triggered by the COVID-19 pandemic, together with ongoing market and economic uncertainty, the Board decided to extend the vesting period by up to 12 months to 1 August 2021. Securityholders approved the extension of the vesting date in relation to Directors at the Group's AGM on 25 November 2021.

The 2017 ESP hurdles were not met by the extended vesting date of 1 August 2021 and therefore the securities did not vest, the securities were subsequently bought back and cancelled, and corresponding loans settled.

Following the forfeiture of securities under 2017 ESP in August 2021 the Remuneration Committee considered and recommended to the Board who approved a payment of $250,000 to be made to the Executive Chairman and each KMP, totalling $1,000,000, based on their continued employment to 30 June 2022. The payment was in recognition of the continued high performance of the executives over recent years and throughout the implementation and growth of the expanded alternative asset management and investment strategy, which included the last 18 months of challenging operating conditions, where scaling the funds and platform were severely impacted by continuing COVID related disruption. Christopher Chase in acceptance of the payment also agreed to forfeit his ESP securities which were due to vest on 27 August 2022.

Performance Rights
During the year the Group issued 1,289,700 Performance Rights to KMP under the Executive Incentive Plan (EIP) (2021: 1,589,300). Each Right is a right to receive a fully paid ordinary stapled security in the Group or equivalent cash amount at the Board's discretion, subject to meeting the performance conditions. Upon meeting the performance conditions, the rights vest and securities are allocated. Rights do not carry a right to vote or to dividends (subject to dividend equivalent post vesting), or in general, a right to participate in other corporate actions such as bonus issues. Also 1,200,768 Retention Rights were issued to James Storey in November 2021 under the EIS, exercisable from 3 November 2026 until 3 November 2028 subject to vesting conditions.

The 1,127,900 Performance Rights issued to the Executive Chairman and KMPs on 23 December 2019 were subject to vesting conditions over the 3-year performance period. As at 30 June 2022 the minimum performance hurdle on these Performance Rights was not met therefore they did not vest and will be cancelled.

Remuneration report (continued)

Employee Share Scheme KMP	Year	Securities awarded during the year No.	Award date	Fair value per security at award date $	Vesting date	No. vested during year	No. lapsed during year [3]
Tony Pitt	**2022**	-	-	-	-	-	3,000,000
	2021	-	-	-	-	-	-
	2020	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2018	3,000,000	2/08/2017	0.98	1/08/2021	-	-
James Storey [1]	**2022**	-	-	-	-	-	3,000,000
	2021	-	-	-	-	-	-
	2020	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2018	3,000,000	2/08/2017	0.98	1/08/2021	-	-
Glenn Butterworth	**2022**	-	-	-	-	-	3,000,000
	2021	-	-	-	-	-	-
	2020	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2018	3,000,000	2/08/2017	0.98	1/08/2021	-	-
Christopher Chase [2]	**2022**	-	-	-	-	-	1,000,000
	2021	-	-	-	-	-	-
	2020	1,000,000	27/08/2019	1.03	27/08/2022	-	-
	2019	-	-	-	-	-	-
NEDs							
David van Aanholt	**2022**	-	-	-	-	-	100,000
	2021	-	-	-	-	-	-
	2020	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2018	100,000	2/08/2017	0.98	1/08/2021	-	-
William Ballhausen	**2022**	-	-	-	-	-	100,000
	2021	-	-	-	-	-	-
	2020	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2018	100,000	2/08/2017	0.98	1/08/2021	-	-
Andrew Moffat	**2022**	-	-	-	-	-	100,000
	2021	-	-	-	-	-	-
	2020	-	-	-	-	-	-
	2019	-	-	-	-	-	-
	2018	100,000	2/08/2017	0.98	1/08/2021	-	-

1. Securities were granted to James Storey under the 360 Capital Group Employee Security Plan on 2 August 2017 and he subsequently became a KMP on 1 September 2018.
2. Securities were granted to Christopher Chase under the 360 Capital Group Employee Security Plan on 2 August 2019 upon his appointment to the Group.
3. In September 2021, all the remaining ESP securities were cancelled, and the corresponding loans were fully settled.

Remuneration report (continued)

Employee Incentive Scheme KMP	Year	Rights awarded during the year [1,2,3] No.	Award date	Fair value per security at award date $	Vesting date	No. vested during year	No. lapsed during year
Tony Pitt	**2022**	501,000	4/11/2021	0.390	31/08/2024	-	-
	2021	529,400	21/10/2020	0.365	31/08/2023	-	-
	2020	454,500	23/12/2019	0.805	31/08/2022	-	-
James Storey	**2022**	262,900	4/11/2021	0.390	31/08/2024	-	-
	2022	1,200,768	4/11/2021	0.855	3/11/2026	-	-
	2021	261,400	21/10/2020	0.365	31/08/2023	-	-
	2020	224,500	23/12/2019	0.805	31/08/2022	-	-
Glenn Butterworth	**2022**	262,900	4/11/2021	0.390	31/08/2024	-	-
	2021	277,800	21/10/2020	0.365	31/08/2023	-	-
	2020	238,500	23/12/2019	0.805	31/08/2022	-	-
Christopher Chase [4]	**2022**	262,900	4/11/2021	0.390	31/08/2024	-	(718,400)
	2021	245,100	21/10/2020	0.365	31/08/2023	-	-
	2020	210,400	23/12/2019	0.805	31/08/2022	-	-
Dennison Hambling [5]	**2022**	-		-		-	-
	2021	275,600	21/10/2020	0.365	31/08/2023	-	(511,900)
	2020	236,300	27/02/2020	0.805	26/02/2023	-	-

1 On 4 November 2021, a total of 1,289,700 performance rights 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 31 August 2024 subject to vesting conditions, refer Note 19(c).
2 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 James Storey pursuant to the terms of the 360 Capital EIP, exercisable from on or around 4 November 2026 subject to vesting conditions.
3 The 1,127,900 Performance Rights issued to the Executive Chairman and KMPs on 23 December 2019 were subject to vesting conditions over the 3-year performance period. As at 30 June 2022 the minimum performance hurdle on these Performance Rights was not met therefore they did not vest and will be cancelled.
4 Christopher Chase was appointed as a KMP of the Group from 27 August 2019, his role was made redundant on 6 June 2022, from this date his securities held were no longer reported.
5 Dennison Hambling was made redundant from Head of Public & Private Equity effective 1 July 2021, from this date his securities held were no longer reported.

Value of 360 Capital Group securities awarded, exercised and lapsed during the year and the prior year

For details on the valuation of securities, including models and assumptions used, please refer to Note 19(c) and Note 23. There were no alterations to the terms and conditions of securities awarded as remuneration since their award date.

Securities held in 360 Capital Group by key management personnel

KMP	Held at 30 June 2021	Granted as remuneration	Acquisitions	Disposals [1]	Held at 30 June 2022
Tony Pitt	67,700,000	-	7,800,000	(3,000,000)	72,500,000
James Storey	3,000,000	-	-	(3,000,000)	-
Glenn Butterworth	3,262,926	-	-	(3,000,000)	262,926
Christopher Chase	1,000,000	-	-	(1,000,000)	-
Dennison Hambling [2]	120,885	-	-	(120,885)	-
Total	75,083,811	-	7,800,000	(10,120,885)	72,762,926

1 In September 2021, all the 10,000,000 ESP securities were cancelled, and the corresponding loans were fully settled, refer to Note 19.
2 Dennison Hambling was made redundant from Head of Public & Private Equity effective 1 July 2021, from this date his securities held were no longer reported.

Remuneration report (continued)

Securities held in 360 Capital Group by non-executive directors

NEDs	Held at 30 June 2021	Granted as remuneration	Acquisitions	Disposals [1]	Held at 30 June 2022
David van Aanholt	377,650	-	154,332	(100,000)	431,982
William John Ballhausen	500,000	-	-	(100,000)	400,000
Andrew Moffat	1,100,000	-	200,000	(100,000)	1,200,000
Total	1,977,650	-	354,332	(300,000)	2,031,982

1 In September 2021, all the remaining 300,000 ESP securities were cancelled, and the corresponding loans were fully settled.

The tables above include, securities held directly, indirectly and beneficially by KMP and NEDs. All equity transactions with KMP and NEDs other than those arising from the ESP have been entered into under terms and conditions no more favourable than those the Group would have adopted if dealing at arm's length.

h. Loans to key management personnel and their related parties

The following loans have been provided to KMP and NEDs through their participation in the Group employee security plan:

KMP	Balance at 1 July 2021 $	ESP loans issued during the year $	Interest charged in the year $	Payments made during the year[1] $	Balance at 30 June 2022 $	Highest indebtedness during the year $
Tony Pitt	2,940,000	-	-	(2,940,000)	-	2,940,000
Glenn Butterworth	2,940,000	-	-	(2,940,000)	-	2,940,000
James Storey	2,940,000	-	-	(2,940,000)	-	2,940,000
Christopher Chase	1,030,000	-	-	(1,030,000)	-	1,030,000
	9,850,000	-	-	(9,850,000)	-	9,850,000

[1] In September 2021, the remaining 10,000,000 ESP securities were cancelled, and the corresponding loans were fully settled.

NEDs	Balance at 1 July 2021 $	ESP loans repaid during the year $	Interest charged in the year $	Payments made during the year[1] $	Balance at 30 June 2022 $	Highest indebtedness during the year $
David van Aanholt	98,000	-	-	(98,000)	-	98,000
William Ballhausen	98,000	-	-	(98,000)	-	98,000
Andrew Moffat	98,000	-	-	(98,000)	-	98,000
	294,000	-	-	(294,000)	-	294,000

[1] In September 2021, the remaining 300,000 ESP securities were cancelled, and the corresponding loans were fully settled.

The loan provided on the grant date was 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. For further information on these loans refer to Note 19. There were no other loans to key management personnel and their related parties during the year.

i. Other transactions and balances with key management personnel and their related parties

There were no other transactions or balances with key management personnel and their related parties during the year.

Events subsequent to balance date

Disposal of Irongate Group securities and acquisition of assets

The Irongate acquisition Proposal was approved by the requisite majorities of Irongate securityholders at the Scheme Meetings and the receipt of FIRB approval on 29 June 2022, the judicial advice in relation to implementation of the Proposal was also received on 5 July 2022. By then, all conditions precedent has been satisfied.

On 15 July 2022, the Scheme was implemented, and the sale proceeds were paid to the securityholders. The Group received cash consideration of $92.0 million for its 48.44 million IAP stapled securities.

Special dividend

On 25 August 2022, the Board declared a special fully franked dividend of 8.0 cps, with the option of securityholders being able to reinvest the special dividend back in the Group at a 1.5% discount to the 10 day VWAP via the DRP.

Other than noted above and elsewhere in the Directors report, no other circumstances have arisen since the end of the 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.

Environmental Issues

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law

New securities issued

There were no new securities issued during the year.

In prior year, the Group issued 624,096 fully paid TGP stapled securities as script consideration of $0.6 million for its off-market takeover offer of E&P Financial Group. The offer included both a cash and scrip component. It closed on 31 March 2021 and the takeover did not proceed.

Buy back arrangement

The Group is not under any obligation to buy back, purchase or redeem units from unitholders. During the 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 (June 2021: 1,450,000 at an average price of $1.01).

Distribution Reinvestment Plan

The Group has a Distribution Reinvestment Plan (DRP) which was not active during the year ended 30 June 2022.

Options

During the year options were issued under the EIP, no other options over issued shares or interests in the Group were granted during or since the end of the financial year, and there were no other options outstanding at the date of this report.

On 4 November 2021, a 1,200,768 retention offer was granted under the Group's LTI to James Storey pursuant to the terms of the 360 Capital EIP, exercisable from on or around 4 November 2026 subject to vesting conditions.

On 4 November 2021, a total of 1,289,700 and 237,900 performance rights were granted under the Group's LTI to KMPs and staff respectively pursuant to the terms of the 360 Capital EIP, exercisable from on or around 31 August 2024 subject to vesting conditions.

During the year 1,243,600 options were cancelled relating to employees who had left ceased employment with the Group (2021: 119,000 options were cancelled).

For options held by directors and executives of the Group refer to the Remuneration Report.

Indemnification and insurance of Officers and Directors

During or since the end of the financial year, the Group has paid insurance premiums to insure each of the aforementioned Directors as well as Officers of the Group against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of the as officers of the Group, other than conduct involving a wilful breach of duty in relation to the Group. The policy prohibits the disclosure of premiums. The Group has not otherwise, during or since the end of the financial year, indemnified or agreed to indemnify an officer of the Group.

Indemnification of auditors

To the extent permitted by law, the Group has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Non-audit services

Disclosed in Note 29 were the non-audit services provided by the Group's auditors. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Auditor's independence declaration

The auditor's independence declaration required under Section 307C of the Corporations Act 2001 is set out on page 28 and forms part of the Directors' report for the year ended 30 June 2022.

Rounding of amounts

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.

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

Tony Robert Pitt
Executive Chairman

David van Aanholt
Deputy Chairman

Sydney
25 August 2022

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 audit of the financial report of 360 Capital Group Limited for the financial year ended 30 June 2022, 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 audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

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

Ernst & Young

Ernst & Young

Douglas

Douglas Bain
Partner
25 August 2022

	Note	30 June 2022 $'000	30 June 2021 $'000
Revenue from continuing operations			
Rental from investment properties	3	391	2,544
Management fee income	3	1,847	4,777
Data centre services revenue		1,560	4,399
Distribution income	3	4,593	3,205
Finance revenue		261	547
Total revenue from continuing operations		**8,652**	15,472
Other income			
Net gain on disposal of subsidiary		13,859	106
Net gain on fair value of financial assets		19,628	3,800
Net gain on disposal of financial assets		5,706	8,912
Net gain on fair value of investment properties		-	8,000
Share of equity accounted profits	11	9,738	2,731
Foreign exchange gains		1,424	-
Other income		124	893
Total other income		**50,479**	24,442
Total revenue from continuing operations and other income		**59,131**	39,914
Employee benefit expenses	5	8,368	11,307
Administration expenses		3,215	4,010
Management fees		643	4,151
Investment property expenses		64	128
Data centre facility costs		599	2,332
Depreciation expenses		985	748
Finance expenses	6	274	439
Transaction costs	4	694	4,257
Foreign exchange losses		-	153
Impairment and loss allowance		-	1,167
Profit from continuing operations before income tax		**44,289**	11,222
Income tax expense/(benefit)	7	10,962	1,661
Profit for the year		**33,327**	9,561

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

	Note	30 June 2022 $'000	30 June 2021 $'000
Profit for the year attributable to:			
Shareholders of 360 Capital Group Limited		32,304	2,551
Unitholders of 360 Capital Investment Trust		(633)	2,739
Profit after tax attributable to the stapled securityholders		**31,671**	5,290
External non-controlling interests	26	1,656	4,271
Profit for the year		**33,327**	9,561
Other comprehensive income that may be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations		1,683	(2,625)
Net foreign currency (gain)/loss transferred to the income statement on business divestment, net of tax		240	-
Dilution gains arising in controlled entities		-	4,530
Total comprehensive income for the year		**35,250**	11,466
Total comprehensive income attributable to:			
Shareholders of 360 Capital Group Limited		32,304	7,448
Unitholders of 360 Capital Investment Trust		165	1,712
Total comprehensive income attributable to the stapled securityholders		**32,469**	9,160
External non-controlling interests		2,781	2,306
Total comprehensive income for the year		**35,250**	11,466

Earnings per stapled security for profit after tax attributable to the stapled securityholders of 360 Capital Group		**Cents**	**Cents**
Basic earnings per security	30	**14.5**	2.4
Diluted earnings per security	30	**14.3**	2.3

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

	Note	30 June 2022 $'000	30 June 2021 $'000
Current assets			
Cash and cash equivalents	20	80,329	54,263
Receivables	8	1,131	38,105
Loans receivable	8	-	2,489
Financial assets at fair value through profit or loss	9	92,570	-
Investment property held for sale	10	510	-
Other current assets		636	1,230
Total current assets		**175,176**	96,087
Non-current assets			
Financial assets at fair value through profit or loss	9	13,831	96,403
Investments equity accounted	11	45,689	69,413
Investment properties	10	-	45,000
Intangible assets	12	5,399	26,587
Property, plant and equipment	13	274	31,174
Right-of-use assets	14	2,233	3,185
Income tax refundable		1,297	-
Total non-current assets		**68,723**	271,762
Total assets		**243,899**	367,849
Current liabilities			
Trade and other payables	16	2,175	19,742
Lease liabilities	14	827	578
Distribution payable		3,285	2,827
Income tax payable		-	115
Provisions	18	241	401
Total current liabilities		**6,528**	23,663
Non-current liabilities			
Borrowings	17	-	19,927
Lease liabilities	14	1,873	3,723
Deferred tax liabilities	15	7,511	1,912
Provisions	18	235	194
Total non-current liabilities		**9,619**	25,756
Total liabilities		**16,147**	49,419
Net assets		**227,752**	318,430

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

	Note	30 June 2022 $'000	30 June 2021 $'000
Equity			
Issued capital - ordinary shares	19	1,241	1,241
Issued capital - trust units	19	195,395	195,395
Security based payments reserve		11,272	10,539
Other capital reserve		(110)	2,961
Accumulated profits/(losses)		9,904	(11,754)
Total equity attributable to stapled Securityholders		**217,702**	198,382
External non-controlling interest	26	10,050	120,048
Total equity		**227,752**	318,430

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

360 Capital Group
Consolidated statement of changes in equity
For the year ended 30 June 2022

	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
Balance at 1 July 2021		1,241	195,395	10,539	4,898	(1,937)	14,092	(25,846)	198,382	120,048	318,430
Profit for the year		-	-	-	-	-	32,304	(633)	31,671	1,656	33,327
Comprehensive income for the year		-	-	-	-	798	-	-	798	1,125	1,923
Total comprehensive income for the year		-	-	-	-	798	32,304	(633)	32,469	2,781	35,250
Reclassification between reserves on disposal of investments		-	-	-	(5,008)	1,139	5,008	(1,139)	-	-	-
Transactions with non-controlling interests		-	-	-	-	-	-	(711)	(711)	(112,779)	(113,490)
Transactions with Securityholders in their capacity as Securityholders											
Issued shares/units - ESP cancellation		-	-	-	-	-	-	(31)	(31)	-	(31)
Security based payment transactions		-	-	733	-	-	-	-	733	-	733
Dividends/distributions	2	-	-	-	-	-	(13,140)	-	(13,140)	-	(13,140)
		-	-	733	-	-	(13,140)	(31)	(12,438)	-	(12,438)
Balance at 30 June 2022		**1,241**	**195,395**	**11,272**	**(110)**	**-**	**38,264**	**(28,360)**	**217,702**	**10,050**	**227,752**

	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
Balance at 1 July 2020		1,191	194,877	9,380	-	-	10,081	(20,249)	195,281	68,039	263,320
Profit for the year		-	-	-	-	-	2,551	2,739	5,290	4,271	9,561
Comprehensive income for the year		-	-	-	4,898	(1,028)	-	-	3,870	(1,965)	1,905
Total comprehensive income for the year		-	-	-	4,898	(1,028)	2,551	2,739	9,160	2,306	11,466
Transactions with non-controlling interests		-	-	-	-	(909)	1,460	853	1,404	50,228	51,632
Transactions with Securityholders in their capacity as Securityholders											
Issued shares/units - Scrip		51	527	-	-	-	-	-	579	-	579
Security based payment transactions		-	-	1,159	-	-	-	-	1,159	-	1,159
Equity raising transaction costs		(1)	(9)	-	-	-	-	-	(10)	-	(10)
Dividends/distributions	2	-	-	-	-	-	-	(9,189)	(9,189)	(526)	(9,715)
		50	518	1,159	-	-	-	(9,189)	(7,462)	(526)	(7,988)
Balance at 30 June 2021		**1,241**	**195,395**	**10,539**	**4,898**	**(1,937)**	**14,092**	**(25,846)**	**198,383**	**120,047**	**318,430**

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

	Note	30 June 2022 $'000	30 June 2021 $'000
Cash flows from operating activities			
Cash receipts from customers		11,874	16,828
Cash payments to suppliers and employees		(16,488)	(16,738)
Dividends and distributions received		6,843	5,061
Payment of transaction costs to acquire subsidiaries		-	(824)
Finance revenue		268	622
Finance expenses		(134)	(300)
Income tax paid		(6,391)	-
Net cash (outflows)/inflows from operating activities	20	**(4,028)**	4,649
Cash flows from investing activities			
Proceeds from disposal of investment properties	10	3,610	-
Proceeds from disposal of investment in equity accounted entities		5,456	
Payments for property, plant and equipment	13	(6,298)	(23,482)
Payments for equity accounted investments		(7,593)	(766)
Payments for financial assets	9	(21,330)	(105,154)
Proceeds from disposal of financial assets		28,933	13,351
Payments for intangibles		(621)	(549)
Payments for subsidiaries		-	(43,204)
Proceeds from disposal of subsidiaries	25	68,165	-
Proceeds from loans receivable		-	19,800
Payment of transaction costs		(36)	(1,178)
Net cash inflows/(outflows) from investing activities		**70,286**	(141,182)
Cash flows from financing activities			
Proceeds from borrowings		1,008	20,000
Repayment of borrowings		(2,172)	(70)
Payments for borrowing costs		(7)	(108)
Proceeds from issue of capital – NCI, net of capital raising costs		-	40,631
Distributions paid to stapled securityholders		(12,155)	(9,198)
Distributions paid to external non-controlling interests		(526)	(1,964)
Payment of transaction costs to issue capital		-	(10)
Payment of transaction costs to issue capital NCI		(131)	(593)
Payment for buy back of stapled securities NCI		-	(669)
Redemption of units from external non-controlling interests		-	(10,723)
Net cash (outflows)/inflows from financing activities		**(13,983)**	37,296
Net increase/(decrease) in cash and cash equivalents		**52,275**	(99,237)
Cash and cash equivalents at the beginning of the year		54,263	149,521
Net cash balance on consolidation/deconsolidation of controlled entities	25	(26,209)	3,979
Cash and cash equivalents at the end of the year	20	**80,329**	54,263

The above consolidated 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
During the year ended 30 June 2022, the Group reported on the following core business segments comprising the three investment strategies which make up its alternative assets 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 transactions associated with the public equities segment during the prior 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 Executive Chairman, 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 and realised foreign exchange gains and losses, impairment adjustments, share of equity accounted non-operating items, security based payments expense and all other non-operating activities. Funds management revenue and Investment revenue includes recognised and distributable gains made on disposal of investments and other interests. Recognised or distributable gains or losses 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 inclusion of the consolidated results from entities deemed to be controlled under AASB 10, these entities have 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 refer to Note 26(b) for a list of controlled entities with non-controlling interest.

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.

Note 1: Segment reporting (continued)

The operating segments provided to the Board for the reportable segments for the year ended 30 June 2022 are as follows:

Year ended 30 June 2022	Real Assets	Private Equity	Public Equity	Credit	Corporate	Operating profit	Consolidation & eliminations	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Funds management revenue	6,212	28	-	321	-	**6,561**	4,434	10,995
Investment revenue	29,736	17,103	-	242	-	**47,081**	(1,161)	45,920
Rental revenue	-	-	-	-	-	**-**	327	327
Finance revenue	-	-	-	-	248	**248**	13	261
Total revenue and other income	**35,948**	**17,131**	**-**	**563**	**248**	**53,890**	3,613	**57,503**
Operating expenses	1,992	166	-	1,592	6,075	**9,825**	2,983	12,808
Earnings before interest and tax (EBIT)	**33,956**	**16,965**	**-**	**(1,029)**	**(5,827)**	**44,065**	629	**44,695**
Interest expense	-	-	-	-	-	**-**	274	274
Operating profit before tax	**33,956**	**16,965**	**-**	**(1,029)**	**(5,827)**	**44,065**	355	**44,421**
Income tax benefit/(expense)	-	-	-	-	(13,202)	**(13,202)**	284	(12,918)
Operating profit (before non-operating items)	**33,956**	**16,965**	**-**	**(1,029)**	**(19,029)**	**30,863**	639	**31,503**
Non-operating items	1,655	(842)	-	(934)	929	808	1,016	1,824
Statutory net profit attributable to securityholders	**35,611**	**16,123**	**-**	**(1,963)**	**(18,100)**	**31,671**	1,655	**33,327**
Operating earnings used in calculating - operating EPS						**30,863**		
Weighted average number of securities - basic ('000)						218,998		
Operating profit per security (EPS) - cents						**14.1**		

Reconciliation of total segment revenue to total revenue in the statement of profit or loss is on page 46.

Note 1: Segment reporting (continued)

The operating segments provided to the Board for the reportable segments for the year ended 30 June 2021 are as follows:

Year ended 30 June 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	4,264	231	321	454	585	**5,855**	7,128	12,983
Investment revenue	4,077	10,628	-	58	-	**14,763**	(2,646)	12,117
Rental revenue	-	-	-	-	-	**-**	2,416	2,416
Finance revenue	126	-	-	-	269	**395**	152	547
Total revenue and other income	**8,467**	**10,859**	**321**	**512**	**854**	**21,012**	**7,050**	**28,063**
Operating expenses	997	288	1,079	767	7,381	**10,512**	10,635	21,147
Earnings before interest and tax (EBIT)	**7,470**	**10,571**	**(758)**	**(255)**	**(6,527)**	**10,500**	**(3,585)**	**6,915**
Interest expense	-	-	-	-	-	**-**	439	439
Operating profit before tax	**7,470**	**10,571**	**(758)**	**(255)**	**(6,527)**	**10,500**	**(4,024)**	**6,476**
Income tax benefit/(expense)	-	-	-	-	(1,412)	**(1,412)**	751	(661)
Operating profit (before non-operating items)	**7,470**	**10,571**	**(758)**	**(255)**	**(7,939)**	**9,088**	**(3,272)**	**5,816**
Non-operating items	3,973	(3,745)	(1,491)	(159)	(2,376)	(3,798)	7,544	3,746
Statutory net profit attributable to securityholders	**11,443**	**6,826**	**(2,249)**	**(414)**	**(10,315)**	**5,290**	**4,271**	**9,561**
Operating earnings used in calculating - operating EPS						**9,088**		
Weighted average number of securities - basic ('000)						218,543		
Operating profit per security (EPS) - cents						**4.2**		

Reconciliation of total segment revenue to total revenue in the statement of profit or loss is on page 46.

Note 1: Segment reporting (continued)

Reconciliation of total segment revenue to total revenue in the statement of profit or loss is as follows:

	30 June 2022 $'000	30 June 2021 $'000
Total revenue per segment report	**57,503**	28,063
Investment property expenses reported in rental revenue	64	128
Data centre facility costs reported in investment revenue	599	-
Share of equity accounted profits, non-operating items	6,420	(183)
Recognised operating gain	(26,507)	-
Net gain on disposal of financial assets	(5,706)	(8,912)
Net gain on disposal of subsidiary	(13,859)	-
Share of equity accounted profit	(9,739)	(2,731)
Other income	(123)	(893)
Total revenue in the statement of profit or loss	**8,652**	15,472

Note 1: Segment reporting (continued)

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

	Operating profit 30 June 2022	Operating profit 30 June 2021	30 June 2022	30 June 2021
	$'000	$'000	$'000	$'000
Profit after tax attributable to stapled securityholders	**31,671**	5,290		
Profit for the year			**33,327**	9,561
Non-operating items				
Net gain on fair value of financial assets	(20,716)	(1,946)	(19,628)	(3,800)
Recognised operating gain [1,2]	26,507	1,460	26,507	(106)
Net gain on fair value of investment properties	-	-	-	(8,000)
Impairments and loss allowance	-	1,113	5	1,167
Security based payments expense	622	968	766	1,401
Share of equity accounted profits, non-operating items	(6,420)	181	(6,420)	181
Foreign exchange loss/(gain)	797	(773)	(1,424)	153
Transaction costs	699	1,793	694	4,257
Other items	(341)	-	(368)	-
Tax effect of non-operating items	(1,956)	1,002	(1,956)	1002
Operating profit (before non-operating items)	**30,863**	9,088	**31,503**	5,815

[1] During the year, the Group recognised an operating gain of $23.0 million relating to the Scheme of Arrangement (SOA) between Charter Hall Partnership and Irongate Group approved by securityholder of Irongate Group on 29 June 2022. At 30 June 2022 all substantial conditions precedent relating to the SOA had been satisfied including a satisfactory Independent Expert Report, securityholder approval, FIRB and New Zealand Overseas Investment Office approval and only the Second Judicial Advice was outstanding which was subsequently received on 5 July 2022. Settlement of the sale of the IAP securities under the SOA occurred on 15 July 2022.
[2] During the year, the Group recognised an operating gain adjustment of $2.9 million relating to the difference between the realised gain and the accounting gain on the disposal of its FibreconX investment on 16 November 2021.

Note 1: Segment reporting (continued)

The segment balance sheet provided to the Board for the reportable segments for the year ended 30 June 2022 and 30 June 2021 are as follows:

As at 30 June 2022	Real Assets $'000	Private Equity $'000	Public Equity $'000	Credit $'000	Corporate $'000	Total core $'000	Consolidation & eliminations $'000	Total $'000
Assets								
Cash and cash equivalents	-	-	-	-	76,466	**76,466**	3,863	80,329
Financial assets and equity accounted assets	139,646	5,470	-	3,588	-	**148,704**	3,386	152,090
Investment properties & property plant and equipment	-	-	-	-	3,038	**3,038**	(531)	2,507
Other assets	-	-	-	-	2,934	**2,934**	640	3,574
Goodwill & Intangibles	2,500	-	-	114	-	**2,614**	2,785	5,399
Total assets	142,146	5,470	-	3,702	82,438	**233,756**	10,143	243,899
Liabilities								
Borrowings	-	-	-	-	-	**-**	-	-
Other liabilities	36	-	-	144	15,874	**16,054**	93	16,147
Total liabilities	36	-	-	144	15,874	**16,054**	93	16,147
Net assets	**142,110**	**5,470**	**-**	**3,558**	**66,564**	217,702	10,050	227,752
Net assets used to calculate NAV per security						**217,702**		
Total issued securities - basic ('000)						218,998		
NAV per security basic - $						**0.99**		

As at 30 June 2021	Real Assets $'000	Private Equity $'000	Public Equity $'000	Credit $'000	Corporate $'000	Total core $'000	Consolidation & eliminations $'000	Total $'000
Assets								
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
Total assets	132,989	47,450	69	4,135	23,759	**208,402**	161,345	369,747
Liabilities								
Borrowings	-	-	-	-	-	**-**	20,875	19,927
Other liabilities	962	174	307	254	8,323	**10,019**	20,423	31,390
Total liabilities	962	174	307	254	8,323	**10,019**	41,298	51,317
Net assets	**132,027**	**47,276**	**(238)**	**3,881**	**15,436**	198,383	120,047	318,430
Net assets used to calculate NAV per security						**198,383**		
Total issued securities - basic ('000)						218,998		
NAV per security basic - $						**0.91**		

Note 2: Distributions and dividends

The Company declared $13.1 million fully franked dividends during the year as detailed below (June 2021: nil). There were no distributions declared by 360 Capital Investment Trust during the year (June 2021: $9.2 million).

Dividend / Distribution period	Date of payment	Cents per unit	30 June 2022 $'000	30 June 2021 $'000
September 2021 quarter	27 October 2021	1.5	3,285	-
December 2021 quarter	27 January 2022	1.5	3,285	-
March 2022 quarter	27 April 2022	1.5	3,285	-
June 2022 quarter	27 July 2022	1.5	3,285	-
Total dividend for the year ended 30 June 2022		**6.0**	**13,140**	**-**
September 2020 quarter	27 October 2020	1.0	-	2,295
December 2020 quarter	27 January 2021	1.0	-	2,295
March 2021 quarter	28 April 2021	1.0	-	2,299
June 2021 quarter	28 July 2021	1.0	-	2,300
Total distribution for the year ended 30 June 2021		4.0	-	9,189

Note 3: Revenue

Rental from investment properties include:

	30 June 2022 $'000	30 June 2021 $'000
Malaga Data Centre, Perth, WA	391	2,544
	391	2,544

The Group held a 33.2% investment in Global Data Centre Group (ASX: GDC) and as the responsible entity is 360 Capital FM Limited, the Group is deemed to control this entity. Accordingly, the results of GDC are consolidated into the financial results of the Group, including the investment property located at Malaga, Perth. On 7 September 2021, the Group sold its 33.2% interest in GDC, and deconsolidated GDC at that date.

Management fees include:

	30 June 2022 $'000	30 June 2021 $'000
Fund management fees	1,416	1,382
Performance fees	-	2,424
Acquisition and disposal fees	30	101
Service fees	214	470
Other fees	187	400
	1,847	4,777

Note 3: Revenue (continued)

Distributions from investments include:

	30 June 2022 $'000	30 June 2021 $'000
E&P Financial Group (ASX: EP1)	-	934
Irongate Group (ASX: IAP)	4,351	1,376
360 Capital Enhanced Income Fund (ASX: TCF)	242	58
Asia Connectivity Elements	-	837
	4,593	3,205

Note 4: Transaction costs

	30 June 2022 $'000	30 June 2021 $'000
Business combination transaction costs	245	2,789
Fund establishment costs	127	710
Brokerage fees	45	249
Transaction costs - other	277	509
	694	4,257

In prior year, business combination transaction costs included a $2.3 million related to the acquisitions by GDC.

Note 5: Employee benefit expenses

	30 June 2022 $'000	30 June 2021 $'000
Wages and salaries	4,305	6,694
Employer superannuation contributions	444	802
Bonuses	2,561	2,068
Security based payments expense	766	1,401
Payroll tax	292	342
	8,368	11,307

The fair value of the issue of securities and rights under the ESP and EIP has been determined by an independent Actuary using a binominal pricing model. The Group has recognised $0.8 million (2021: $1.0 million) of security based payment expense in the statement of profit or loss. Further information on the ESP and EIP and the fair value calculation is provided in Note 19.

Note 6: Finance expenses

	30 June 2022 $'000	30 June 2021 $'000
Interest and finance charges paid and payable	274	439
	274	439

Note 7: 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 year are:

	30 June 2022 $'000	30 June 2021 $'000
Profit before tax attributable to stapled securityholders	**42,733**	**11,573**
Income tax expense at the effective corporate rate of 30% (2021: 26.0%)	12,820	3,009
Increase/(decrease) in income tax expense due to:		
Trust income exempt from income tax	190	(445)
Tax deferred distribution income	-	(94)
Capital losses applied to disposal of shares	(341)	(221)
Gain on disposal recognised in equity	(2)	380
Loss from business acquisition	41	-
Equity accounted profits	(1,715)	(524)
Employee Security Plan interest income taxable	-	116
Security based payments expense non-tax deductible	186	252
Dividend income	183	104
Intangible - management rights	-	55
Other tax adjustments	79	(5)
Income tax expense	**11,441**	2,626
Adjustment for current tax of prior years	(4)	122
Impact of change in tax rate	236	41
Franking credits current year	(611)	(400)
Income tax attributable to NCI	(100)	(728)
Income tax expense recognised in the statement of profit or loss	**10,962**	1,661

The 360 Capital Group Limited has carried forward capital tax losses of $1.2 million which it has not recognised as a deferred tax asset as it not considered probable that the corporate entities in the Group will realise any capital gains through the sale of assets and therefore the capital losses had not been recognised.

Note 8: Receivables

Receivables include:

	30 June 2022 $'000	30 June 2021 $'000
Current		
Trade receivables	467	6,189
Call option receivable	-	28,933
Interest receivables	-	7
Distributions receivable	538	436
Other receivables	126	5,029
	1,131	40,594

Call option receivable consists of a $28.9 million receivable from a call option contract exercised on 28 June 2021 for the disposal of the Group's holding in E&P Financial Group (ASX: EP1). On 12 July 2021 this amount was settled.

Loans receivable include:

	30 June 2022 $'000	30 June 2021 $'000
Current		
Loans to JVs and associates	-	2,489
Secured loans – amortised cost	-	-
Loss allowance	-	-
	-	2,489

a) Expected credit losses

During the year, the Group has assessed that there is not a material ECL and not recognised an expected credit loss provision at 30 June 2022 (2021: nil).

b) Fair values

The receivables are carried at amounts that approximate their fair value. There are no receivables where the fair value would be materially different from the carrying value.

c) Credit risk

There is a limited amount of credit risk – refer to Note 23 for more information on the risk management policy of the Group.
As at 30 June 2022, trade receivables of Nil (2021: Nil) were past due but not impaired.

Note 9: Financial assets at fair value through profit or loss

	30 June 2022 $'000	30 June 2021 $'000
Current		
Shares in listed entities	532	-
IAP securities	92,038	-
Total	**92,570**	-
Non-current		
Shares in unlisted entities	10,243	42,356
Shares in listed entities	3,588	54,047
	13,831	96,403
	106,401	96,403

During the year, the Group disposed its 33.2% interest in GDC, as a result GDC's investments in unlisted companies were deconsolidated from the Group. Refer to Note 25 for more information.

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

	30 June 2022 $'000	30 June 2021 $'000
Balance at 1 July	96,403	20,927
Financial assets acquired – on market	21,330	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/(loss) on disposal of financial assets	-	8,912
Fair value adjustment of financial assets	19,643	3,800
Derecognition on disposal of subsidiary	(31,687)	(9,846)
Unrealised foreign exchange gain on financial assets	712	(932)
Other movements	-	(123)
Closing balance	**106,401**	**96,403**

On 28 January 2022, the Group and TOT and Charter Hall Group (ASX: CHC)(Charter Hall) had entered into a Memorandum of Understanding (MOU) under which Charter Hall submitted an indicative and non-binding proposal to acquire all of the stapled securities in at the price of $1.90 per security, by way of an agreed trust scheme.

The trust scheme was approved by the securityholders on 29 June 2022 and all the conditions precedents were satisfied on 5 July 2022. The Scheme was implemented, and the sale proceeds were paid to the securityholders on 15 July 2022.

The Group's investment in IAP securities $92.0 million was reclassified from non-current to current Financial assets at fair value through profit or loss.

During the year, the Group recorded a fair value loss of $1.1 million on the carrying value of its investment in Cardioscan. Due to the continuing disruption in the operating environment for the healthcare sector across the global markets in which the company operates the rate of expansion in these jurisdictions has been slower that previously forecast impacting the fair value of the investment.

Note 10: Investment properties

	30 June 2022 $'000	30 June 2021 $'000
Investment properties held for sale		
20 Lower Clifton Terrace, Red Hill, QLD	510	-
Investment properties		
Data Centre, Malaga, Perth, WA	-	45,000
Total	**510**	45,000

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

	30 June 2022 $'000	30 June 2021 $'000
Opening Balance 1 July	45,000	37,000
Derecognition on deconsolidation	(45,000)	-
Investment properties acquired through business combination	4,035	-
Proceeds from disposal of investment properties	(3,610)	-
Gain on disposal of investment properties	35	-
Fair value adjustment of investment properties	50	8,000
Total	**510**	45,000

Following the disposal of GDC in September 2021, the GDC's investment property, the Data Centre, Malaga, Perth, WA is deconsolidated from the Group's financial statements.

On 31 March 2022, following the resignation of the managing director of Dealt Holdings, the Group was deemed to control the company, refer to Note 24. The investment properties held by Dealt Group, an apartment located at 20 Lower Clifton Terrace, Red Hill, QLD was consolidated to the Group's financial statements since then. The 5 units of the apartment consolidated into the financial statement were in the process of being sold during the year. As at 30 June 2022, there was only one unit left with carrying value of $0.5 million, which was subsequently settled on 14 July 2022.

a) Valuation basis

Investment properties are carried at fair value. Fair value of the properties is determined by the Directors, having regard to the most recent independent valuations prepared by valuers with appropriately recognised professional qualification and recent experience in the location and category of the property being valued. Valuation methods used to determine the fair value include market sales comparison, discounted cash flow and capitalisation rate. The fair value for a property may be determined using a combination of these and other valuation methods. As discounted cash flow and capitalisation rate use unobservable inputs, the investment property is categorised as Level 3 under the Fair Value Hierarchy. These inputs include net passing rent, gross market rent and net market rent as set out in the sensitivity matrix below.

Market sales comparison: The sales comparison approach utilises recent sales of comparable properties, adjusted for any differences including the nature, location and lease profile, to indicate the fair value of a property. Where there is a lack of recent sales, activity adjustments are made from previous comparable sales to reflect changes in economic conditions.

Discounted cash flow: Projections derived from contracted rents, market rents, operating costs, lease incentives, lease fees, capital expenditure and future income on vacant space are discounted at a rate to arrive at a value. The discount rate is a market assessment of the risk associated with the cash flows, and the nature, location and tenancy profile of the property absolute to returns from alternative investments, CPI rates and liquidity risk. It is assumed that the property is sold at the end of the investment period at terminal value. The terminal value is determined by using an appropriate capitalisation rate.

Capitalisation rate: An assessment is made of fully leased net income based on contracted rents, market rents, operating costs and future income on vacant space. The adopted fully leased net income is capitalised in perpetuity from the valuation date at an appropriate capitalisation rate. The capitalisation rate reflects the nature, location and tenancy profile of the property together with current market investment criteria, as evidenced by current sales evidence. Various adjustments, including incentives, capitalised expenditure and reversions to market rent are made to arrive at the property value.

Note 10: Investment properties (continued)

b) Sensitivity Matrix

Inputs	Fair value measurement sensitivity to increase in input	Fair value measurement sensitivity to decrease in input
Net passing rent	Increase	Decrease
Gross market rent	Increase	Decrease
Net market rent	Increase	Decrease
Adopted capitalisation rate	Decrease	Increase
Adopted terminal yield	Decrease	Increase
Adopted discount rate	Decrease	Increase

Capitalisation and discount rates are considered significant Level 3 inputs. The $0.5 million valuation of the apartment unit located at 20 Lower Clifton Terrace, Red Hill, QLD is based on the market value. In prior year, the valuation of $45.0 million for the data centre in Perth is based on a capitalisation rate of 5.0% and a discount rate 6.5%.

Refer to Note 23 for further information on the fair value hierarchy.

Net passing rent is the contracted amount for which a property or space within a property is leased. In a net rent, the owner recovers outgoings from the tenant on a pro-rata basis (where applicable).

Gross market rent is the estimated total amount for which a tenancy within a property should lease between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and wherein the parties have each acted knowledgably, prudently and without compulsion.

Net market rent is the estimated amount for which a property or space within a property should lease between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and wherein the parties have each acted knowledgeably, prudently and without compulsion. In a net rent, the owner recovers outgoings from the tenant on a pro-rata basis (where applicable).

c) Highest and best use

For all investment properties, the current use equates to the highest and best use.

d) Leases as lessor

The investment properties were leased to tenants under long term operating leases with rentals payable monthly. Due to the deconsolidation of the GDC investment property, and lease expiry of the apartments held for sale, there is no rental receivable as at 30 June 2022.

Minimum lease payments under non-cancellable operating leases of the investment properties not recognised in the financial statements are receivable as follows:

	30 June 2022 $'000	30 June 2021 $'000
No later than 12 months	-	2,424
Between 12 months and five years	-	8,080
Greater than five years	-	-
	-	10,504

Note 11: Investments equity accounted

	30 June 2022 %	30 June 2021 %	30 June 2022 $'000	30 June 2021 $'000
Joint venture				
AMF Finance Pty Limited[2]	-	50.0	-	82
TGP TOT JV Pty Limited[2]	-	50.0	-	575
Dealt Holdings Limited[2]	26.5	-	-	-
360 Capital Digital Management Pty Ltd	-	50.0	-	945
Digital Software Solutions Pty Ltd[3]	-	45.0	-	984
Hotel Capital Partners Pty Limited[1]	70.0	70.0	284	180
Gateway Network Connections LLC	-	51.0	-	27,301
Etix Everywhere Nantes 2 S.A.S[4]	-	50.0	-	2,128
Etix Everywhere Nord S.A.S[4]	-	50.0	-	1,047
BelgiumDC SA[4]	-	50.0	-	2,796
Etix Everywhere Compunet Inversiones S.A.S[4]	-	50.0	-	1,560
Etix Compunet S.A.S[4]	-	50.0	-	128
Associate				
360 Capital REIT	24.5	20.2	45,405	31,687
			45,689	69,413

1. 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.
2. These entities were transferred to subsidiaries and consolidated to the Group's result during the year.
3. This entity is now named Dealt Pty Ltd and100% owned by Dealt Holdings Limited.
4. These Etix Everywhere entities were disposed as part of GDC disposal.

Joint ventures

AMF Finance Pty Limited
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 is consolidated into TGP financial results.

TGP TOT JV Pty Limited
In October 2021 the Group purchased TOT's 50% stake in TGP TOT JV Pty (TGP TOT JV) Limited for $569,192. 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.

Digital Software Solutions Pty Ltd (now named Dealt Pty Ltd)
On 8 October 2021, the Group & its JV partners sold Digital Software Solutions Pty Ltd to Dealt Holdings Limited for $1.8 million (50% cash & 50% scrip in Dealt Holdings Limited) and recognised a gain of $816,500.

Dealt Holdings Limited
The Group received $1.8 million (50% cash & 50% scrip in Dealt Holdings Limited) from the sale of Digital Software Solutions Pty Ltd to Dealt Holdings Limited. As at 30 June 2022, the Group holds a total of 26.5% of Dealt Holdings Limited. Following the resignation of the managing director of Dealt Holdings Limited on 31 March 2022, Dealt Holdings Limited is deemed to be controlled by the Group and therefore it has been consolidated in to TGP financial results since that date.

360 Capital Digital Management Pty Ltd
On 16 December 2021, the Group sold its JV interest in 360 Capital Digital Management Pty Limited (CDM) for $4,556,343 to entities associated with David Yuile who was the 50% JV partner in CDM. A gain of $4,358,225 was realised from the sale.

Etix Everywhere entities

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 24.5% interest (2021: 20.2%) in 360 Capital REIT (ASX: TOT) and is also the responsible entity of the fund.

Note 11: Investments accounted for using the equity method (continued)

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

	30 June 2022 $'000	30 June 2021 $'000
360 Capital REIT		
Opening Balance - 1 July	31,687	31,497
Acquisitions of interest	6,247	-
Share of equity accounted profit	9,448	1,857
Distributions	(1,977)	(1,667)
Closing Balance	**45,405**	31,687
AMF Finance Pty Limited		
Opening Balance - 1 July	82	181
Share of equity accounted loss	(22)	(99)
Disposal on consolidation of subsidiary	(60)	-
Closing Balance	**-**	82
TGP TOT JV Pty Limited		
Opening Balance - 1 July	575	962
Share of equity accounted loss	(42)	-
Disposal on consolidation of subsidiary	(533)	(387)
Closing Balance	**-**	575
Dealt Holdings Limited		
Opening Balance - 1 July	-	-
Acquisitions of interest	1,983	-
Share of equity accounted loss	(101)	-
Disposal on consolidation of subsidiary	(1,882)	-
Closing Balance	**-**	-
360 Capital Digital Management Pty Ltd		
Opening Balance - 1 July	945	78
Proceeds from disposal	(4,556)	-
Gain on disposal	4,358	-
Share of equity accounted (loss)/profit	(372)	867
Distributions	(375)	-
Closing Balance	**-**	945
Digital Software Solutions Pty Ltd		
Opening Balance - 1 July	984	1,008
Proceeds from disposal	(1,800)	-
Gain on disposal	816	-
Share of equity accounted loss	-	(24)
Closing Balance	**-**	984
Hotel Capital Partners Pty Ltd		
Opening Balance - 1 July	180	-
Acquisitions of interest	-	250
Share of equity accounted profit	104	(70)
Closing Balance	**284**	180

Note 11: Investments equity accounted (continued)

	30 June 2022 $'000	30 June 2021 $'000
Gateway Network Connections LLC		
Opening Balance - 1 July	27,301	-
Acquisition through business combination	-	27,207
Share of equity accounted profit	-	727
Foreign currency translation	430	(633)
Derecognition on deconsolidation	(27,731)	-
Closing Balance	-	27,301
ETIX Everywhere Nantes 2 S.A.S		
Opening Balance - 1 July	2,128	-
Acquisition through business combination	-	2,094
Acquisition of interest	-	196
Share of equity accounted profit	723	(59)
Derecognition on deconsolidation	(2,851)	-
Foreign currency translation	-	(103)
Closing balance	-	2,128
ETIX Everywhere Nord 2 S.A.S		
Opening Balance - 1 July	1,047	-
Acquisition through business combination	-	1,172
Share of equity accounted loss	-	(66)
Derecognition on deconsolidation	(1,047)	-
Foreign currency translation	-	(59)
Closing balance	-	1,047
BelgiumDC SA		
Opening Balance - 1 July	2,796	-
Acquisition through business combination	-	2,490
Acquisition of interest	-	391
Share of equity accounted profit	-	34
Derecognition on deconsolidation	(2,796)	-
Foreign currency translation	-	(119)
Closing balance	-	2,796
ETIX Everywhere Compunet Inversiones S.A.S		
Opening Balance - 1 July	1,560	-
Acquisition through business combination	-	1,913
Share of equity accounted loss	-	(178)
Derecognition on deconsolidation	(1,560)	-
Foreign currency translation	-	(175)
Closing balance	-	1,560
ETIX Compunet S.A.S		
Opening Balance - 1 July	128	-
Derecognition on deconsolidation	(128)	-
Share of equity accounted profit	-	128
Closing balance	-	128
Total investments equity accounted	**45,689**	69,413

Note 11: Investments equity accounted (continued)

The following table provides summarized financial information relating to 360 Capital REIT:

	30 June 2022 $'000	30 June 2021 $'000
360 Capital REIT		
Current assets	196,996	144,400
Non current assets	4,771	17,323
Current liabilities	(2,828)	(4,630)
Non current liabilities	(13,827)	(42)
Equity	185,112	157,051
Group's share of net assets	**45,405**	31,687
Group's carrying amount of investment	**45,405**	31,687
	$'000	**$'000**
Revenue from continuing operations	52,680	25,887
Expenses	(5,047)	(14,243)
Total comprehensive income for the year	47,633	11,644
Tax expense	(13,908)	(2,409)
Net Profit after tax	33,725	9,235
Group's share of profit	**9,448**	1,857

The following table provides summarized financial information relating to Gateway Network Connections LLC:

	30 June 2022 $'000	30 June 2021 $'000
Current assets	-	4,233
Non-current assets	-	22,212
Current liabilities	-	1,038
Non-current liabilities	-	6,022
Equity	**-**	19,385
Group's share of net assets	**-**	9,886
Intangible arising from acquisition of investee	-	17,415
Group's carrying amount of investment	**-**	27,301
Revenue from continuing operations	-	2,605
Expenses	-	(810)
Total comprehensive income for the year	-	1,795
Tax expense	-	(368)
Net profit after tax	**-**	**1,427**
Group's share of profit	**-**	**727**

Note 12: Intangible assets

	30 June 2022 $'000	30 June 2021 $'000
Indefinite life management rights	2,614	2,614
Software	2,785	1,251
Customer contracts	-	6,004
Goodwill	-	16,718
	5,399	26,587

A reconciliation of the movements in the carrying value of intangible assets during the year is set out below:

Indefinite life management rights

	30 June 2022 $'000	30 June 2021 $'000
Cost		
Balance at start of year	2,614	2,500
Acquisition of management rights	-	114
Total	**2,614**	2,614
Net book value	**2,614**	2,614

Management rights included $0.1 million associated with 360 Capital Enhanced Income Fund (ASX:TCF) acquired in 2021 and $2.5 million associated with URB Investments Limited (URB) in December 2019.

Software

	30 June 2022 $'000	30 June 2021 $'000
Cost		
Balance at start of year	1,281	320
Derecognition on deconsolidation	(1,281)	-
Acquisition through business combination	2,800	
Additions	153	961
Total	**2,953**	1,281
Accumulated Amortisation		
Balance at start of year	(30)	-
Derecognition on deconsolidation	30	-
Amortisation	(168)	(30)
Total	**(168)**	(30)
Net book value	**2,785**	1,251

During the year, Fibreconx's software used to support the dark fibre network being constructed around Sydney was derecognised on deconsolidation,and Dealt's software for an online brokerage platform for commercial real estate was acquired through business combination. Total carrying value at year end reflects the total capitalized cost of Dealt's software to date less amortisation.

Note 12: Intangible assets (continued)

Customer Contracts

	Note	30 June 2022 $'000	30 June 2021 $'000
Cost			
Balance at start of year		6,212	-
Derecognition on deconsolidation		(6,212)	-
Acquired through business combination		-	6,536
Exchange differences on translation of foreign operation		-	(324)
Total		**-**	6,212
Accumulated Amortisation			
Balance at start of year		(208)	-
Derecognition on deconsolidation		208	-
Amortisation		-	(205)
Exchange differences on translation of foreign operation		-	(3)
Total		**-**	(208)
Net book value		**-**	6,004

Customer contracts were recognised as part of the fair value assessment of assets acquired through the ETIX acquisition and was being amortised over 15 years. During the year, the Group derecognised customer contracts as the result of deconsolidation of its co-investment in GDC.

Goodwill

	Note	30 June 2022 $'000	30 June 2021 $'000
Cost			
Balance at start of year		16,718	1,123
Goodwill recognised on business combination	24	-	17,588
Derecognition on deconsolidation		(16,718)	-
Exchange differences on translation of foreign operation		-	(870)
Goodwill written off		-	(1,123)
Total		**-**	16,718

The goodwill with carrying value of $16.7 million as at 30 June 2021 was recognised as part of the fair value assessment of assets acquired through the ETIX acquisition in GDC in prior year and allocated to the ETIX cash generating unit. During the year, the Group derecognised it upon the disposal of GDC.

Goodwill acquired through business combinations has been allocated to the applicable cash generating unit (CGU) for impairment testing and is tested for impairment annually.

The value of intangible assets are reviewed annually for impairment. Management's internal valuation for indefinite-life management rights as at 30 June 2022 have been undertaken using the discounted cash flow approach, on cash flow projections based on financial budgets approved by the directors covering a 5 year period. Cash flows beyond 5 years are extrapolated using appropriate estimated growth rates. The recoverable amount of the cash generating unit (CGU), is determined based on value-in-use calculations which require the use of assumptions.

Note 12: Intangible assets (continued)

Key assumption and sensitivity analysis used for indefinite life intangible calculations relating to the URB management rights:

- Post-tax discount rates are applied to future cash flows based using rates that are relevant to the Group (2022:7.7%) (2021: 8.1%)
- The equivalent pre-tax discount rate used is 11.0% (2021: 11.0%)
- Growth over the next 5 years of 3.0% (2021: 3.0%)

Impairment is tested at the CGU level, with the CGU representing the management agreements which generates management fee income.

Impairment of intangible assets
There was impairment recognised on goodwill during the year was nil (2021: $1.1 million).

Note 13: Property, plant and equipment

	30 June 2022 $'000	30 June 2021 $'000
Non-current		
Construction in progress	-	27,521
Buildings	-	2,184
Equipment	274	1,469
	274	31,174

During the year, the Group derecognised the Fibreconx construction on a dark fibre network around Sydney and the GDC's property, plant and equipment related to the acquisition of the ETIX Everywhere business in December 2020.

As at 30 June 2022, the balance represents the costs of office equipment and fit-out less accumulated depreciation.

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

Construction in progress

	30 June 2022 $'000	30 June 2021 $'000
Cost		
Balance at start of year	27,521	601
Derecognition on deconsolidation	(33,819)	-
Acquisitions	6,298	26,920
Total	**-**	27,521
Net book value	**-**	27,521

Note 13: Property, plant and equipment (continued)

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

Right of use asset

	Note	30 June 2022 $'000	30 June 2021 $'000
Cost			
Balance at start of year		2,221	-
Derecognition on deconsolidation		(2,221)	-
Acquired through business combination		-	2,337
Exchange differences on translation of foreign operation		-	(116)
Total		**-**	2,221
Accumulated Depreciation			
Balance at start of year		(37)	-
Derecognition on deconsolidation		37	
Depreciation		-	(37)
Total		**-**	(37)
Net book value		**-**	2,184

Equipment

	Note	30 June 2022 $'000	30 June 2021 $'000
Cost			
Balance at start of year		1,695	54
Derecognition on deconsolidation		(1,557)	-
Acquisitions		292	46
Disposal		(20)	-
Acquired through business combination		-	1,794
Exchange differences on translation of foreign operation		-	(199)
Total		**410**	1,695
Accumulated Depreciation			
Balance at start of year		(226)	-
Derecognition on deconsolidation		253	-
Depreciation		(163)	(223)
Exchange differences on translation of foreign operation		-	(3)
Total		**(136)**	(226)
Net book value		**274**	1,469

Note 14: Leases

The consolidated balance sheet contains the following amounts relating to leases:

	30 June 2022 $'000	30 June 2021 $'000
Right-of-use-assets		
Office leases	2,233	3,185
	2,233	3,185
Lease liabilities		
Lease liabilities - current	827	578
Lease liabilities – non current	1,873	3,723
	2,700	4,301

As 30 June 2022, the Group's lease only related to one office in Sydney CBD for 360 Capital Group. In prior year, the Group's leases include two office leases in Sydney CBD for 360 Capital Group and FibreconX. Lease liabilities also relate to French properties loans over 2 wholly owned ETIX Everywhere data centres.

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

Right-of-use assets	30 June 2022 $'000	30 June 2021 $'000
Opening balance at 1 July	3,185	-
Derecognition on deconsolidation	(364)	-
Additions – office leases	-	3,395
Depreciation	(588)	(211)
Closing balance	**2,233**	3,185

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

Lease liabilities	30 June 2022 $'000	30 June 2021 $'000
Opening balance 1 July	4,301	-
Derecognition on deconsolidation	(1,299)	-
Recognition of office lease liabilities	-	3,353
Drawdowns from facility	-	1,073
Payment of lease liabilities	(490)	-
Borrowing costs capitalised	188	(70)
Borrowing costs amortised	-	(55)
Closing balance	**2,700**	4,301

Note 15: Deferred tax assets and liabilities

	30 June 2022 $'000	30 June 2021 $'000
Deferred tax assets comprises temporary differences attributable to:		
Accrued expenses	658	840
Business acquisition costs	13	103
Tax losses	-	955
Others	2	-
Deferred tax assets	**673**	1,898
Deferred tax liabilities comprises temporary differences attributable to:		
Gain on investments	7,215	1,331
Management rights	813	705
Fair value adjustment on business combinations	-	1,772
Accrued revenue	156	2
Deferred tax liabilities	**8,184**	3,810
Net deferred tax (liabilities)/assets	**(7,511)**	(1,912)

Deferred tax assets and liabilities are shown as a net amount to the extent that they were with the same tax authority in Australia.

A reconciliation of the carrying amount of deferred tax assets and liabilities movements during the year is set out below:

	30 June 2022 $'000	30 June 2021 $'000
Balance at 1 July	(1,912)	1,086
Net deferred tax recognised upon business combination	-	(1,440)
Recognition and reversal of timing differences	(6,077)	(65)
Tax losses current year	-	211
Tax losses prior years utilised	-	(1,780)
Derecognition on deconsolidation	478	-
Foreign currency translation	-	76
Closing balance	**(7,511)**	(1,912)
Net deferred tax (liabilities)/assets expected to reverse within 12 months	(6,832)	1,795
Net deferred tax liabilities expected to reverse after more than 12 months	(679)	(3,707)
	(7,511)	(1,912)

For further information on recognition of deferred tax balances refer to Note 7.

Tax consolidation

360 Capital Group Limited formed a tax consolidated group with effect from 1 July 2005. All wholly owned Australian resident subsidiaries are part of the tax consolidated group. 360 Capital Group Limited is the head entity of the tax consolidated group. Members of the Group have entered into a tax sharing agreement that provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote.

Note 16: Trade and other payables

	30 June 2022 $'000	30 June 2021 $'000
Trade & GST payables	383	1,743
Accruals	1,774	7,860
Prepaid income	-	10,068
Other payables	18	71
	2,175	19,742

All trade and other payables are expected to be settled within 12 months.

Note 17: Borrowings

	30 June 2022 $'000	30 June 2021 $'000
Non-current		
Loan	-	19,927
Total non-current	**-**	19,927
Total Borrowings	**-**	19,927

Loan was related to a $20 million Bankwest loan secured over the Malaga data centre. During the year, the Group derecognised it on deconsolidation as the result of deconsolidation of its co-investment in GDC.

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

Loan	30 June 2022 $'000	30 June 2021 $'000
Opening balance 1 July	19,927	-
Derecognition on deconsolidation	(19,927)	-
Drawdowns from facility	-	20,000
Borrowing costs capitalised	-	(108)
Borrowing costs amortised	-	35
Closing balance	**-**	19,927

Note 18: Provisions

	30 June 2022 $'000	30 June 2021 $'000
Current		
Employee benefits	241	401
	241	401
Non-current		
Employee benefits	235	194
	235	194

Note 19: Equity

A 360 Capital Group stapled security comprises one 360 Capital Group Limited share stapled into one 360 Capital Investment Trust unit to create a single listed entity traded on the ASX. The stapled security cannot be traded or dealt with separately.

Ordinary securities
Ordinary securities of the Group are listed on the Australian Securities Exchange (ASX); there are no separate classes of securities and each security in the Group has the same rights attaching to it as all other securities of Group. Each ordinary security confers upon the securityholder an equal interest in the Group and is of equal value to other securities in the Group. A security does not confer upon the holder any interest in any particular asset or investment of the Group. The rights of securityholders are contained in the Group's Constitution and include:

- The right to receive a distribution determined in accordance with the provisions of the Group's Constitution, which states that securityholders are presently entitled to the distributable income of the Group as determined by the responsible entity;
- The right to attend and vote at meetings of securityholders; and
- The right to participate in the termination and winding up of the Group.

Redemption of units is not a right granted by the Constitution but may be performed at the discretion of the responsible entity.

Equity classification
Units are classified as equity. The Responsible Entity considers the units to meet the requirements for equity classification within AASB 132.16C-D based on the rights granted by the units.

(a) Issued capital

	30 June 2022 '000	30 June 2021 '000
360 Capital Group Limited - Ordinary shares issued[1]	218,998	218,998
360 Capital Investment Trust - Ordinary units issued[1]	218,998	218,998

1. Excluding ESP securities on issue and EIS rights issued

	$'000	$'000
360 Capital Group Limited - Ordinary shares issued	1,241	1,241
360 Capital Investment Trust - Ordinary units issued	195,395	195,395
Total issued capital	**196,636**	196,636

Note 19: Equity (continued)

(b) Movements in issued capital

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

	30 June 2022 '000	30 June 2021 '000
Opening balance at 1 July	218,998	218,373
Securities issued - Scrip	-	625
Closing balance at 30 June	**218,998**	218,998

In prior year, the Group issued 624,096 fully paid TGP stapled securities as script consideration of $0.6 million for its off-market takeover offer of E&P Financial Group. The offer included both a cash and scrip component. It closed on 31 March 2021 and the takeover did not proceed.

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. In September 2021, all remaining ESP securities were cancelled and the corresponding loans were fully settled due to not meeting the vesting conditions. Total ordinary securities issued as detailed above is reconciled to securities issued on the ASX as follows:

	30 June 2022 '000	30 June 2021 '000
Total ordinary securities disclosed at 1 July	218,998	218,998
Issued capital – ESP issued in August 2017	-	11,050
Total securities issued on the ASX	**218,998**	230,048

(c) Share Based Payment Schemes

Reconciliation of Shares and Rights outstanding under SBP Schemes

Plan	Balance 1 July 2021 Securities	Issued	Vested	Forfeited/ Cancelled	Balance 30 June 2022 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)	-
Total	**14,876,400**	**2,728,368**	**-**	**(12,293,600)**	**5,311,168**

Plan	Balance 1 July 2020 Securities	Issued	Vested	Forfeited/ Cancelled	Balance 30 June 2021 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
Total	**14,255,600**	**2,189,800**	**-**	**(1,569,000)**	**14,876,400**

Note 19: Equity (continued)

(c) Share Based Payment Schemes (continued)

Employee Share Plan

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 settled due to not meeting the vesting conditions. At 30 June 2022, there is no outstanding ESP securities.

Performance Rights

On 23 December 2019, a total of 1,364,200 and 391,400 performance rights were granted under LTI 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 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 in the Group. In September 2020, August 2021 and December 2021, 119,000, 446,700 and 25,300 performance rights were cancelled respectively. As at 30 June 2022 the minimum performance hurdle on the remaining 2019 LTI rights was not met therefore they did not vest and will be cancelled.

On 21 October 2020, a total of 1,589,300 and 600,500 performance rights were granted under the Group's LTI (LTI) offer (2020 LTI rights) to KMPs and staff respectively pursuant to the terms of the EIP, exercisable from on or around 31 August 2023 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 the Group. 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 EIP, exercisable from on or around 4 November 2026 subject to vesting conditions. The fair value of each performance right was $0.86 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 in the Group..

On 4 November 2021, a total of 1,289,700 and 237,900 performance rights were granted under the Group's 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 subject to vesting conditions. The fair value of each performance right was $0.39 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 in the Group.

The fair value of the issue of securities and rights under the ESP and EIP has been determined by an independent Actuary using a Black-Scholes option pricing model.

Note 20: Cash flow information

(a) Reconciliation of cash and cash equivalents

	30 June 2022 $'000	30 June 2021 $'000
Cash at bank	80,329	54,263
Cash and cash equivalents in the statement of cash flows	**80,329**	54,263

(b) Reconciliation of net profit to net cash inflows from operating activities

	30 June 2022 $'000	30 June 2021 $'000
Net profit for the year	**33,327**	9,561
Adjustment for:		
Depreciation	985	748
Net gain on disposal of financial assets	(5,706)	-
Net gain on disposal of subsidiary	(13,859)	(106)
Net (gain)/loss on fair value of financial assets	(19,628)	(3,800)
Net gain on fair value of investment properties	-	(8,000)
Foreign exchange gains	(1,424)	(153)
Security based payments expense	766	1,401
Share of equity accounted profits, net of distributions received	(7,387)	181
Transaction costs	-	3,433
Provision for loss	-	(1,167)
Change in assets and liabilities		
(Increase)/decrease in receivables and prepayments	8,855	(8,236)
Increase/(decrease) in creditors and accruals	(4,628)	8,897
Net decrease in income tax liabilities	4,671	1,890
Net cash inflows from operating activities	**(4,028)**	4,649

Risk

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

Note 21: Basis of preparation

a) Reporting entity

The 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 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 ASX. The stapled security cannot be traded or dealt with separately.

360 Capital Group Limited is a company limited by shares, established and domiciled in Australia. The registered office and the principal place of business is Suite 3701, Level 37, 1 Macquarie Place, Sydney NSW 2000 Australia. The nature of operations and principal activities of the Group are disclosed in the Directors' report.

The financial report was authorised for issue by the Board on 25 August 2022.

The principal accounting policies adopted in the preparation of the financial report are set out below and in Note 34.

b) Statement of compliance

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001.

The financial report complies with IFRS as issued and interpretations adopted by the International Accounting Standards Board.

c) Basis of preparation

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

The financial report has been prepared on an accruals basis and on the historical cost basis except for investment properties and certain financial assets and financial liabilities, which are stated at their fair value. The accounting policies set out in Note 34 have been applied consistently to all periods presented in this financial report. The accounting policies have been applied consistently by all entities in the Group.

The 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.

d) Critical judgements and significant accounting estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Note 21: Basis of preparation (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

The critical accounting estimates, judgements and assumptions have required additional analysis due to the COVID-19 pandemic. The Group has considered the impact of COVID-19 amongst other challenges including global supply chain disruption, increases in inflation and interest rates, geopolitical tensions and climate risks preparing its financial report for the year. The Group continually monitors these risks and considers them as part of its ongoing investment and funds management processes, changes to estimates and assumptions used to measure assets and liabilities may arise in the future. Other than adjusting events which provide evidence of conditions which existed at the reporting date, the impact of events that arise subsequent to the reporting date will be accounted for in future reporting periods.

The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities are:

Valuation of investment properties

The Directors ascertain the fair value of investment properties after having regard to independent valuations which are undertaken at least once in a two-year period. These valuations are determined through the use of the properties' lease profile and direct market comparison and include the valuers' assessments of appropriate capitalisation rates and discounted cash flow rates. The valuations are in accordance with accounting policy Note 34(l). The fair value assessment of the investment property includes the best estimate of the impacts of the COVID-19 pandemic using information available at the balance sheet date.

Income taxes

The Group is subject to income taxes in Australia and other jurisdictions in which controlled entities are domiciled. There are transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain.

The Group recognises assets and liabilities based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets are reduced to the extent that is no longer probable that the related tax benefit will be realised.

Financial assets at fair value through profit or loss

The fair value of investments which are not traded in an active market is determined by using valuation techniques. The Net Tangible Assets (NTA) of the underlying Funds is used as a basis for valuation but may be amended as deemed appropriate. The Group uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each statement of financial position date.

In determining the NTA of the underlying investments, property assets are either valued using an external professional valuer, or subject to a Director valuation. All other assets and liabilities held within entities are valued in accordance with accounting policies, consistent with those noted in Note 34.

Control of entities

The Group has consolidated the financial results of entities it is deemed to control under AASB10 *Consolidated Financial Statements*. Critical judgements are made by the Group to determine whether control exists, principally around the three criteria which must be met (refer to Note 34(b)). Further information on Controlled Entities is included in Note 26.

Note 22: Capital Management

Under the direction of the Board, the Group manages its capital structure to safeguard the ability of the Group to continue as a going concern while maximising the return to securityholders through the optimisation of net debt and total equity balances.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends and distributions paid to securityholders, return capital to securityholders, issue new stapled securities, purchase the Group's own securities on the market, or sell assets to reduce debt.

Neither the Company nor any of its controlled entities are subject to externally imposed capital requirements with the exception of the Responsible Entity. The Responsible Entity must hold capital in accordance with Australian Financial Services Licence requirements.

For information on issued capital refer to Note 19.

Note 23: Other financial assets and liabilities

Overview
360 Capital Group's activities expose it to various types of financial risks including credit risk, liquidity risk, and market risk. The Group's Board of Directors has responsibility for the establishment and oversight of the risk management framework ensuring the effective management of risk.

The Board has developed risk management principles and policies and monitors their implementation. Policies are established to identify and analyse the financial risks faced by the Group, to set appropriate risk limits and controls, and monitor the risks and adherence to limits. The Board meets regularly to review risk management policies and systems and ensure they reflect changes in market conditions and the Group's activities.

The nature and extent of the financial instruments and the risk management policies employed by the Group are discussed below.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is exposed to credit risk through the financial assets listed in the table below. The table also details the maximum exposure to credit risk for each class of financial instrument.

	30 June 2022 $'000	**30 June 2021 $'000**
Cash and cash equivalents	80,329	54,263
Receivables	1,131	38,105
Loans receivable	-	2,489
Total	**81,460**	94,857

The Group manages credit risk and the losses which could arise from default by ensuring that parties to contractual arrangements are of an appropriate credit rating, or do not show a history of defaults. At reporting date, there are no issues with the credit quality of financial assets that are neither past due or impaired, and all amounts are expected to be received in full. The Group has assessed that there is not a material ECL and not recognised an expected credit loss provision at 30 June 2022 (2021: nil).

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Note 23: Other financial assets and liabilities (continued)

Interest rate risk
The Group's interest rate risk arises from borrowings and cash balances. Borrowings are at variable interest rates and expose the Group to cash flow interest rate risk. The Group utilises derivative financial instruments to hedge exposure to fluctuations in interest rates.

The Group's exposure to interest rate risk and the effective weighted average interest rate by maturity period is:

	Floating interest rate $'000	Fixed interest maturing in 1 year or less $'000	Fixed interest maturing in 1 to 5 years $'000	Fixed interest maturing in more than 5 years $'000	Non-interest bearing $'000	Total $'000
30 June 2022						
Financial assets						
Cash and cash equivalents	80,329	-	-	-	-	80,329
Receivables	-	-	-	-	1,131	1,131
Loans receivable	-	-	-	-	-	-
Financial assets at FVTPL	-	-	-	-	106,401	106,401
Total financial assets	**80,329**	-	-	-	**107,532**	**187,861**
Financial liabilities						
Trade and other payables	-	-	-	-	2,175	2,175
Borrowings	-	-	-	-	-	-
Total financial liabilities	**-**		**-**	**-**	**2,175**	**2,175**
Net financial assets	**80,329**	-	-	-	**105,357**	**185,686**
30 June 2021						
Financial assets						
Cash and cash equivalents	54,263		-	-	-	54,263
Receivables	-	-	-	-	38,105	38,105
Loans receivable	-	2,489	-	-	-	2,489
Financial assets at FVTPL	-	-	-	-	96,403	96,403
Total financial assets	54,263	2,489	-	-	134,508	191,260
Financial liabilities						
Trade and other payables	-	-	-	-	19,742	19,742
Borrowings	-	-	20,875	-	-	20,875
Total financial liabilities	-	-	20,875	-	19,742	40,617
Net financial assets	54,263	2,489	(20,875)	-	114,766	150,643

Note 23: Other financial assets and liabilities (continued)

Summarised interest rate sensitivity analysis

The table below illustrates the potential impact a change in interest rates by +/-1% would have had on the Group's profit and equity.

		Change in interest rate			
		-1%		+1%	
	Carrying amount	Profit	Equity	Profit	Equity
	$'000	$'000	$'000	$'000	$'000
30 June 2022					
Financial assets					
Cash and cash equivalents	80,329	(803)	(803)	803	803
Financial liabilities					
Borrowings	-	-	-	-	-
Total (decrease) increase	80,329	(803)	(803)	803	803
30 June 2021					
Financial assets					
Cash and cash equivalents	54,263	(543)	(543)	543	543
Financial liabilities					
Borrowings	20,875	209	209	(209)	(209)
Total (decrease) increase		(334)	(334)	334	334

Foreign exchange risk

In prior year, the Group's foreign exchange rate risk arose from overseas investments held indirectly by GDC which had been consolidated into the financial position and performance of the Group. Some investments were denominated in foreign currencies and expose the Group to foreign exchange rate risk. As GDC was disposed and deconsolidated in September 2021, there is no foreign exchange risk as at 30 June 2022.

The table below illustrates the potential impact a change in foreign exchange rates by +/-1% would have had on the Group's profit and equity. The impact of other currencies are considered immaterial.

		Change in exchange rate			
		-1%		+1%	
	Carrying amount	Profit	Equity	Profit	Equity
US Dollars	$'000	$'000	$'000	$'000	$'000
30 June 2022	-	-	-	-	-
Total (decrease) increase	-	-	-	-	-
30 June 2021	44,209	(163)	(442)	163	442
Total (decrease) increase		(163)	(442)	163	442

Note 23: Other financial assets and liabilities (continued)

Liquidity risk
Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Board has a policy of prudent liquidity risk management ensuring that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its exposure to liquidity by ensuring that there is sufficient cash on hand to meet the contractual obligations of financial liabilities as they fall due.

The maturities of financial liabilities at reporting date based on the contractual terms of each liability in place at reporting date have been disclosed in a table below. There are no financial liabilities where the fair value would be materially different from the amortised cost. The amounts disclosed are based on undiscounted cash flows.

The following are contractual maturities of financial liabilities, including estimated interest payments (using existing variable interest rates):

	Carrying amount $'000	Contractual cash flow $'000	Less than 1 Year $'000	Between 1-5 Years $'000	Over 5 Years $'000
30 June 2022					
Trade and other payables	2,175	(2,175)	(2,175)	-	-
Distribution payable	3,285	(3,285)	(3,285)	-	-
Lease liabilities	2,700	(2,700)	(827)	(1,873)	-
Borrowings	-	-	-	-	-
	8,160	**(8,160)**	**(6,287)**	**(1,873)**	**-**
30 June 2021					
Trade and other payables	19,742	(19,742)	(19,742)	-	-
Distribution payable	2,827	(2,827)	(2,827)	-	-
Lease liabilities	4,301	(4,301)	(578)	(3,723)	-
Borrowings	19,927	(19,927)	-	(19,927)	-
	46,797	(46,797)	(23,147)	(23,650)	-

Price risk
The Group is exposed to equity securities price risk. This arises from investments held by the Group and classified on the statement of financial position as financial assets at fair value through profit or loss. The Group is not exposed to commodity price risk.

The investments within the Group are listed and unlisted property securities. These risks include, but are not limited to, exposure from different investment classes and geographical locations. The overall risk to exposures from investments is monitored and managed by the Board, and policies are set which each individual fund complies with. The framework of the composition of the securities held by the Group is in line with Group policies.

Price risk – sensitivity analysis
A fluctuation of 1% in the market price of the underlying equity securities/units would impact the net profit of the Group, with all other variables held constant, by an increase/(decrease) of $1,075,390 (2021: $964,030).

Fair values
The fair value of the Group's financial assets and financial liabilities approximates their carrying value as at the balance sheet date.

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)

Note 23: Other financial assets and liabilities (continued)

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.

The Group held the following classes of financial instruments measured at fair value:

30 June 2022	$'000	Level 1 $'000	Level 2 $'000	Level 3 $'000
Financial assets measured at fair value				
Financial assets held for sale	**92,038**	92,038	-	-
Financial assets at fair value through profit or loss	**14,363**	4,120	-	10,243
	106,401	**96,158**	**-**	**10,243**

30 June 2021	$'000	Level 1 $'000	Level 2 $'000	Level 3 $'000
Financial assets measured at fair value				
Financial assets at fair value through profit or loss	97,624	55,268	-	42,356

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.

Reconciliation of fair value measurements categorised within the Level 3 hierarchy for the year is as follows:

	30 June 2022 $'000	30 June 2021 $'000
Balance at 1 July	42,356	19,316
Acquisitions	-	23,184
Derecognition on deconsolidation	(31,687)	-
Unrealised foreign exchange gain on financial assets	712	-
Disposals	-	(2,226)
Net (loss) / gain on fair value of financial assets	(1,138)	2,082
Closing balance	**10,243**	42,356

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. Valuation methodologies including comparable market transactions, discounted cash flows and EBITDA multiples are used as a basis for valuation.

The significant Level 3 inputs in relation to the underlying valuations of the investments include cash flows, discount rates and EBITDA multiples. 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.

Group Structure

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

Note 24: Business combinations and acquisitions of non-controlling interests

During the year, the following business combinations and asset acquisitions occurred:

Dealt Holdings Limited (Dealt)
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.

The Group's investment in Dealt was equity accounted from October 2021 to March 2022. Following the resignation of the managing director of Dealt Holdings Limited on 31 March 2022, Dealt Holdings Limited is deemed to be controlled by the Group and therefore it has been consolidated in to TGP financial results since that date.

The details of the business combination are as follows:

	$'000
Assets	
Cash and cash equivalents	2,833
Receivables and other current assets	192
Investment properties	4,035
Intangible assets- Software	2,800
Liabilities	
Trade and other payables	(70)
Borrowings	(2,172)
Fair value of net assets at acquisition	7,618
NCI at fair value	5,600
360 Capital share of net assets at acquisition	**2,018**
Carrying value of Dealt at 31 March 2022	1,853
Gain on consolidation	**165**

Refer to Note 31 for more information related to Dealt Holdings Proposal.

Note 25: Business divestment

Business divestment transactions during the year ended 30 June 2022 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:

	7 September 2021 $'000
Cash received (net of costs)	41,916
Total consideration received	**41,916**

Net assets divested:

	$'000
Assets	
Cash and cash equivalents	20,605
Receivables and other current assets	3,855
Investment properties	45,000
Non-current assets	95,500
Liabilities	
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	**42,217**
Consideration received (net of costs)	41,916
Net loss on disposal (exclusive of foreign exchange loss)	**(301)**

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

	$'000
Exchange losses on translation of foreign operations reclassified to profit or loss	(240)
Total amounts reclassified to profit or loss	**(240)**

Note 25: 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:

	16 November 2021 $'000
Cash received	26,249
Total consideration received	**26,249**

Net assets divested:

	$'000
Assets	
Cash and cash equivalents	8,486
Receivables and other current assets	1,005
Property, plant and equipment	33,589
Non-current assets	1,871
Liabilities	
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	**12,018**
Consideration received	26,249
Net gain on disposal	**14,231**

Reserves previously recognised reclassified to retained earnings upon divestment:

	$'000
FCX Trust dilution gains on capital raise December 2020	5,008
Total amounts reclassified to retained earnings	**5,008**

Note 26: Subsidiaries and controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries:

a) Interest in subsidiaries of 360 Capital Group Limited

Name of entity	Country of domicile	Equity Class	Equity Holding 30 June 2022 %	Equity Holding 30 June 2021 %
Trafalgar Corporate Pty Limited (TCL)[2]	Australia	Ordinary	-	100
TC Group Developments Pty Limited[2]	Australia	Ordinary	-	100
TCG Frances Park Pty Limited	Australia	Ordinary	100	100
360 Capital FM Limited	Australia	Ordinary	100	100
Trafalgar Twelve Four Finance Pty Limited	Australia	Ordinary	100	100
Trafalgar Twelve Four Note Issuer Pty Limited	Australia	Ordinary	100	100
360 Capital Property Limited	Australia	Ordinary	100	100
360 Capital Financial Services Pty Limited	Australia	Ordinary	100	100
360 Capital RE Pty Limited	Australia	Ordinary	100	100
360 Capital Custodian No.2 Pty Limited	Australia	Ordinary	100	100
360 Capital PS Management Pty Limited[2]	Australia	Ordinary	-	100
360 Capital Properties No.2 Pty Limited	Australia	Ordinary	100	100
360 Capital CMBS Pty Limited[2]	Australia	Ordinary	-	100
BRPTS Portfolio No.1 Pty Limited[2]	Australia	Ordinary	-	100
360 Capital Finance Management Pty Limited[1]	Australia	Ordinary	100	100
CDIP No.1 Pty Limited	Australia	Ordinary	-	100
CDIP No.2 Pty Limited	Australia	Ordinary	-	100
360 Capital Credit Management Pty Limited	Australia	Ordinary	100	100
360 Capital Equities Management Pty Limited	Australia	Ordinary	100	100
Cambridge Investment Partners Pty Limited[2]	Australia	Ordinary	-	100
Ralton AM Pty Limited	Australia	Ordinary	-	100
360 Capital Whiskey Pty Limited	Australia	Ordinary	100	100
360 Capital IG Pty Limited	Australia	Ordinary	100	100
360 Capital IG Investment Pty Limited	Australia	Ordinary	100	100
360 Capital ED1 Pty Limited	Australia	Ordinary	100	100
360 Capital Holdings Pty Limited	Australia	Ordinary	100	100
360 Capital Investment Trust (stapled entity)	Australia	Ordinary	100	100
Trafalgar Opportunity Fund No. 4	Australia	Ordinary	100	100
360 Capital Trust	Australia	Ordinary	100	100
360 Capital Retail Fund	Australia	Ordinary	100	100
360 Capital Diversified Property Fund	Australia	Ordinary	100	100
360 Capital DIP Trust	Australia	Ordinary	100	100
AMF Finance Pty Limited[3]	Australia	Ordinary	100	-
TGP TOT JV Pty Limited[3]	Australia	Ordinary	100	-

[1] 360 Capital Finance Management Pty Limited was formerly known as BRPT Finance Pty Limited.
[2] These entities were wound up during the year
[3] These entities transferred from equity accounted investments

Note 26: Subsidiaries and controlled entities (continued)

b) Interest in controlled entities with non-controlling interest

			Equity Holding	
			30 June 2022	30 June 2021
Name of entity	Country of domicile	Equity Class	%	%
360 Capital Cardioscan Trust	Australia	Ordinary	53.6	53.6
Dealt Holdings Limited[3]	Australia	Ordinary	26.5	-
Global Data Centre Group[1]	Australia	Ordinary	-	33.2
360 Capital Fibreconx Trust[2]	Australia	Ordinary	-	39.1

Name of entity	Country of domicile	% held by NCI	2022 Profit/(loss) allocated to NCI $'000	30 June 2022 Accumulated NCI $'000
360 Capital Cardioscan Trust	Australia	46.4	(541)	4,727
Dealt Holdings Limited[3]	Australia	73.5	181	5,323
Global Data Centre Group[1]	Australia	66.8	2,613	-
360 Capital Fibreconx Trust[2]	Australia	60.9	(597)	-
			1,656	**10,050**

[1] This entity was disposed on 7 September 2021 and had been deconsolidated from the Group's result since then.
[2] This entity was disposed on 16 November 2021 and had been deconsolidated from the Group's result since then.
[3] The entity was consolidated to the Group from 1 April 2022.

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 27: Commitments and contingencies

Capital commitments

The Group had no contractual commitments as at 30 June 2022.

The Group had contractual commitments in place for the construction of FibreconX's dark fibre network amounting to $9.4 million as at 30 June 2021.

Contingencies
There are no contingent liabilities as at 30 June 2022 (2021: Nil).

Note 28: Events subsequent to balance date

Disposal of Irongate Group securities

After Charter Hall's Irongate acquisition Proposal was approved by the requisite majorities of Irongate securityholders at the Scheme Meeting and the receipt of FIRB approval on 29 June 2022, the judicial advice in relation to implementation of the Proposal was also received on 5 July 2022. By then, all conditions precedent has been satisfied.

On 15 July 2022, the Scheme was implemented, and the sale proceeds were paid to the securityholders. The Group received cash consideration of $92.0 million for its 48.44 million IAP stapled securities.

Special dividend

On 25 August 2022, the Board declared a special fully franked dividend of 8.0 cps, with the option of securityholders being able to reinvest the special dividend back in the Group at a 1.5% discount to the 10 day VWAP via the DRP.

No other circumstances have arisen since the end of the 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 29: Auditors' remuneration

	30 June 2022 $	30 June 2021 $
Audit services		
Fees for auditing the statutory financial reports of the parent and its controlled entities	109,875	108,000
Fees for other assurance services under other legislation or contractual arrangements where there is discretion as to whether the service is provided by the auditor or another firm	8,000	8,000
Non-audit services		
Taxation compliance services	56,450	45,150
Total Fees to Ernst & Young Australia	**174,325**	161,150

Note 30: Earnings per stapled security

	30 June 2022 ¢	30 June 2021 ¢
Basic earnings per stapled security	14.5	2.4
Diluted earnings per stapled security	14.3	2.3

	$'000	$'000
Basic and diluted earnings		
Profit attributable to stapled securityholders of 360 Capital Group used in calculating earnings per stapled security	32,098	5,290

	000's	000's
Weighted average number of stapled securities used as a denominator		
Weighted average number of stapled securities - basic	**218,998**	218,543
Weighted average number of stapled securities - diluted	**221,571**	230,005

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 30 June 2022, there is no outstanding ESP securities.

Further information on the ESP is provided in Note 19.

Note 31: Related party transactions

Parent entity

The legal parent entity is 360 Capital Group Limited.

Controlled entities

Interests in controlled entities are set out in Note 26.

Key management personnel and non-executive directors

Key management personnel (KMP) of the Group include:

Executive Chairman
Tony Robert Pitt (Executive Chairman)

Non-executive directors (NEDs) of the Group include:
David van Aanholt (Deputy Chairman)
William John Ballhausen
Andrew Graeme Moffat
Anthony Gregory McGrath (appointed 1 March 2022)

Other KMP
Glenn Butterworth, Chief Financial Officer and Joint Company Secretary
James Storey, Chief Executive Officer
Christopher Chase, Head of Private Credit (role made redundant on 6 June 2022)

Compensation of key management personnel during the year was as follows:

	30 June 2022 $	**30 June 2021 $**
Short-term benefits	3,162,724	3,062,092
Post-employment benefits	94,272	108,471
Long-term benefits	1,068,841	-
Termination benefits	291,205	24,439
Security based payments	734,567	803,951
Total compensation	**5,351,609**	3,998,953

Further disclosures relating to key management personnel are set out in the Remuneration report.

As part of the directorship of associated company Dealt Holdings Limited, Tony Pitt and James Storey also received director fees of $10,000 and $10,000 respectively for the year ended 30 June 2022 (2021: $43,462 and $40,000 respectively).

The following loans have been provided to KMPs through their participation in the Group employee security plan:

KMP	**Balance at 1 July 2021 $**	**ESP loans issued during the year $**	**Interest charged in the year $**	**Payments made during the year $**	**Balance at 30 June 2022 $**	**Highest indebtedness during the year $**
Tony Pitt	2,940,000	-	-	(2,940,000)	-	2,940,000
Glenn Butterworth	2,940,000	-	-	(2,940,000)	-	2,940,000
James Storey	2,940,000	-	-	(2,940,000)	-	2,940,000
Christopher Chase	1,030,000	-	-	(1,030,000)	-	1,030,000
	9,850,000	-	-	(9,850,000)	-	9,850,000

In September 2021, all the ESP securities were cancelled, and the corresponding loans were fully settled due to not meeting the vesting conditions, refer to Note 19.

Note 31: Related party transactions (continued)

The following loans have been provided to NEDs through their participation in the Group employee security plan:

NEDS	Balance at 1 July 2021 $	ESP loans cancelled during the year $	Interest charged in the year $	Payments made during the year $	Balance at 30 June 2022 $	Highest indebtedness during the year $
David van Aanholt	98,000	-	-	(98,000)	-	98,000
William Ballhausen	98,000	-	-	(98,000)	-	98,000
Andrew Moffat	98,000	-	-	(98,000)	-	98,000
	294,000	-	-	(294,000)	-	294,000

In September 2021, all the ESP securities were cancelled, and the corresponding loans were fully settled due to not meeting the vesting conditions, refer to Note 19.

The loan provided on the grant date was 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. Subsequent to year end, the ESP hurdles were not met by the extended vesting date of 1 August 2021 and therefore the securities did not vest, the securities were subsequently bought back and cancelled, and corresponding loans repaid. For further information on these loans refer to Note 19.

The following significant transactions occurred with related parties during the 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.

Dealt Holdings Proposal

On 31 March 2022, the Group presented an indicative non-binding proposal for the potential acquisition of Dealt Holdings Limited ("Dealt") by way of a Scheme of Arrangement ("Proposal"). The consideration will be A$0.50 cash for every ordinary, fully paid share in Dealt (on an ex-dividend/distribution basis).

The Proposal is subject to, amongst other things:

- The Proposal being approved by the respective boards
- The parties entering into a scheme implementation agreement on terms satisfactory to them (including relevant conditions)
- All regulatory approvals being obtained
- Satisfactory completion of due diligence by TGP

Following the announcement, the scheme implementation agreement was entered into on 29 June 2022.

Responsible Entity fees

360 Capital FM Limited, a wholly owned subsidiary of the Group, acted as Responsible Entity and/or Custodian for a number of managed investment schemes in which the Group also held an investment.

A summary of fee income earned during the year from these managed investment schemes is provided below:

	30 June 2022 $	30 June 2021 $
360 Capital REIT	1,258,711	3,521,400
Global Data Centre Group	67,089	67,574
360 Capital Enhanced Income Fund	133,767	54,070
360 Capital Cardioscan Trust	28,453	14,430
360 Capital Data Centre Securities Fund	-	422
360 Capital Active Value Equity Fund	10	40
	1,488,030	3,657,936

Fee income includes Responsible Entity fees, Custodian fees, Performance fees, Acquisition and Disposal fees, and other recoveries.

The Responsible Entity is entitled to a management fee and custodian fees calculated in accordance with the Fund's constitution, which is a percentage per annum of the gross asset value of the Fund.

A summary of distribution income earned during the year from these managed investment schemes is provided below:

	30 June 2022 $	30 June 2021 $
360 Capital REIT	1,976,961	1,667,129
Global Data Centre Group	-	261,142
360 Capital Enhanced Income Fund	241,710	57,596
	2,218,671	1,985,867

For details of the Group's investment in the management investment schemes refer to Note 11.

Note 32: Deed of cross guarantee

360 Capital Group Limited and its wholly owned subsidiary, 360 Capital Property Limited (CPL), are parties to a deed of cross guarantee under which each company guarantees the debts of the other. By entering into the deed, CPL has been relieved from the requirement to prepare financial statements and a directors' report under Class Order 98/1418 (as amended) issued by the Australian Securities and Investments Commission. The effect of the feed is that the Group has guaranteed to pay any deficiency in the event of winding up of a subsidiary if they do not meet their obligations under the terms of overdrafts, loans, leases, or other liabilities subject to the guarantee. The subsidiaries have also given a similar guarantee in that in the event that the Group is wound up or does not meet its obligations under the terms of overdrafts, loans, leases or other liabilities subject to the guarantee.

Consolidated balance sheet for the closed group:	**30 June 2022 $'000**	**30 June 2021 $'000**
Current assets	15,237	3,978
Non-current assets	120,527	114,211
Total assets	**135,764**	118,189
Current liabilities	2,105	863
Non-current liabilities	75,682	91,009
Total liabilities	**77,787**	91,872
Net Assets	**57,977**	26,317
Issued capital	2,246	6,484
Security based payments reserve	4,873	4,251
Retained earnings	50,858	15,581
Total equity	**57,977**	26,316

Consolidated income statement for the closed group:	**30 June 2022 $'000**	**30 June 2021 $'000**
Profit from Continuing operations before income tax	77,960	4,022
Income tax	(5,867)	(1,039)
(Loss)/profit after tax from continuing operations	**72,093**	2,983
Net profit/(loss) for the year		2,983
Retained earnings at the beginning of the year	12,845	9,862
Dividends provided for or paid	-	-
Retained earnings at the end of the year	**84,938**	12,845

Note 33: Parent entity disclosures

The following details information relating to the parent entity 360 Capital Group Limited.

	30 June 2022 $'000	30 June 2021 $'000
Current assets	14,719	3,915
Non-current assets	32,515	21,305
Total assets	**47,234**	25,220
Current liabilities	2,105	612
Non-current liabilities	813	3,432
Total liabilities	**2,918**	4,044
Issued capital	486	4,724
Security based payments reserve	4,873	4,251
Retained earnings	38,957	12,199
Total equity	**44,316**	21,174
Net profit / (loss) for the year	39,897	(1,159)
Total comprehensive income / (loss) for the year	**39,897**	(1,159)

Parent entity contingencies

360 Capital Group Limited and its wholly owned subsidiary, 360 Capital Property Limited (CPL), are parties to a deed of cross guarantee, refer to Note 32 for further information. There are no other contingencies at 30 June 2022 (2021: Nil).

Note 34: Statement of significant accounting policies

a) Changes in accounting policy

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, with the following additional accounting policies now relevant for the year:

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are that are relevant to its operations and effective for an accounting period that begins on or after 1 July 2021.

New and revised Standards and amendments thereof and Interpretations effective for the current year that are relevant to the Group include:

- AASB 2020-8 *Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2*

The other amendments have been deemed not to have a material impact on the consolidated financial statements of the Group.

There were no other changes to the Group’s accounting policies for the financial reporting year commencing 1 July 2021. The remaining policies of the Group are consistent with the prior year.

Note 34: Statement of significant accounting policies (continued)

b) Basis of consolidation

Stapling
In October 2013, each ordinary share in 360 Capital Group Limited was stapled to a unit in the 360 Capital Investment Trust and together they form the Stapled Entity known as 360 Capital Group. Equity holders of the Group are entitled to an equal interest in each stapled entity.

In accordance with the principles contained in AASB 3 *Business Combinations*, the Group has determined that the Company is the parent entity in the stapling arrangement.

For statutory reporting purposes, the Group reflects the consolidated entity being the Company (the acquirer) and its controlled entities. On the basis that the Company does not hold any interest in the Trust, the net assets, profit or loss and other comprehensive income of the Trust are considered non-controlling interests and are therefore disclosed separately.

The Constitutions of the Trust and the Company ensure that, for so long as these entities remain jointly listed, the number of units in the Trust and the number of shares in the Company shall be equal and that unitholders and shareholders be identical. Both the Responsible Entity of the Trust and the Company must at all times act in the best interest of 360 Capital Group.

The stapling arrangement will cease upon the earlier of the winding up of any of the stapled entities, or any of the entities terminating the stapling arrangement.

Business combinations and Goodwill
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then a gain on bargain purchase is recognised in the statement of profit or loss within the year of the acquisition.

Investments in associates and joint ventures
Investments in associates and joint ventures are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date.

The Group's share of net profit or loss is recognised in the statement of profit or loss from the date joint control commences until the date joint control ceases. Other movements in reserves are recognised directly in the consolidated reserves.

Note 34: Statement of significant accounting policies (continued)

Subsidiaries
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Company and Trust as at 30 June 2022 and the results of all subsidiaries for the year then ended.

Subsidiaries are entities controlled by the Company and Trust. Control exists when an investor is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The financial statements of subsidiaries are included in the financial report from the date that control commences until the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost in the individual financial statements of the parent entity, less any impairment

c) 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.

Operating segments are determined based on the information which is regularly reviewed by the Executive Chairman, who is the Chief Operating Decision Maker within the Group.

d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of GST paid. Revenue is recognised for the major business activities as follows:

Rental from investment properties
Rental revenue from investment properties is recognised on a straight-line basis over the lease term where leases have fixed increments, otherwise on an accruals basis. Rental revenue not received at reporting date is reflected in the statement of financial position as a receivable or if paid in advance, a current liability. Lease incentives granted are recognised over the lease term on a straight-line basis as a reduction of rental revenue.

Funds management fees
Fees are charged to customers in connection with the provision of funds management and other related services. These performance obligations are satisfied on an ongoing basis, usually monthly, and revenue is recognised as the service is provided.

Distributions from property funds
Distribution income from investments is recognised when the unitholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the unitholder and the amount of income can be measured reliably.

Data centre services revenue
Data centre services revenue primarily consist of recurring monthly service fees. Revenues from the provision of recurring monthly service fees is recognised in the accounting period in which the services are rendered.

Note 34: Statement of significant accounting policies (continued)

Contracts are entered with customers that guarantee certain performance measures such as uptime and on time delivery of services. If service performance stated in the contracts are not achieved, the revenue will be reduced for any credits or cash payments that may be due to customers under contract. Key areas of estimation include the amount of the service credits, the likelihood that the service credits will be claimed, and the time period over which they will impact revenue.

Data centre service revenue not received at reporting date is reflected in the statement of financial position as a receivable or if paid in advance, a current liability.

Finance revenue

Interest income is recognised on a time proportion basis using the effective interest method. Interest income includes the amortisation of any discount or premium, transaction costs or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest basis.

e) Employee benefits

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave are recognised as current provisions in respect of employees' services provided up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on commercial bond rates with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Bonus entitlements

A liability is recognised for employee benefits in the form of employee bonus entitlements which are determined before the time of completion of the financial report. Liabilities for employee bonus entitlements are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). Refer to Note 19(c) for further detail.

f) Finance expenses

Finance expenses which include interest and amortised borrowing costs are recognised using the effective interest rate applicable to the financial liability.

g) Income tax

Companies

Income tax expense or benefit for the year is the tax payable on the current year's taxable income based on the national income tax rate for each jurisdiction and deferred tax expense calculated by reference to changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Note 34: Statement of significant accounting policies (continued)

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets are reduced to the extent that is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

Trusts and Funds

Under current Australian income tax legislation, the Trusts and Funds in the Group are not liable for income tax provided their taxable income and taxable capital gains are fully distributed to unitholders each year. Accordingly, income tax amounts disclosed in this financial report relate only to the companies within the Group.

Tax consolidation

The Company and its wholly owned entities formed a tax consolidated group with effect from 1 July 2005.

h) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

i) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Restricted cash is separately disclosed and is based on a calculation to meet the Australian Financial Services Licence net tangible asset requirements.

j) Trade and other receivables

Receivables are recognised initially at fair value and subsequently at amortised cost. The payment terms are usually 30 days after the invoice is raised. They are classified as current assets except where the maturity is greater than 12 months after the reporting date in which case they are classified as non-current.

The Group assesses expected credit losses upon initial recognition of the financial asset with a forward-looking expected credit loss (ECL) approach. For trade receivables, the Group applies the simplified approach permitted by the standard, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

k) Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instrument. At initial recognition, the Group measures a financial assets and financial liabilities (other than trade receivables) at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Note 34: Statement of significant accounting policies (continued)

Financial assets are classified into the following specified categories: "Financial assets at amortised cost" and "Financial assets at fair value through profit or loss". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets designated at fair value through profit or loss comprises investments in unlisted and listed funds. Upon initial recognition, the investments are designated at fair value through profit or loss in accordance with AASB 9 *Financial Instruments*.

Financial assets designated at fair value through profit or loss at inception, are those that are managed and their performance evaluated on a fair value basis in accordance with the Group's documented investment strategy. The Group's policy is for the Responsible Entity to evaluate the information about these financial assets on a fair value basis together with other related financial information.

Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risk and rewards of ownership.

Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the statement of profit or loss within income or expenses in the period in which they arise. Dividend/distribution income from financial assets at fair value through profit and loss is recognised in the statement of profit or loss as part of revenue from continuing operations when the Group's right to receive payments is established.

Financial assets at amortised cost
Loans receivable
Loans receivable are measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Such assets are carried at amortised cost using the effective interest method under AASB 9. Gains and losses are recognised in the consolidated statement of financial performance when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

For receivables, refer to Note 34(j).

Financial liabilities and equity
Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. The accounting policies adopted for specific financial liabilities and equity instruments are set out in Note 34(r) and Note 34(t) below.

Impairment
Under AASB 9, the Group assesses expected credit losses upon initial recognition of the financial asset with a forward-looking expected credit loss (ECL) approach for all financial assets not held at fair value through profit or loss. For loans receivable financial assets, the ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Fund has established a provision model which includes assessing the credit rating of each borrower to determine the probability of default, loss given default and exposure at default, taking into account sensitivity factors to work out the ECL provision for each loan receivable.

l) Investment properties

Investment properties are properties which are held for the purpose of producing rental income, capital appreciation, or both. Investment properties are initially recognised at cost including any acquisition costs. Investment properties are subsequently stated at fair value at each balance date with any gain or loss arising from a change in fair value recognised in the statement of profit or loss in the period. An external, independent valuer with appropriately recognised professional qualification and recent experience in the location and category of the property being valued, values the individual properties when considered appropriate as determined by management in accordance with a Board approved valuation policy. Valuation methods used to determine the fair value include market sales comparison, discounted cash flow and capitalisation rate. The fair value for a property may be determined using a combination of these and other valuation methods.

Note 34: Statement of significant accounting policies (continued)

These external valuations are taken into consideration when determining the fair value of the investment properties. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without prejudice.

m) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Class of Fixed Asset	Depreciation Rate
Computer, office equipment, fixtures	2.5% - 33.3%
Right of use asset	20%
Equipment	6.7% - 20.0%

Each asset's residual value and useful life is reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in profit or loss.

n) Right-of-use-assets

Right–of–use assets are measured at cost less depreciation and impairment and adjusted for any remeasurement of the lease liability. The cost of the asset includes the amount of the initial measurement of lease liability and any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs, and restoration cost. Right–of–use assets are depreciated on a straight–line basis from the commencement date of the lease to the earlier of the end of the useful life of the right–of–use asset or the end of the lease term, unless they meet the definition of an investment property. The lease term is the non–cancellable period of a lease together with the lease period under reasonably certain extension options and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in the profit or loss. Short-term leases are leases with a lease term of 12 months or less.

o) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Note 34: Statement of significant accounting policies (continued)

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Software
Certain internal and external costs directly incurred in acquiring and developing certain computer software programmes are capitalised and amortised over the estimated useful life. Amortisation of computer software programmes and impairments, where applicable, is recognised in other operating expenses.

Cost incurred on the maintenance of software is expensed as incurred and recognised in other operating expenses.

p) Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

q) Borrowings

Interest bearing loans and overdrafts are initially measured at fair value, net of transaction costs incurred, and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

Transaction costs are amortised over the term of the borrowing and the balance of transaction costs is amortised immediately upon a borrowing being substantially renegotiated, refinanced or repaid in full.

r) Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate is used.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease payments used in calculating the lease liability include:
• fixed payments less incentives receivable;
• variable lease payments that are based on an index or a rate, initially measured using the index or rate at commencement date;
• payments of penalties for terminating the lease if the lease term reflects exercising that option; and
• lease payments to be made under options for extension which are reasonably certain to be exercised.

s) Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate which reflects current market assessments of the time value of money and, where appropriate the risks specific to the liability.

Distributions
A provision for distributions payable is recognised in the reporting period in which the distributions are declared, determined, or publicly recommended by the Directors on or before the end of the financial period, but not distributed at balance date.

t) Issued capital

Issued capital represents the amount of consideration received for stapled securities issued by the Group. Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit.

Note 34: Statement of significant accounting policies (continued)

u) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

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

v) Foreign currency translation

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised as net foreign exchange gains/(losses) in the statement of comprehensive income.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the statement of comprehensive income within net gains/(losses) on financial instruments held at fair value.

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

Group Companies
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.

w) Accounting standards issued but not yet effective

At the date of authorisation of the financial statements, the Group has not applied or early adopted the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

- AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments* (application date 1 January 2022)
- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current* and AASB 2020-6 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date* (application date 1 January 2023)
- AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates* (application date 1 January 2023) and AASB 2021-6 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards* (application date 1 January 2023)
- AASB 2021-5 *Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction* (application date 1 January 2023)
- AASB 2021-7 *Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections* (application date 1 January 2025)

The recently issued amendments are not expected to have a significant impact on the amounts recognized in the financial statements at the effective date.

In the opinion of the Directors of 360 Capital Group:

1) The consolidated financial statements and notes that are set out on pages 36 to 97, and the Remuneration report contained in the Directors' report on pages 16 to 31, 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 30 June 2022 and of its performance for the financial year ended on that date; and

   (ii) complying with Australian Accounting Standards 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.

3) There are reasonable grounds to believe that the members of the closed group identified in Note 32 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in Note 32.

4) The Directors have given the declarations required by Section 295A of the *Corporations Act 2001* from the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2022.

5) The Directors draw attention to Note 21(b) to the consolidated financial statements, which include a statement of compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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

Tony Robert Pitt
Executive Chairman

David van Aanholt
Deputy Chairman

Sydney
25 August 2022

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Independent auditor's report to the members of 360 Capital Group Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of 360 Capital Group Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2022 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

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Irongate transaction

Why significant	How our audit addressed the key audit matter
On 28 January 2022, the Group entered into a sale agreement to dispose of their investment in Irongate Group for cash consideration of $92 million or $1.90 per security. On 5 July 2022 all conditions precedent for the disposal were satisfied. The Irongate Group investment has been classified as a current financial asset. This has been disclosed in Note 9 of the financial report. This was considered a Key Audit Matter due to the judgement in determining the timing of the sale, the significance of the transaction and the nature of the disclosures required.	Our audit procedures included the following: ‣ Reviewed management's assessment that the business should be presented as a current financial asset as at 30 June 2022 in accordance with the requirements of AASB 5 *Non-current Assets Held for Sale and Discontinued Operations*. ‣ Assessed the adequacy of the Group's disclosures in the financial report outlined in Note 9.

Disposal of Global Data Centre Group and Fibreconx

Why significant	How our audit addressed the key audit matter
During the year the Group disposed of its subsidiaries Global Data Centre Group and Fibreconx Trust (Subsidiaries). This has been disclosed in note 25 to the financial report. This was considered a Key Audit Matter due to the judgement in determining when control over the subsidiaries was transferred, the significance of the transactions and the nature of the disclosures required.	Our audit procedures included the following: ‣ Inspected the sale contracts relating to the transaction between the Group and the acquiring parties of Global Data Centre Group and Fibreconx. ‣ Assessed the deconsolidation accounting entries and considered their appropriateness with reference to applicable accounting standards. ‣ Assessed the resulting gain on disposal of the Subsidiaries ‣ Assessed the adequacy of the disclosures in the financial report outlined in Note 25.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 30 June 2022 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 31 of the directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of 360 Capital Group Limited for the year ended 30 June 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Ernst & Young

Douglas Bain
Partner
Sydney
25 August 2022

Information below was prepared as at 16 August 2022.

a) Top 20 registered securityholders:

Holder Name	Securities held	% of issued securities
TT INVESTMENTS PTY LTD <TT INVESTMENT A/C>	28,979,109	13.23
PRUDENTIAL NOMINEES PTY LTD	19,000,000	8.68
PENTAGON FINANCIAL SERVICES PTY LIMITED <PENTAGON INVESTMENT A/C>	13,579,009	6.20
CITICORP NOMINEES PTY LIMITED	13,235,100	6.04
NATIONAL EXCHANGE PTY LTD	13,049,271	5.96
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	12,287,291	5.61
PENTAGON CAPITAL PTY LIMITED	9,456,279	4.32
NATIONAL NOMINEES LIMITED	9,096,411	4.15
TT INVESTMENTS PTY LIMITED <TT SUPER FUND A/C>	7,236,994	3.30
PENTAGON CAPITAL PTY LIMITED	5,780,776	2.64
PENTAGON CAPITAL PTY LIMITED	4,500,000	2.05
FIRST SAMUEL LTD ACN 086243567 <ANF ITS MDA CLIENTS A/C>	3,228,675	1.47
BNP PARIBAS NOMS (NZ) LTD <DRP>	2,495,684	1.14
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,139,418	0.98
TT INVESTMENTS PTY LTD <TT INVESTMENT A/C>	1,254,545	0.57
GEMTRICK PTY LTD <JOHN HARRIS SUPER FUND A/C>	1,250,000	0.57
COWOSO CAPITAL PTY LTD <COWOSO SUPER FUND A/C>	1,200,000	0.55
TT INVESTMENTS PTY LTD <TT SUPER FUND A/C>	991,729	0.45
GEMTRICK PTY LTD <THE JOHN HARRIS FAMILY A/C>	946,532	0.43
TDA SECURITIES PTY LTD <TDA SECURITIES A/C>	900,000	0.41
Total Securities held by Top 20 security holders	**150,606,823**	**68.77**
Total Securities on issue	**218,997,551**	**100.00**

b) Distribution of securityholders:

Number of securities held by securityholders	Number of holders	Securities held	% of issued securities
1 to 1,000	340	125,905	0.06
1,001 to 5,000	709	2,146,249	0.98
5,001 to 10,000	541	4,249,118	1.94
10,001 to 100,000	1,231	36,432,586	16.64
100,001 and over	127	176,043,693	80.39
Totals	**2,948**	**218,997,551**	**100.00**

The total number of securityholders with less than a marketable parcel was 224 and they hold 28,930 securities.

c) Substantial securityholder notices:

Name of securityholder	Date of notice	Securities held	% of issued securities
Mr Tony Pitt	13/04/2022	72,500,000	33.11
National Exchange Pty Ltd & Prudential Nominees	24/02/2022	29,250,000	13.36
Richmond Hill Capital Pty Ltd	2/02/2022	10,954,385	5

d) Voting rights:

Subject to the Constitutions of 360 Capital Group Limited and 360 Capital Investment Trust and to any rights or restrictions for the time being attached to any stapled securities:

- on a show of hands, each securityholder present in person or by proxy, attorney, or representative has one vote; and
- on a poll, each securityholder has:
  - in the case of a resolution of 360 Capital Group Limited, one vote for each share in 360 Capital Group Limited held; and
  - in the case of a resolution of 360 Capital Investment Trust, one vote for each unit in 360 Capital Investment Trust held.

Term	Definition
$ or A$ or cents	Australian currency
360 Capital Investment Trust	The managed investment trust (ARSN 104 872 844) that represents part of the stapled entity, 360 Capital Group
360 Capital Group Limited	The company (ABN 18 113 569 136) that represents part of the stapled entity, 360 Capital Group
360 Capital, 360 Capital Group	360 Capital Group, the stapled entity comprising 360 Capital Investment Trust and 360 Capital Group Limited
AASB	Australian Accounting Standards Board
AFSL	Australian Financial Services Licence
A-REIT	Australian Real Estate Investment Trust
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited or the market operated by it as the context requires
ASX Guidelines	The ASX Principles of Good Corporate Governance and Best Practice Guidelines
Board	Board of Directors of the Company/Group
CGT	Capital gains tax
Constitution	The constitution of the Fund, as amended
Corporations Act	Corporations Act 2001 (Cth) as amended from time to time
CPI	Consumer price index
Cps	Cents per Security
Director/s	A director of the Group
Distribution yield	Rate of return derived by dividing distribution per Unit by the price
Earnings yield	Rate of return derived by dividing earnings per Unit by the price
AFCA	Australian Financial Complaints Authority
Fund Investment Committee	The committee established to oversee the Fund's investments, key recruitment and policies
FY	Financial year (1 July to 30 June)
Gross Passing Income	The actual income being paid for a property by existing tenants
Gross Proceeds	The aggregate of all moneys (including all rent, licence fees, outgoings and all other amounts) received from tenants and other occupants and users of the real property assets (held directly or indirectly) of the Fund
Group	360 Capital Group, the stapled entity comprising 360 Capital Investment Trust and 360 Capital Group Limited
GST	Goods and services tax (Australia)
HY	Half Year (half year from 1 July to 31 December or 1 January to 30 June)
ICR	Interest Cover Ratio meaning net rent received divided by interest expense incurred on the facility
IFRS	International Financial Reporting Standards
Lender(s)	NAB and Bankwest
LVR	Loan to value ratio meaning interest bearing liabilities divided by total property values
NLA	Net lettable area
NPI	Net property income
NTA	Net tangible assets as per the balance sheet
NTA per Unit	Net tangible assets divided by the number of Units on issue
Operating earnings	Operating earnings is statutory net profit adjusted for non-cash and significant items
p.a.	Per annum
Property/ies	A property or properties owned or to be owned by the Group
Responsible Entity	360 Capital FM Limited (ABN 15 090 664 396, AFSL 221474)
WACR	Weighted average capitalisation rate
WALE	Weighted average lease expiry
YTD	Year to date

Parent Entity

360 Capital Group Limited
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Directors & Officers

Executive Chairman
Tony Robert Pitt (Executive Chairman)

Non-Executive Directors
David van Aanholt (Deputy Chairman)
William John Ballhausen
Andrew Graeme Moffat
Anthony Gregory McGrath (appointed 1 March 2022)

Officers
James Storey – Chief Executive Office
Glenn Butterworth – Chief Financial Officer and Joint Company Secretary
Kimberley Child – General Counsel and Joint Company Secretary

Share & Unit Registry
Boardroom Pty Limited
ACN 003 209 836
Grosvenor Place, Level 12, 255 George Street Sydney NSW 2000
Telephone 1300 082 138 Email: enquiries@boardroomlimited.com.au

Auditor
Ernst & Young
200 George Street Sydney NSW 2000

Website
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360 Capital

Identifying
strategic investment
opportunities.

360capital.com.au