

360 Capital



360 Capital Mortgage REIT (ASX:TCF)

HY25 Results Presentation

6 February 2025

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Why invest in TCF?



Highly Attractive Yield

Forecast FY25 distribution yield of 10.2%¹ paid monthly.



Consistent Income

Distributions have increased by 118%² since 360 Capital took over management of TCF in September 2020.



Benefits from Higher Rates

Senior registered mortgages are priced as a margin over a base rate with rate floors should rates fall.



Capital Protection

The value of the underlying real estate would need to fall >30% before investor capital is impacted.



Experienced Real Estate Manager

18-year track record, \$400m of private credit transactions over the last 8 years with no capital lost or impaired.

1. Based on forecast FY25 DPU of 60cpu divided by TCF's closing price on 31 December 2024 of \$5.88 per unit
2. Based on the increase in annual distributions since FY20 and FY25 forecast distributions of 60.0cpu



1. Snapshot and key highlights

360 Capital Mortgage REIT (ASX:TCF) – HY25 financial highlights

Regular monthly income from private credit investments secured against Australian real estate

10.2%

Forecast FY25 distribution yield¹

118%

Increase in distributions since 360 Capital took over TCF in 2020³

Aligned Sponsor

360 Capital Group is TCF's largest unitholder with 14.9% of TCF's units as long-term co-investment

\$5.94

NTA per Unit

+4.0%

Target Return over RBA Cash Rate (net of fees)⁴

95.9% Senior Loans

95.9% senior loans providing significant first loss buffer. No impairments or losses across 360 Capital's 8-year lending track record.

(1.0%)

Trading price discount to NTA per Unit²

60cpu

Forecast FY25 earnings a 33.3% increase on FY24⁵

Growing Opportunity

TCF is one of only two ASX listed Mortgage REITs, raising \$8.9m in December 2024 via a Placement and Conditional Placement

1. Based on forecast FY25 DPU of 60cpu divided by TCF's 31 December 2024 closing price of \$5.88 per unit
2. Based on 31 December 2024 Closing Price of \$5.88 per unit
3. Based on the increase in annual distributions since FY20 and FY25 forecast distributions of 60.0cpu
4. As a percentage of TCF's NAV
5. Based on the increase in annual distributions between FY24 (45.0cpu) and Forecast FY25 distributions of 60.0cpu

360 Capital Mortgage REIT (ASX:TCF) – HY25 operational highlights

Regular monthly income from private credit investments secured against Australian real estate

68.9%

Portfolio LVR^{1,2}

95.9%

Senior loans^{1,2}

11.6%

W. Avg. Interest Rate^{1,2}

\$8.9m

Capital raising in Dec-2024 increasing Gross Assets by 35.9% to \$33.8m

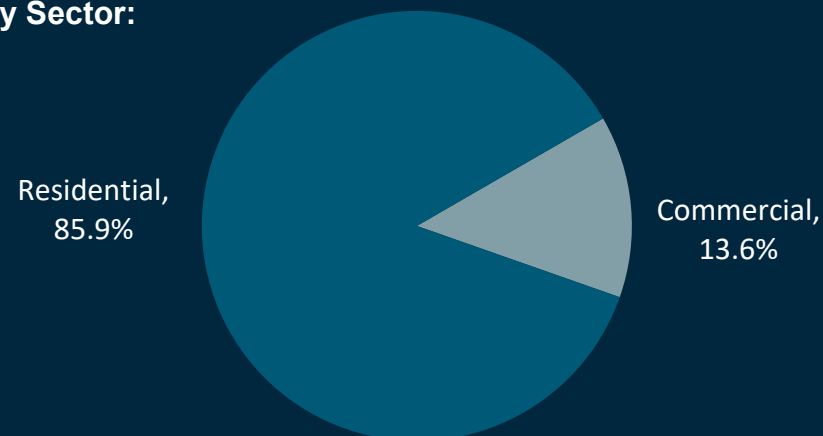
8 months

W. Avg. term to maturity^{1,2}

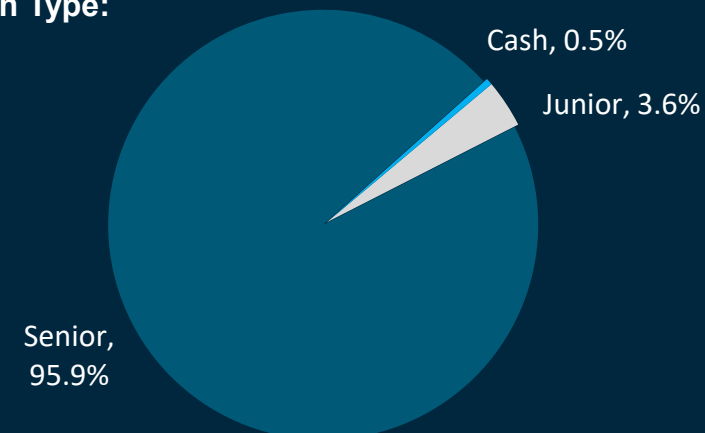
5 Loans

Increased diversification. Loan portfolio now consists of 55 individual mortgages².

By Sector:



By Loan Type:



1. Weighted by exposure, including cash
2. As at 31 December 2024

2. Track record and value proposition



360 Capital Group (ASX:TGP) private credit track record

Established & Successful Track Record in Real Estate Credit

18 years

Founded in 2006, 360 Capital has been successful in investing through multiple economic and business cycles across the real estate capital stack.



\$400m

Private credit transactions over the last 8-years



\$0

Capital lost or impaired



27 Transactions

Average loan size of \$15.0m



10.9%

Weighted average interest rate achieved over the past 8-years



Investor access

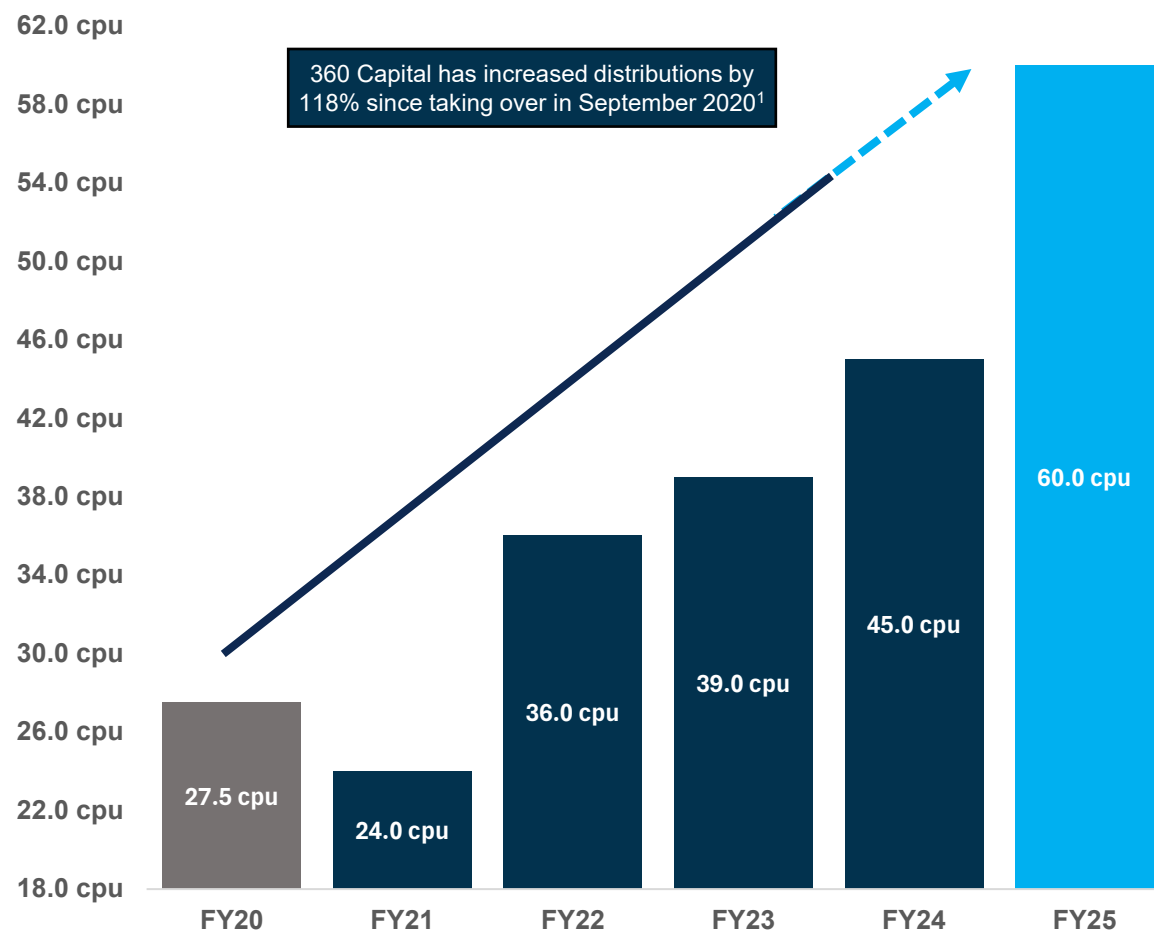
ASX listed 360 Capital Mortgage REIT (ASX:TCF) or contributory offerings through 360 Capital Private Credit Fund



Cumulative Private Credit AUM



Value proposition – regular income with capital protection



Consistent Income

Distributions have increased year on year since 360 Capital took over management of TCF in September 2020.

Benefits from Higher Rates

Underlying senior mortgages are priced as a margin over a base rate. Senior loans are subject to a rate floor should rates fall.

Capital Preservation

95.9% senior loans. The value of the underlying real estate would need to fall >30% before the NTA of TCF is impacted.

1. Based on the increase in annual distributions since FY20 and forecast FY25 distributions of 60.0cpu.



3. Loan activity and portfolio

HY25 loan portfolio activity



Summary of HY25 Loan Activity

\$23.1m

Invested in loans

95.9%

Senior loan investments¹

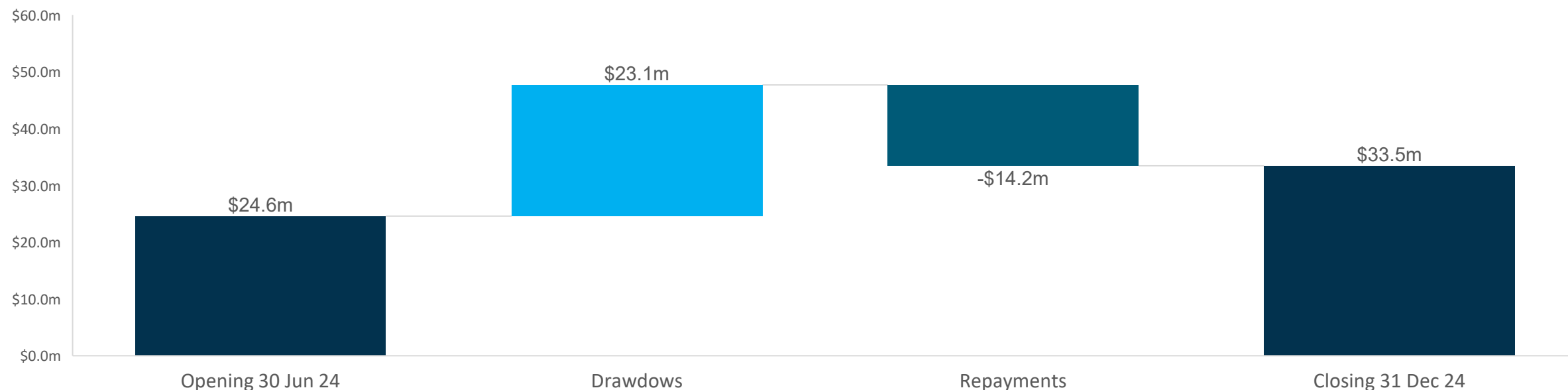
11.6%

Weighted Average Interest Rate¹

68.9%

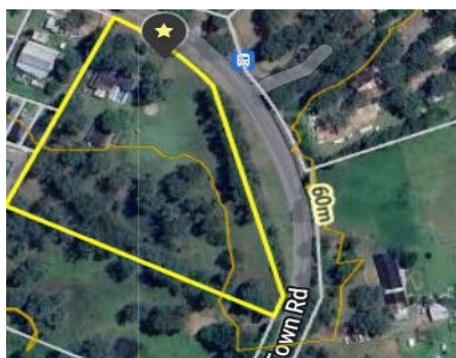




Weighted Average LVR Ratio¹

HY25 Loan Book Activity



1. Weighted by exposure, including cash

Loan portfolio summary

				
Senior investment	Junior investment	Senior investment	Senior investment	Senior investment
Snapshot: Residual land lots Northwest Sydney	Snapshot: Waterfront luxury apartment development Sydney	Snapshot: Brand new service station with 12-year WALE	Snapshot: Completed four and five-bedroom houses	Snapshot: Completed three and four-bedroom houses
Independent Valuation: \$18.6m Loan Facility: \$13.0m LVR Covenant: 70.0%	Independent Valuation: \$98.5m Loan Facility: \$4.1m LVR Covenant: 79.0%	Independent Valuation: \$6.6m Loan Facility: \$4.6m LVR Covenant: 70.0%	Independent Valuation: \$37.4m Loan Facility: \$26.2m LVR Covenant: 70.0%	Independent Valuation: \$20.8m Loan Facility: \$14.6m LVR Covenant: 70.0%
TCF Exposure¹: \$9.7m	TCF Exposure¹: \$1.2m	TCF Exposure¹: \$4.6m	TCF Exposure¹: \$11.9m	TCF Exposure¹: \$6.1m
Interest Rate: 8.5% over BBSW 12.0% rate floor	Interest Rate: 17.0% with profit share top-up to 20% IRR	Interest Rate: 5.25% over BBSW 9.25% floor	Interest Rate: 6.6% over BBSW 11.0% floor	Interest Rate: 6.6% over BBSW with 11.0% floor
Term to Maturity: 6 months	Term to Maturity: 18 months	Term to Maturity: 6 months	Term to Maturity: 7 months	Term to Maturity: 9 months
Security: First mortgage	Security: Second mortgage	Security: First mortgage	Security: First mortgage	Security: First mortgage

1. Loan balance as at 31 December 2024

4. Financials





HY25 Profit & loss highlights

Total revenue

\$1.6m

(December 2023: \$1.2m)

HY25 revenue increased by 31.2% compared to HY24, as a result of higher interest rates received on new real estate mortgage investments.

Operating profit

\$1.3m

(December 2023: \$1.0m)

Operating profit increased by 32.8% compared to HY24, driven by higher returns generated from new loan investments, and ensuring the balance sheet remained fully deployed.

Distributions per unit

30.1cpu

(HY24: 21.0cpu)

Distributions increase by 43.3% on the prior period and 118%³ p.a. since 360 Capital taking over management of TCF in September 2020.

Profit & loss statement	HY25	HY24	Change	Change
	(\$'000)	(\$'000)	(\$'000)	(%)
Investment income ¹	1,568	1,195		
Total revenue	1,568	1,195	373	31.2%
Management fees	(109)	(106)		
Trust expenses	(119)	(80)		
Total expenses	(228)	(186)	(42)	22.6%
Operating profit ²	1,340	1,009	331	32.8%
Non-controlling interest	149	116		
Statutory income	1,489	1,125	364	32.4%
Weighted average units on issue	4,214	4,131		
Operating eps	31.8cpu	24.4cpu	7.4cpu	30.3%
Distribution cpu	30.1cpu	21.0cpu	9.1cpu	43.3%

¹ Investment income, includes interest, distributions and other income from underlying loan investments, held directly or through investments in unit trusts.

² Operating profit is a financial measure which is not prescribed by Australian Accounting Standards (AAS) and represents the profit under AAS adjusted for non-operating items. The Responsible Entity considers operating profit to reflect the core earnings of TCF and it is used as a guide to assess TCF's ability to pay distributions to unitholders. The operating profit is equivalent to the profit for the year attributable to the unitholders of 360 Capital Mortgage REIT.

³ Based on increase in annual distributions since FY20 distributions and forecast FY25 distributions of 60cpu.



Balance sheet highlights – December 2024

Capital Raising
\$8.9m

The Trust undertook a Placement and Conditional Placement at NAV raising \$8.9 million, increasing TCF's total assets by 35.9%.

Loan investments
\$33.5m²
(June 2024: \$24.6m)

The Trust had a portfolio of 5 loan investments as at 31 December 2024.

NTA per unit
\$5.94
(June 2024: \$5.94)

NTA³ per unit consistent with prior reporting period, supporting the Trust's continued focus on capital preservation.

Balance sheet ¹	31-Dec-24	30-Jun-24	Change	Change
	(\$'000)	(\$'000)	(\$'000)	(%)
Cash and cash equivalents	170	268		
Trade and other receivables	150	7		
Loan investments ²	33,468	24,583		
Total assets	33,788	24,858	8,930	35.9%
Trade and other payables	156	69		
Provision for distributions	238	268		
Total liabilities	394	337	57	16.9%
Net tangible assets	33,394	24,521	8,873	36.2%
Units on issue	5,621	4,131		
NTA per unit³	\$5.94	\$5.94	\$0.00	0.00%

1. Balance sheet excludes non-controlling interest (NCI) as at 30 June 2024 of \$1.3 million. This presentation and disclosures differ from the Fund's statutory Financial Report, please refer the Interim Financial Report dated 31 December 2024 for full disclosures.

2. Loan investments of \$24.6 million as at 30 June 2024, excludes interest in loan investment held by NCI of \$1.3 million.

3. NTA per unit is equivalent to Net Tangible Asset Value ("NAV") per unit.

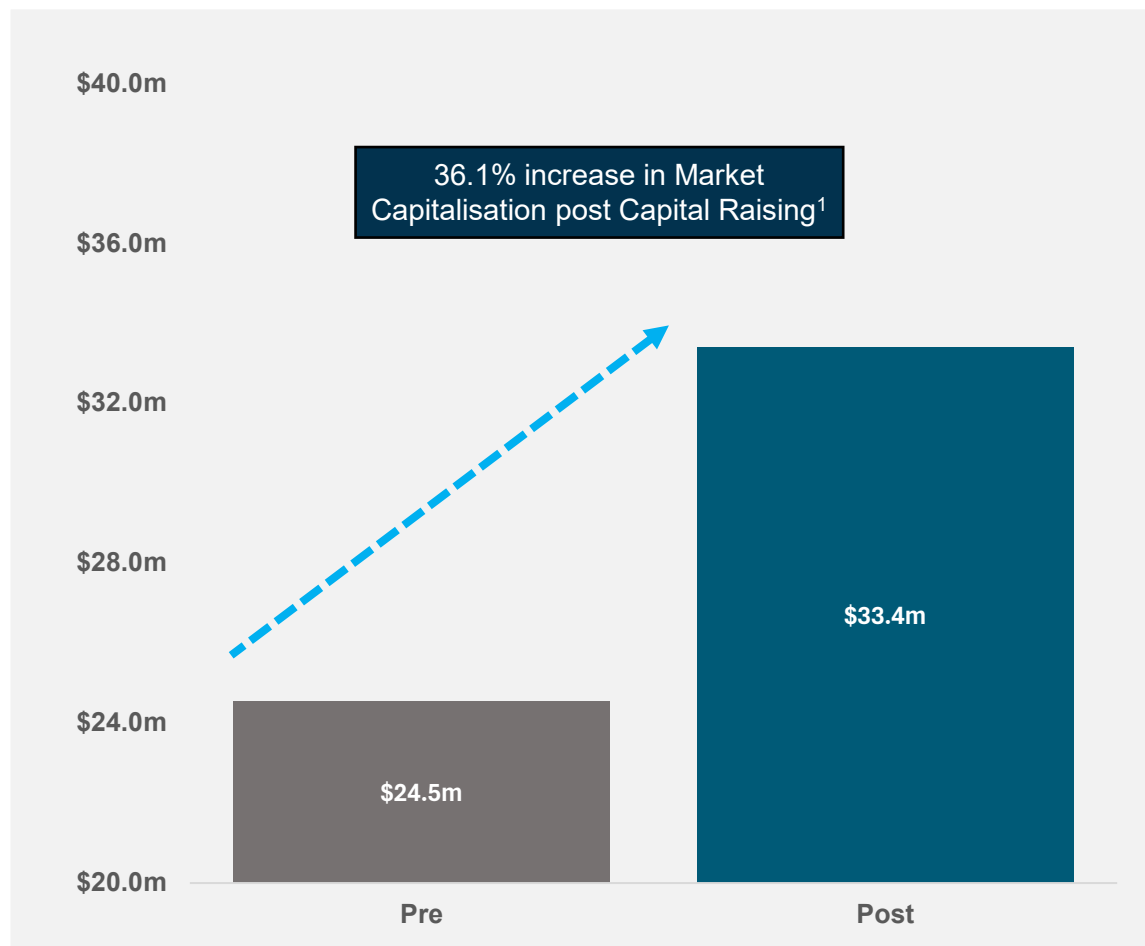
5. Capital Management



Capital Raising

Successful Placement and Conditional Placement raising \$8.9 million

Market Capitalisation



Key Benefits of Capital Raising



Increased Scale and Relevance

36.1% increase in market capitalisation



Expanded Investor Base

79 new investors



Improved Liquidity

110% increase in average daily turnover²



Diversification

Potential for increased portfolio diversification



Research

Initiated coverage with BondAdviser 'Approved' rating

1. Prior number of units on issue at NAV compared to post number of units on issue at NAV

2. Based on the increase in Average Daily Turnover (ADT) since the announcement of the liquidity facility and potential capital raising on 19 September 2024 of 7,371 Units and the prior 12-month ADT of 3,505 Units

Increased liquidity and trading price

Unitholders approved the off-market liquidity mechanism in December 2024

Liquidity mechanism and Management Agreement

On 20th December 2024 Unitholders approved the Liquidity Mechanism and 10-year Investment Management Agreement for TCF. Key details are outlined below:

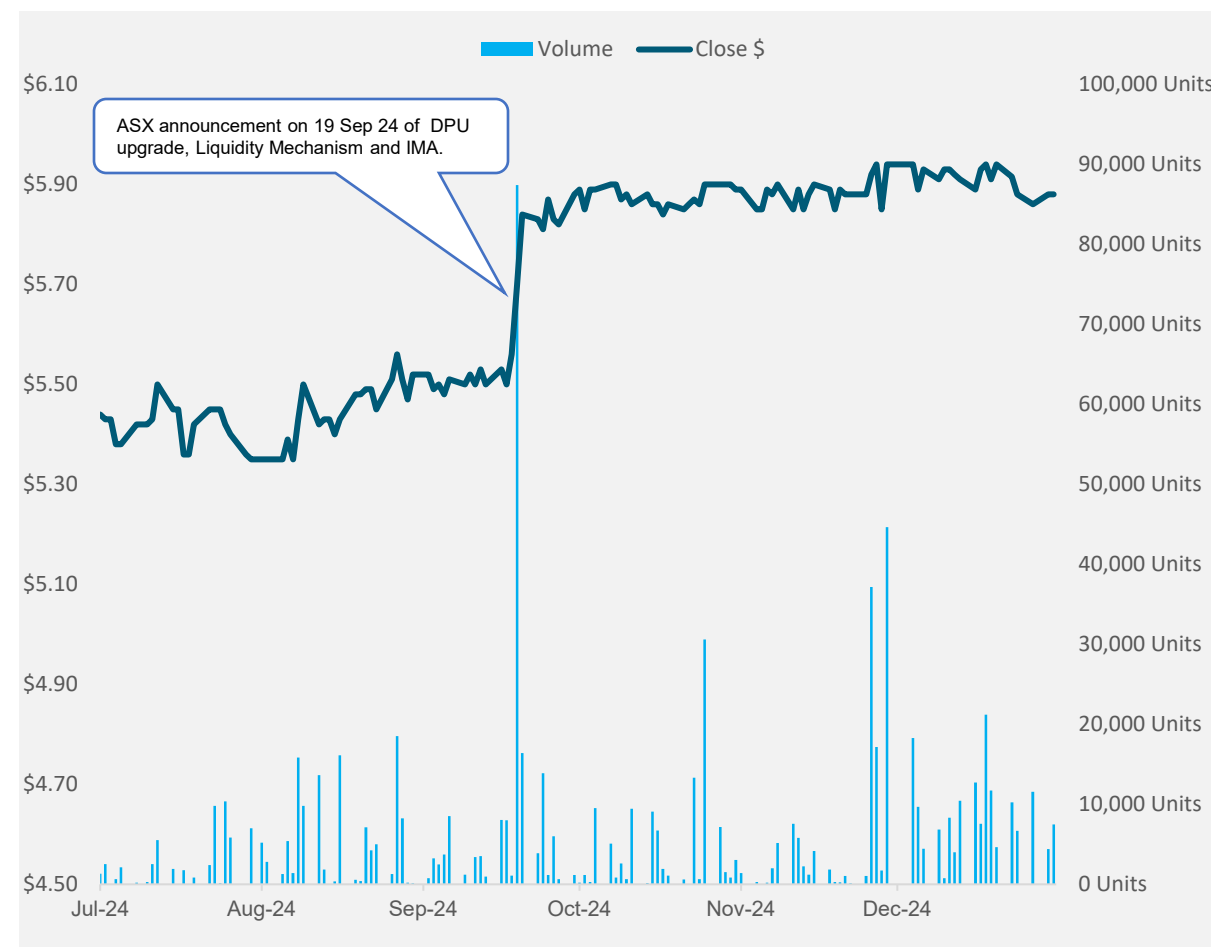
Liquidity Mechanism:

- Ability to participate in off-market buybacks every June and December.
- Units repurchased at Net Asset Value (NAV) plus any accrued distributions.
- Capped at 5% every six-months, not to exceed 10.0% p.a. reduced by any on-market buy back in the preceding 12-month period

Investment Management Agreement (“IMA”):

- Appointed 360 Capital Mortgage REIT IM Pty Limited as Investment Manager
- The IMA spans 10 years, with an automatic 5-year extension
- No new fees; ongoing management fees in line with existing Responsible Entity fees

Improved trading price and liquidity

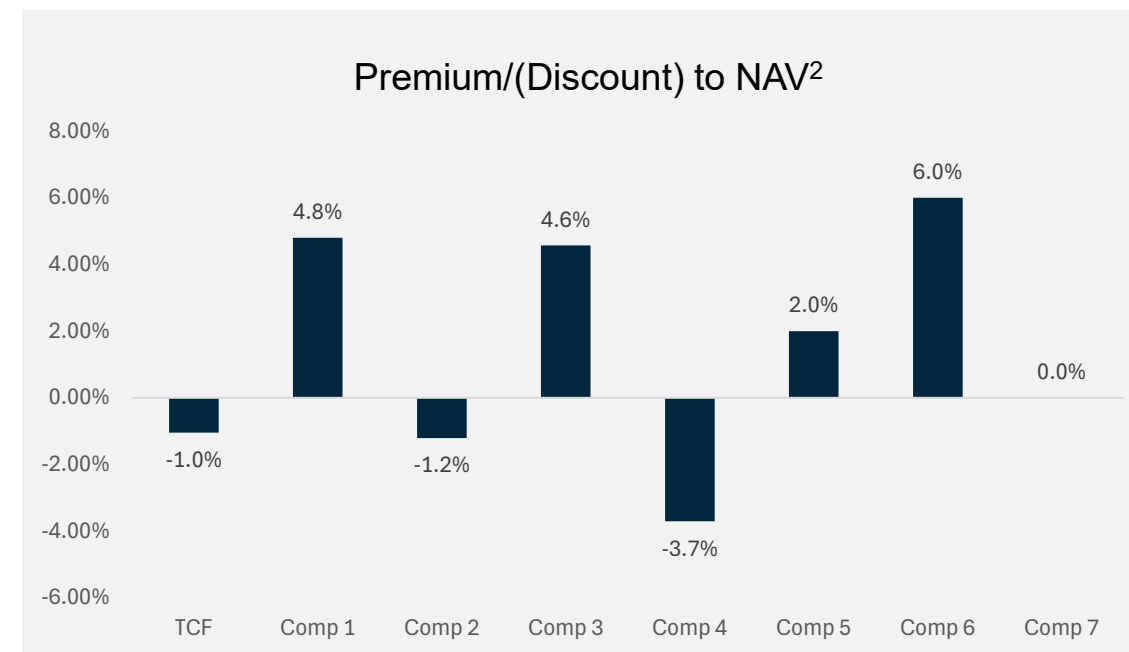
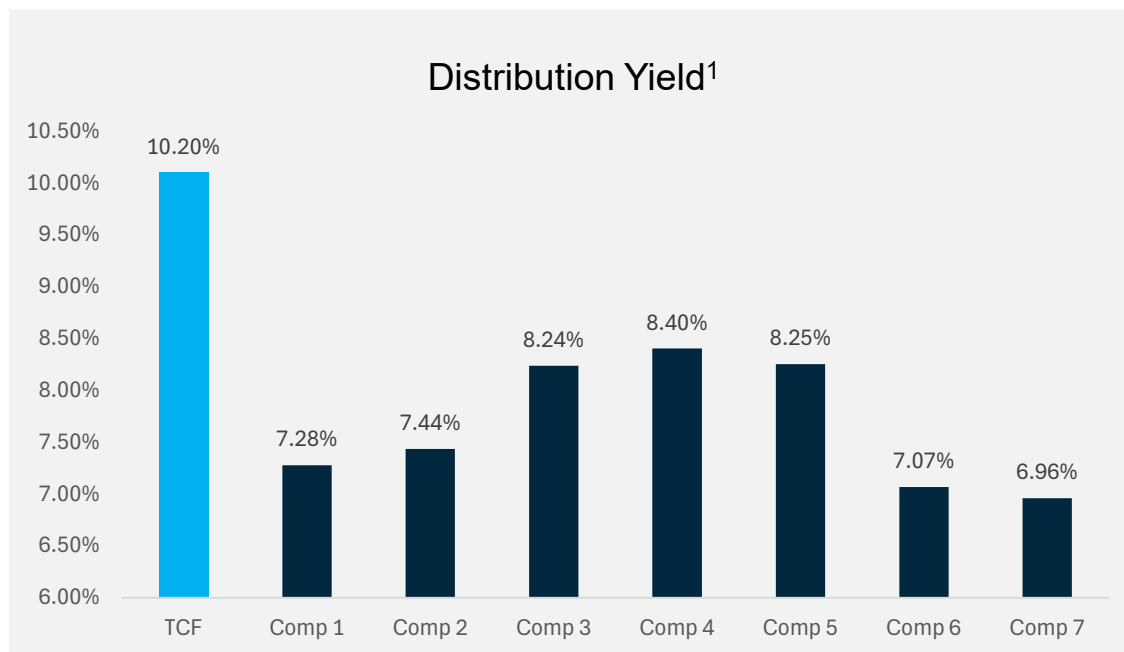




6. FY25 outlook and guidance

360 Capital Mortgage REIT (ASX:TCF) - peer comparison

One of two ASX-Listed Mortgage REITS, balance of peers are diversified across sectors some with overseas exposure



- **Attractive Yield:** Offers a distribution yield of 10.2%¹, the highest among ASX-listed credit funds.
- **Conservative Structure:** Operates with no leverage and minimal junior loans, ensuring all loans are secured by registered real estate mortgages.
- **Consistent Income:** Provides monthly distribution payments to investors.
- **Domestic Focus:** Invests exclusively in Australian loans, eliminating foreign exchange and derivative exposures

- **Undervalued Position:** Trading at marginal discount to Net Asset Value (NAV), presenting a potential value opportunity relative to peers.
- **Liquidity Mechanism:** Implements a buyback program to offer liquidity at NAV, enhancing investor flexibility.

1. Based on forecast FY25 DPU of 60cpu divided by TCF's 31 December 2024 closing price of 5.88 per unit and most recent company filings

2. As at 31 December 2024, TCF premium/(discount) reflective of ability to redeem off-market at NAV in accordance with the terms and conditions of the Off-Market Liquidity Facility approved by Unitholders on 20 December 2024

Capital management - FY25 outlook and guidance

NTA gap and liquidity	1	<p>Continue marketing and other initiatives to maintain trading price, including introduction of 6 monthly liquidity mechanism at NAV</p> <p>Seek additional research coverage given TCF's unique position as one of only two ASX listed Australian Mortgage REITs</p>
Potential capital raising	2	<p>Potential Entitlement and General Offer in line with NAV during 2H25</p> <p>Continue to increase capital base to improve ASX trading liquidity, loan diversification and fund relevance with \$100m target market capitalisation within next 12 months</p>
Diversification	3	<p>Target of 5-15 loan investments (currently 5), further diversified by geography asset class and loan type</p> <p>Diversification through co-investing with the unlisted 360 Capital Private Credit Fund and deal by deal loan syndication</p>
Guidance	4	<p>Forecast FY25 distributions of 60.0 cpu¹ equivalent to 10.2%² DPU yield, paid monthly</p> <p>Introduction of distribution policy to target RBA Cash Rate +4.0% (net of fees)³</p>

1. FY25 distribution of 60.0 cpu is subject to the timing of repayment of existing loan investments and redeployment of proceeds and any changes in the prevailing market and interest rate environment
2. Based on TCF's closing price on the ASX on 31 December 2024 of \$5.88 per unit.
3. Based on TCF's NAV which was \$5.94 per unit as at 31 December 2024.



Disclaimer

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360 Capital **Identifying**
●●●●● strategic investment
opportunities