



ASX Release

14 February 2024

360 Capital REIT (ASX:TOT)

Entitlement offer to raise up to \$46.8 million

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360 Capital FM Limited ACN 090 664 396, AFSL 221474 as responsible entity (**Responsible Entity**) for the 360 Capital REIT, the stapled entity comprising 360 Capital Passive REIT ARSN 602 304 432 and 360 Capital Active REIT ARSN 602 303 613 (**Fund**) announces today that it is undertaking a 0.8 for 1 non-renounceable pro rata entitlement offer of New Securities in the Fund at an offer price of \$0.40 per New Security (**Offer Price**) to raise up to approximately \$46.8 million (**Entitlement Offer**).

The Entitlement Offer is only available to "Eligible Securityholders" on the register of securities of the Fund (**Existing Securities**) as at the Record Date being 7.00pm AEDT on 19 February 2024¹.

The Offer Price under the Entitlement Offer is \$0.40 per new security in the Fund (**New Security**), representing a:

- 27.1% discount to the 5-day VWAP; and
- 19.7% discount to the theoretical ex-rights price of \$0.498 (**TERP**) (based on 60% participation); and
- 26.6% discount to the last ASX closing price on 13 February 2024.

New Securities issued under the Entitlement Offer will not be entitled to receive the Fund's March 2024 distribution but will be eligible to receive the June 2024 quarter distribution which is expected to be 0.75 cents per New Security (**cps**). The Offer Price and Fund's distribution guidance of 3.0cps p.a. for FY25 reflect a prospective distribution yield of 7.5% of the Offer Price.

The Fund has a history of paying fully franked distributions and expects to continue to pay fully franked distributions in FY24 and FY25 given its existing franking credit balance. The Fund also has the ability to distribute tax deferred distributions as its modern portfolio has significant depreciation allowances.

The majority securityholder of the Fund, 360 Capital Group Limited holds 43,156,825 Existing Securities being 29.5% percent of the total Existing Securities on issue in the Fund. In addition, entities associated with Tony Pitt hold 1,251,888 Existing Securities being 0.9% percent of the total Existing Securities on issue. 360 Capital Group Limited and entities associated with Tony Pitt have indicated that they will take up their respective entitlements in full.

¹ An Eligible Securityholder must also be a securityholder who (i) is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent a securityholder holds Securities for the account or benefit of such person in the United States, the securityholder will not be eligible to participate on behalf of such person); and (ii) is eligible under all applicable securities law to receive an offer under the Entitlement Offer.



Use of Proceeds

Proceeds from the Entitlement Offer will be used to reduce the Fund's gearing which has increased due to the reduction in asset values since acquisition and following the payment of tax liabilities in December 2023. The Fund's gearing as at 31 December 2023 was 41.6% of gross assets, above the Fund's target gearing range of 30% - 40%. Net proceeds from the Entitlement Offer will be applied to reduce debt. Depending on the level of acceptances under the Entitlement Offer, the Fund's gearing could be reduced to as low as 22.0% if 100% participation occurs.

Entitlement Offer

The Entitlement Offer will give Eligible Securityholders the opportunity to acquire 0.8 New Securities for every 1 Existing Security held at 7.00pm AEDT on 19 February 2024 (**Entitlements**).

The Entitlement Offer will raise up to \$46.8 million at the Offer Price of \$0.40 per New Security. The Entitlement Offer will open on Thursday 22 February 2024 and close on Thursday 7 March 2024. Further details regarding the timetable for the Entitlement Offer are included in the Appendix to this announcement.

The Entitlement Offer is non-renounceable and entitlements will not be tradeable on ASX or otherwise transferable. Eligible Securityholders who do not take up all, or any part, of their Entitlements will not receive any payment or value in respect of those Entitlements not taken up and their equity interest in the Fund will therefore be diluted.

It is the responsibility of Eligible Securityholders to inform themselves of the eligibility criteria for the exercise of their Entitlements. Further details on eligibility criteria to exercise Entitlements are included in the Entitlement Offer booklet (**Offer Booklet**) to be lodged with ASX today and available to Eligible Securityholders on 22 February 2024.

Eligible Securityholders are encouraged to carefully read the Offer Booklet for further details relating to the Entitlement Offer. If Eligible Securityholders wish to obtain more information in the interim, please call the 360 Capital Information Line on 1300 082 130 (within Australia) or on +61 2 8016 2884 (from outside Australia) between the hours of 8.30am and 5.00pm Monday to Friday (AEDT) (excluding public holidays).

The Offer Booklet may also be accessed on the ASX website under the Fund's announcement under ASX code TOT (once available).

Authorised for release by the Board of 360 Capital FM Limited.

For further information in relation to the proposal please contact either

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Appendix

Timetable

Key event	Date
Announcement of HY24 results and Entitlement Offer	Wednesday, 14 February 2024
Ex date for Entitlement Offer	Friday, 16 February 2024
Record Date for the Entitlement Offer (7pm AEDT)	Monday, 19 February 2024
Open of offer and Offer Booklet and personalised entitlement and acceptance forms provided to Eligible Securityholders	Thursday, 22 February 2024
Offer Closes (5pm AEDT)	Thursday, 7 March 2024
Securities are quoted on a deferred settlement basis	Friday, 8 March 2024
Announcement of results of Entitlement Offer	Tuesday, 12 March 2024
Settlement of Entitlement Offer and allotment of New Securities	Thursday, 14 March 2024
Expected trading of New Securities issued under the Entitlement Offer	Friday, 15 March 2024
Dispatchment of holding statements	Monday, 18 March 2024
Ex date for March 2024 distribution	Wednesday, 27 March 2024
Record date for March 2024 distribution	Thursday, 28 March 2024

Note: All dates and times are indicative only and subject to change at the discretion of the Responsible Entity. All dates and times are references to AEDT. New Securities issued under the Entitlement Offer are not entitled to receive the March 2024 distribution.

About 360 Capital REIT (ASX: TOT)

The Fund has a demonstrated track record of consistent quarterly distributions, through a selective and disciplined investment philosophy, combined with access to real estate investment opportunities available to the Fund through the 360 Capital Group, the manager of the Fund.

Issued by

This announcement has been prepared by 360 Capital FM Limited ACN 090 664 396, AFSL 221474 (**Responsible Entity**) as responsible entity for the 360 Capital REIT, the stapled entity comprising 360 Capital Passive REIT ARSN 602 304 432 and 360 Capital Active REIT ARSN 602 303 613 (the Fund) in connection with a non-renounceable entitlement offer (**Entitlement Offer**) of securities in the Fund (**New Securities**). The Entitlement Offer is being made without the release of a prospectus or product disclosure statement, in accordance with section 1012DAA of the Corporations Act. Prospective investors should have regard to the Fund's periodic and continuous disclosure announcements to ASX in addition to this and any other announcement made in connection with the Entitlement Offer.



Forward looking statements and disclaimer

This announcement contains summary information about the Fund and its activities and has been prepared in accordance with information available to the Responsible Entity as at 14 February 2024. The announcement should be read in conjunction with the Fund's other periodic and continuous disclosure announcements to ASX in addition to this and any other announcement made in connection with the Entitlement Offer.

This announcement and the associated offer documentation contain forward looking statements, including financial outlook information (for example distribution guidance, franking and distribution yield), the outcome of the Entitlement Offer and the use of the proceeds. Forward looking statements involve elements of subjective judgment, analysis and assumptions, and are neither promises nor guarantees, and are subject to known and unknown risks, uncertainties and other factors, many of which are outside the control of the Responsible Entity, that could cause the actual results, performance or achievements of the Fund to vary materially from those expressed or implied in such forward looking statements. Readers should be aware that the timing of actual events, and the magnitude of their impact might differ from that assumed in preparing forward looking statements information, which may have a material negative effect on actual future financial performance, financial position and cash flows.

Forward looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Except as required by law or regulation, the Responsible Entity assumes no obligation to release updates or revisions to forward looking statements to reflect any changes. Some of the risk factors that impact on forward looking statements are set out in the 'Key Risks' section of the associated offer documentation.

Past performance

Past performance is not a reliable indicator of future performance.

Not financial product advice

The information contained in this announcement is not financial product advice. This announcement and the associated offer documentation have been prepared without reference to your investment objectives, financial situation and particular needs. It is important you read this announcement and the accompanying offer documentation in their entirety, together with the Fund's periodic and continuous disclosure announcements to ASX, before making a decision whether to invest. If you are in any doubt, you should consult your broker or financial or other professional adviser.

Investment risk

An investment in the Fund is subject to investment and other known and unknown risks, some of which are beyond the control of the Fund. The Responsible Entity and the Fund do not guarantee any particular rate of return or the performance of the Fund. Persons should have regard to the risks outlined in this announcement, the Offer Booklet and Investor Presentation dated 14 February 2024 and the associated offer documentation.

Not an offer

This announcement does not constitute an offer, invitation or recommendation to subscribe for or purchase any New Securities and neither this announcement nor anything contained in it will form the basis of any contract or commitment.

Financial information

All financial and operational information contained in the announcement and the associated offer documentation is stated as at the date of this announcement, unless otherwise specified. Currency amounts are in Australian dollars.

Entitlement Offer restrictions

The Entitlement Offer will be conducted in accordance with the requirements of the laws of Australia. No New Securities are being offered to any person whose registered address is outside Australia or New Zealand. No action has been taken to register New Securities or otherwise permit a public offering of New Securities in any jurisdiction outside of Australia or New Zealand. This announcement and the related offer documents do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. The distribution of the announcement and associated offer documentation in jurisdictions outside Australia or New Zealand may be restricted by law and persons who come into possession of it who are not in Australia or New Zealand should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This announcement, or any other material relating to the Offer may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or to any person who is acting for the account or benefit of any person in the United States (to the extent such person holds Securities and is acting for the account or benefit of a person in the United States), or any other jurisdiction in which, or to any person to whom, such offer would be illegal, and no action has been taken to permit such an offer. The Entitlements and New Securities have not been, nor will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States.

Governing law

This announcement, the Entitlement Offer and any contracts made in connection with the acceptance of the Entitlement Offer are governed by the laws of NSW, Australia. Each person who applies for New Securities submits to the jurisdiction of the courts of NSW.