

27 October 2017

**360 Capital Group (TGP)  
2017 AGM Chairman's Address and Presentation**

Good afternoon Ladies and Gentleman it is 2:00pm and as there is a quorum present, I declare this meeting open.

Welcome to the 2017 Annual General Meeting of 360 Capital Group Limited.

My name is David van Aanholt and I am the Independent Chairman of your Group.

To help the meeting run smoothly can I ask that you turn your mobile phones off during this Meeting? Thank you!

I would like to start by introducing my fellow Directors:

- Mr. Andrew Moffat an Independent Director who chairs the Remuneration and Nominations Committee and is a member of the Audit and Risk Committee;
- Mr John Ballhausen an Independent Director who is a member of the Audit and Risk Committee;
- Mr. Graham Lenzner an Independent Director who chairs the Audit and Risk Committee and is a member of the Remuneration and Nominations Committee; and.
- Mr. Tony Pitt the Managing Director of the Group.

Also present today are:

- Glenn Butterworth our Chief Financial Officer, and
- Jennifer Vercoe our Company Secretary,
- I also welcome other members of the 360 Capital team, and our auditors EY

Shortly I will hand to Tony, who will go through the Group's 2017 Financial Year performance. Tony will also provide an update on 360 Capital's activities.

We will then move to the formal business of meeting and the six Resolutions for your approval as detailed in the Notice of Meeting mailed to all Securityholders on 26 September 2017.

As the Notice of Meeting has been in the hands of Securityholders for the statutory period, I shall take the Notice of Meeting as read.

Securityholders holding a YELLOW card are permitted to vote and ask questions at the appropriate time.

Those with an ORANGE card are not permitted to vote but are permitted to ask questions.

If you're holding a GREEN card you are a visitor and are not permitted to ask questions.

ASX Release

### **Chairman's Address**

As can be seen in the graph on the screen which shows total Securityholder return, the 2017 financial year was another year of significant and positive achievements for the Group.

As you would be aware, the Group completed the sale of the majority of its funds management business in January 2017 to Centuria for \$290.7 million. Combined with the sale of Subiaco Square and the wind up of the Subiaco Square fund, these transactions provided the Group with over \$300 million in cash and deferred payments, positioning the Group well for future opportunities.

Following the sale of the majority of the Group's fund management platform, the Group's strategy continues to focus on real estate funds management and investment across the following three key areas:

- Public Capital – 360 Capital Total Return (ASX: TOT)
- Private Capital – Partnerships / Platform Creation
- Debt Capital – Alternative debt financing and management

The Group's strategy remains sticking to our core skillset of being a real estate investor and fund manager. This strategy includes sponsoring transactions to enable future opportunities, managing its public and private funds as well as investing alongside public and private capital across debt and equity opportunities.

Since the sale to Centuria in January 2017, management has been busy implementing these strategies including, but not limited to:

- Purchasing 19.9% of Asia Pacific Data Centre Group and subsequently making a \$225 million cash takeover;
- Increasing the gross assets of 360 Capital Total Return Fund by over double through a \$40.6 million capital raising;
- Continuing to expand our private capital partner relationships; and
- Commencing its non-bank lending activities;

Tony will expand on these activities shortly.

Your Board has significant experience in real estate funds management, with many of us having been through various investment cycles. The majority of Board members have worked with this management team for the past 6 years. Furthermore, the Board and management remain aligned to fellow shareholders with approximately 1/3 of the Group's securities now owned by staff and directors.

The sale of the platform has left the group in a strong cash position and debt free. Our view is that real estate values in the traditional sectors are at or near to the peak of the cycle and equity returns from traditional real estate maybe peaking.

Over the past 6 months, the Group has focused on new real estate asset sectors where the underlying drivers are strong such as data centres. Furthermore, we see greater risk adjusted returns at present from investing in real estate debt.

Tony will outline the future strategy for the Group shortly; however, I can say that the executive team and the Board remain cautious about current real estate markets and the investment environment. We will continue to remain disciplined redeploying the Group's capital however, we remain nimble and ready to act when opportunities arise.

I will now hand over to Tony who will provide a summary of 360 Capital's FY17 performance and its future strategy following the sale of the platform and co-investments to Centuria. Tony.

More information on the Group can be found on the ASX's website at [www.asx.com.au](http://www.asx.com.au) using the Group's ASX code "TGP", on the Group's website [www.360capital.com.au](http://www.360capital.com.au), by calling the 360 Capital investor enquiry line on 1300 082 130 or emailing [investor.relations@360capital.com.au](mailto:investor.relations@360capital.com.au)

Alternatively, please contact:

**Tony Pitt**  
Managing Director  
360 Capital Group  
+61 2 8405 8860

**Glenn Butterworth**  
Chief Financial Officer  
360 Capital Group  
+61 2 8405 8860

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**About 360 Capital Group (ASX: TGP)**

360 Capital Group is an ASX-listed, property investment and funds management group concentrating on strategic investment and active investment management of property assets. The Group actively invests in direct property assets, property securities, real estate debt and various corporate real estate investments within Australian real estate markets on a private and public equity basis.

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# 360 Capital

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G r o u p



## 2017 ANNUAL GENERAL MEETING

ASX TGP

27 October 2017

This presentation has been prepared by 360 Capital Group Limited (ABN 18 113 569 136) and 360 Capital Investment Trust (ARSN 104 552 598) together the 'Group' or 'TGP'.

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Please refer to the Notice of Meeting and Explanatory Memorandum dated 26 September 2017 for further information on the resolutions.

Chairman's Welcome and Introduction

Board of Directors

Managing Director's Address

FY17 Results

Questions

Business of the Meeting

Proxy Voting



**DAVID VAN AANHOLT, CHAIRMAN & INDEPENDENT DIRECTOR**

David has over 25 years of experience in the property and funds management industry. Prior to establishing his own property group in 2007, David was the Chief Executive Officer (Asia Pacific) of the ASX listed Goodman Group (previously known as Macquarie Goodman). In that role David was responsible for Goodman's operations in Australia, New Zealand, Hong Kong and Singapore. David worked for Goodman for more than a decade and before joining them he was a Fund Manager at Paladin Australia Limited (acquired by Deutsche Bank) and an Associate Director of CDH Properties (acquired by KPMG).



**TONY PITT, MANAGING DIRECTOR**

Tony is a founding Director of 360 Capital and has worked in the property and property funds management industries for approximately 20 years. Tony is responsible for the performance of 360 Capital's various investments and funds, including the investment analysis, management, acquisitions and disposal and overall Group and investment strategy. He has overseen the IPO on the ASX of three AREITs since 2012 as well as the creation of various unlisted funds, undertaken corporate acquisitions and the ASX listing of 360 Capital Group. Tony formerly held numerous senior roles and directorships at Mirvac Group, James Fielding Group. He also held positions at Paladin Australia Limited, JLL and CBRE. He 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.



**ANDREW MOFFAT, INDEPENDENT NON EXECUTIVE DIRECTOR**

Andrew has in excess of 20 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's past public company directorships include itX Group Limited, Infomedia Limited, Rubik Financial Limited and Chairman of Pacific Star Network.



**JOHN BALLHAUSEN, INDEPENDENT NON EXECUTIVE DIRECTOR**

John is a financial services professional. He provides services to a number of organisations and is a Responsible Manager for several Australian Financial Services Licensees. 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 a large insurance company, with responsibility for more than \$3 billion of funds across fixed interest, equities and property asset classes.



**GRAHAM LENZNER, INDEPENDENT NON EXECUTIVE DIRECTOR**

Graham has had a career spanning four decades, with particular emphasis on funds management and financial markets. Graham was an Executive Director of the Armstrong Jones Group for 12 years, the last four years as Joint Managing Director. Other previous roles include Finance and Deputy Managing Director of Aquila Steel, General Manager Finance and Investments of MMI Insurance Limited and Director Head of Equities with Schroder Darling Management Limited. Graham has served on the Board of a number of public and private companies. He is currently Chairman of Device Technologies Australia Pty Limited.

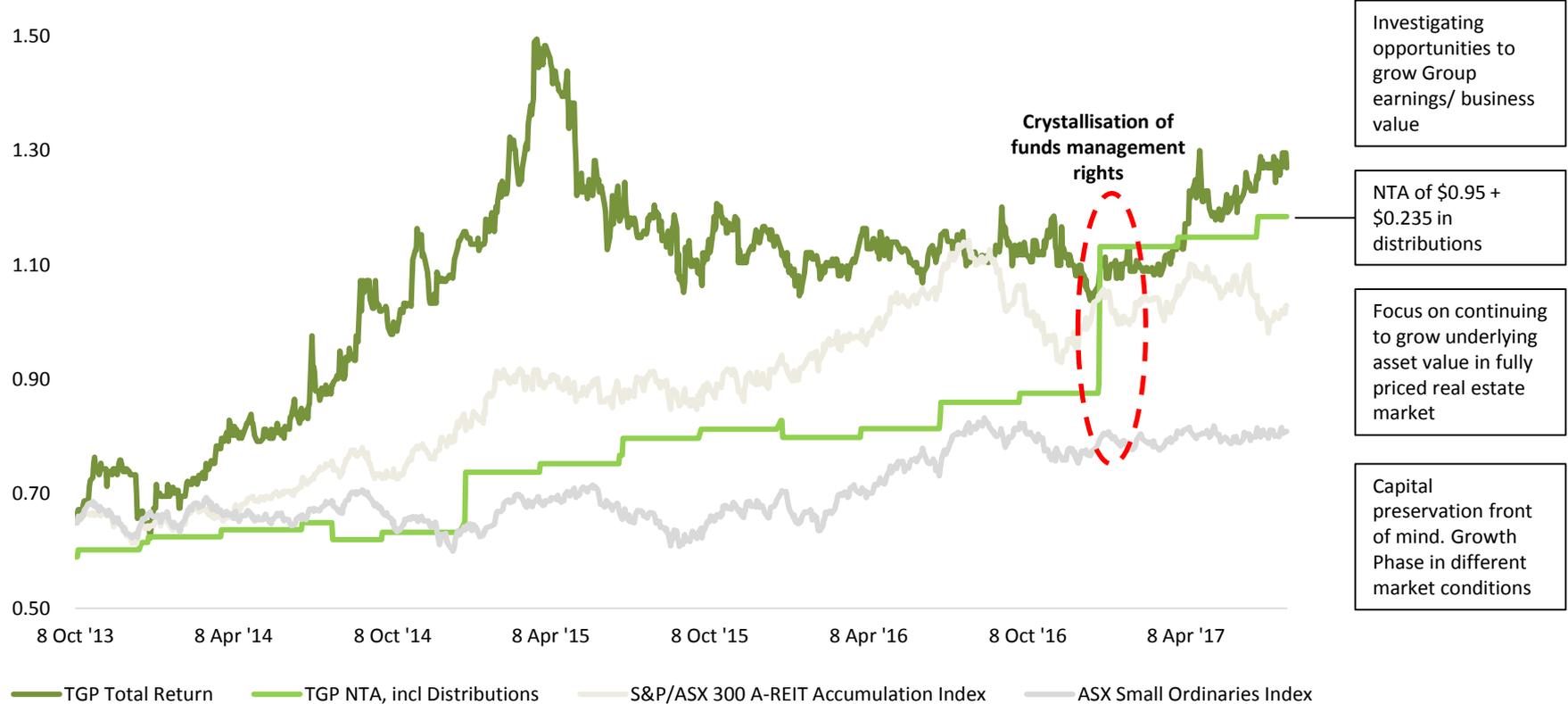
# Real Estate Investing Is Cyclical

Relative Total Securityholder Returns Since 360 Capital Acquisition by TGP

## 360 Capital is rebuilding from solid asset base – continuing to create value for its Securityholders



Indexed to TGP Share Price, Except NTA includes distributions paid



TGP Total Return	TGP NTA, incl Distributions	S&P/ASX 300 A-REIT Accumulation Index	ASX Small Ordinaries Index
Since Oct '13: 95.4%	Since Oct '13: 100.8%	Since Oct '13: 58.3%	Since Oct '13: 24.5%
FY17: 8.5%	FY17: 47.1%	FY17: -6.6%	FY17: 5.5%

# Managing Director's Address



**\$63.6m**

Statutory Profit

↑ 164%

**\$13.2m**

Operating Profit

↓ 17%

**Debt  
Free,  
\$97.2m**

Cash

**95 cents**

NTA

↑ 40%

**29.5 cps**

Statutory Profit

↑ 178%

**6.1 cps**

Operating Earnings

↓ 13%

**\$117.8m**

Further contracted  
receivables from  
CNI and listed  
securities

**6.5 cps**

Distribution

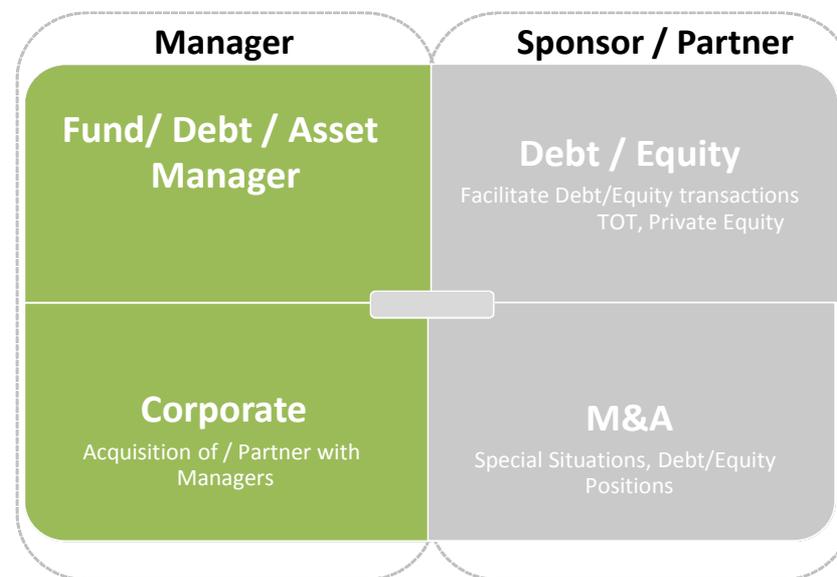
↑ 4%

- Sold the majority of FM business to Centuria Capital Group for \$290.7 million
- Sale of Subiaco Square Shopping Centre for \$38.4 million (20% premium), returning the Group \$9.4 million in cash plus exit fees
- Repaid all TGP Bonds (\$75.0 million), TGP now debt free with approximately \$97.2 million in cash
- Bought back 25.0 million TGP securities @ \$0.90 per security (10.4% of issued capital)
- Launched the 360 Capital 2017 Private Equity Real Estate Fund
- Increase TOT's and the Group's investment in IDR to approximately 18.2%. Post FY17, TOT & TGP disposed of its combined stake in IDR generating an 18.3% IRR p.a.
- Launched Australian Mezzanine Finance Pty Limited – progressed building non-bank real estate financing in partnership with TOT
- Undertook a \$40.6 million capital raising in TOT increasing the gross assets to over \$80.0 million
- Settled the repayment of the \$50.0 million vendor loan 15 months before expiry
- Settled the disposal of part of the unlisted co-investment stakes with Centuria
- Purchased a strategic 19.9% stake in Asia Pacific Data Centre Group (AJD) for approximately \$36.0 million, and TGP has made a takeover to purchase remaining securities at \$1.95 per security

Balance Sheet	30 Jun 16 (\$m) Audited	30 Jun 17 (\$m) Audited	
Cash	11.3	97.2	Cash position remains strong with disciplined approach to capital deployment
Receivables	4.6	2.1	
Listed investments- AJD		40.2	Strategic stake in AJD benefiting from corporate action, value increased further post 30 June
Listed investments- TOT	8.6	19.1	
Listed investments- Other (Jun 17:IDR)	138.2	4.7	IDR stake realized post 30 June 2017 for \$4.8 million
<b>Total core investments</b>	<b>162.7</b>	<b>163.3</b>	
Centuria unlisted funds- put & call option		53.7	Centuria exercised \$5.2 million in options over past 5 months, remaining \$53.7 million put & calls exercisable over 18 months at guaranteed price (30 June 2017 NTA)- 7.5% p.a. guaranteed income return from CNI
Centuria unlisted funds- not under put option	77.6	4.6	
<b>Total non-core co-investments</b>	<b>77.6</b>	<b>58.3</b>	
Other assets	14.1	4.7	
<b>Total assets</b>	<b>254.4</b>	<b>226.5</b>	
Corporate bond issue	76.8	-	
Other	9.1	22.9	Including \$18.3 million in tax payable in December 2017
<b>Total liabilities</b>	<b>85.9</b>	<b>22.9</b>	
<b>Net assets</b>	<b>168.5</b>	<b>203.6</b>	
<b>Securities on Issue</b>	<b>239.6</b>	<b>214.6</b>	
<b>NTA (diluted) cps</b>	<b>69.0</b>	<b>94.8</b>	NTA increased from sale of FM rights and MTM of investments

Segment Operating Profit	FY16 (\$M)	FY17 (\$M)	Change	
Co-investment revenue	17.5	12.7	(27.4%)	Co-investment income forecast to continue with AJD, TOT, CNI unlisted funds
Funds management revenue	10.2	7.4	(27.5%)	Finance revenue expected to increase from non-bank lending activities
Finance revenue		0.7	-	
Other revenue	1.2		-	
<b>Total revenue</b>	<b>28.9</b>	<b>20.8</b>	<b>(28.0%)</b>	Operating expenses expected to be reduced in FY18 due to reduced operations
Operating expenses	6.1	4.2	(31.1%)	
<b>Operating EBIT</b>	<b>22.8</b>	<b>16.6</b>	<b>(27.2%)</b>	All debt fully repaid during FY17
Net interest expense	5.6	2.0	(64.3%)	
<b>Operating profit before tax</b>	<b>17.2</b>	<b>14.6</b>	<b>(15.1%)</b>	
Income tax expense	1.2	1.3	(8.3%)	
<b>Operating profit after tax</b>	<b>16.0</b>	<b>13.2</b>	<b>(16.9%)</b>	One off items includes sale of FM rights for \$91.5 million less tax provision, MTM of co-investment, transaction costs
One off and MTM items	8.1	50.4	522.2%	
<b>Statutory profit after tax</b>	<b>24.1</b>	<b>63.6</b>	<b>164.1%</b>	

- The Group has a high conviction strategy and sold the majority of its funds management business and co-investments in January 2017 for ~\$300 million
- Its focus remains on real estate investment and funds management - this is our core skill set
- Our view is certain sectors of the real estate market are over priced and due for a correction
- The Group is debt free with \$97.2 million in cash as at 30 June 2017
- Focused business within three areas:
  - Public Capital – 360 Capital Total Return (ASX: TOT)
  - Private Capital – Partnerships / Platform Creation
  - Debt Capital – Alternative debt financing and management
- The Group will continue to sponsor and manage these activities



- TOT was excluded from the Centuria transaction to become the Group's flagship listed managed fund
- Group has a 23.7% stake in TOT worth \$19.1 million as at 30 June 2017
- Strategy is to grow TOT through responsible transactions to grow its asset base with target of \$200 million market capitalisation within 2 years
- Undertook \$40.6 million capital raising in April 2017 to increase its stake in IDR and to undertake non-bank lending activities
- TOT has a broad investment strategy, allowing the Fund to operate in a highly flexible manner to capitalise on investments, including but not limited to:
  - Value-add/repositioning of direct assets
  - Strategic investments in unlisted and listed real estate funds and businesses
  - Senior and mezzanine finance
  - Distressed debt and "work out" opportunities
- Post FY17, TOT capitalised on IDR's price escalation and sold its entire stake for \$63.4 million generating a total return of 18.3% per annum for unitholders
- Given current market conditions, TOT focus is now in non-bank lending and has approximately \$49 million of lending transactions in due diligence or drawn
- Average IRR on transactions ~17% p.a. over 12-24 month terms

360 Capital

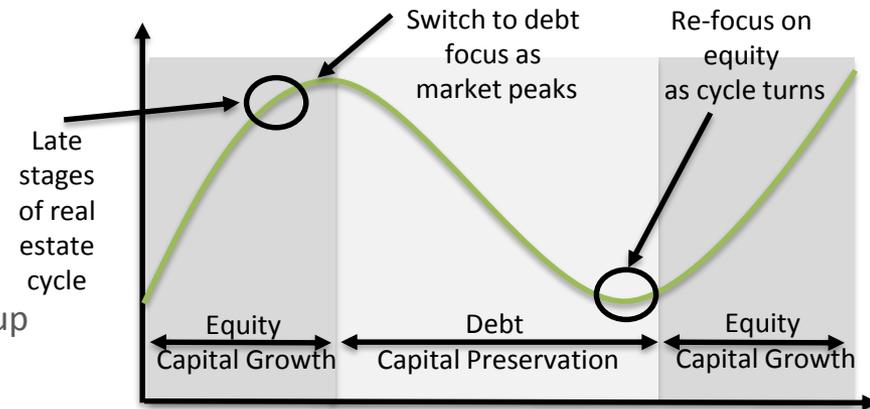
TOTAL RETURN FUND



- The Group purchased a 19.9% stake in AJD for \$36.0 million (\$1.57 per security) in May 2017, post being repaid the Vendor Loan from Centuria
- In July 2017 the Group put a proposal to AJD to purchase all of the securities it does not own at \$1.80 per security, subject to due diligence
- Next DC subsequently made unconditional offer at \$1.87 per security – Offer expired on 15 September 2017 with 29.2% interest
- On 14 September 2017 TGP made a cash offer of \$1.95 per security with offer expiring on 6 November 2017
- AJD stake MTM as at 30 June 2017 was \$40.2m (\$1.75 per security)



- TGP and TOT have jointly established Australian Mezzanine Finance Pty Limited (AMF) to manage non bank lending activities
- AMF receives establishment fees for originating transactions
- New Head of Real Estate Debt and New manager of real estate debt appointed
- C\$50 million in transactions already in due diligence
- Three prong approach to deal origination
  - Working directly with borrowers to lend capital
  - Working with brokers to originate transactions
  - Working with Australian banks
- Typical transaction:
  - Establishment Fee – 2-3%
  - Interest Rate – 12-15%
  - Security – first mortgage and personal guarantees over development projects
  - LVR/LCR- 70/80%
  - Term – 12-24 months
- Non-bank lending will be significant business for the Group over next 6 months



- 360 Capital established an unlisted fund to hold the IDR stake
  - Fund targeted a 12% IRR on equity invested (net of base management fees)
  - TOT invested \$74.0 million as a 20% cornerstone investor
  - IDR average entry price \$2.07 per security
  - As IDR trading price increased it became evident that it was in the best interest of TOT to sell the stake and look at other opportunities
  - 18.3% IRR p.a. generated
- 
- 360 Capital continues to be committed to partnering with private equity investors and remains active in the marketplace looking for opportunities
  - One area we are focusing on partnering is in non-bank lending which given the returns is suitable to private equity funds
  - Private equity capital has shown interest in Group's activities with AJD
  - Priya Roy joined 360 Capital as Head of Private Capital to focus on private equity investors



**BEN JAMES, CHIEF INVESTMENT OFFICER**

Ben joined 360 Capital in 2010 and is responsible for all fund investment activities within the group. Ben has over 19 years' experience in Real Estate Funds Management and Investment across the office, retail, industrial, hotel and car park sectors. Prior to joining 360 Capital, Ben was the Trust Manager of Mirvac Property Trust, the \$4.5 billion investment vehicle of the ASX listed Mirvac Group. He also held positions in property management and investment sales with Colliers International.



**GLENN BUTTERWORTH, CHIEF FINANCIAL OFFICER**

Glenn is responsible for all 360 Capital's financial management activities. Prior to joining 360 Capital, Glenn spent 11 years at Mirvac, most recently as Financial Controller of the Investment Division. Glenn was responsible for Mirvac Property Trust, listed and wholesale managed funds and partnership structures and has a wealth of transactional and financial management skills, gained from over 20 years' industry experience. Prior to Mirvac, Glenn held a number of senior finance roles including Financial Controller at McGrath Estate Agents. Glenn is a chartered accountant and commenced his career at Deloitte.



**JAMES STOREY, FUND MANAGER, 360 CAPITAL TOTAL RETURN FUND**

James has over 11 years' experience in real estate funds management including such areas as asset management, capital transactions, analytics and valuations. Prior to his current role, James was the fund manager of the ASX listed 360 Capital Industrial Fund and 360 Capital Office Fund with combined gross assets of over \$1.2bil. James previously held roles at Brookfield and worked for Ernst & Young within the Transaction Advisory team.



**PRIYA A. ROY, HEAD OF PRIVATE CAPITAL**

Priya has 8+ years' experience in private equity and investment banking, working across the spectrum from acquisitions, asset management, and dispositions through to corporate advisory for M&A and the debt and equity capital markets. She began her career with Morgan Stanley in New York City and later in Sydney, and she was at Goldman Sachs before joining 360 Capital as the Head of Private Capital in 2017. She holds two undergraduate degrees in Finance and Mathematics from Indiana University as well as a master's degree in International Business from the University of Sydney.



**JENNIFER VERCOE, COMPANY SECRETARY**

Jennifer has over 15 years' experience in finance and funds management within the property industry. Jennifer is the Company Secretary to 360 Capital Group and Financial Controller of TT Investments. Prior to this she held finance and funds management roles at Stockland, Valad Property Group and AMP Capital Investors. Jennifer is a Chartered Accountant and has a Certificate in Applied Finance and Bachelors of Commerce and Business Administration from Macquarie University.



**AINSLIE MCFARLAND, FINANCE MANAGER**

Ainslie joined 360 Capital in June 2014 and is responsible for the finance function of the 360 Capital Group, in a role covering management and statutory reporting, compliance, treasury control and taxation. Ainslie has over 8 years' experience in investment and asset management. Previously at Mirvac for 4 years, Ainslie was part of the finance team responsible for the Mirvac Property Trust, and prior to this she worked for the prestigious asset management firm Harrods Estates in London. Ainslie is a qualified Chartered Accountant, holding a Bachelor of Commerce (Accounting & Finance) from the University of Wollongong and a Graduate Diploma of Chartered Accounting.

- The Group purchased back 25.0 million securities in February 2017 at \$0.90 per security
- Approval to purchase back a further 23.0 million securities (if appropriate), expiring November 2018
- Group had \$97.2 million in cash as at 30 June 2017. With sale of IDR stake post period cash now >\$100 million
- \$117.8 million of Group assets in either listed securities or unlisted securities under put and call options, providing the Group with good liquidity and access to cash if the opportunity arose
- Group has sufficient cash, and financing facilities in place for AJD Proposal without relying on a capital partner
- On 2 August 2017, the Group issued 11.3 million TGP stapled securities under the Employee Security Plan @ \$0.98 per security with corresponding employee loan, 3 year vesting period and 12% total return hurdle. Further 1.2 million issued on 13 October 2017 to new non-bank debt team
- Group remains debt free

- As a result of the sale of the majority of the Group's funds management business and co-investment, the Group is changing its distribution/dividend policy to reflect the change in the nature of the business
- FY18 base earnings are forecast to be 3.0 cents per security based on no further deployment of capital and the Group's current investments remaining fully invested
- The Group will distribute 100% of TGP's operating earnings
- Any realised trading profits from TGP's activities will be also be distributed to securityholders

## **Proposed Capital Reconstruction**

- The Group proposes to undertake a capital reconstruction in FY18, subject to securityholder approval
- Reconstruction necessary to re-balance capital between Trust and Company to provide the Trust with the necessary capital base to carry out its business of making property related debt and equity investments
- To effect this capital re-balancing, it is proposed that the Company pay a fully franked Special Dividend (expected to be approximately \$0.21 per security) to securityholders who will be required to contribute those dividend proceeds as capital to the Trust
- The capital reconstruction is subject to receiving an appropriate class ruling from the ATO

- Continue to focus on improving returns for TOT securityholders through redeployment of its current cash and increase TOT's awareness to investors and the general market
- Investigate and sponsor other investment opportunities for private capital investors across both debt and equity investment opportunities
- Advance non bank financing activities for TOT, TGP and private capital and become a major participant in this market through AMF
- Complete AJD transaction and if the opportunity arises review the Group's investment with potential capital partners who have expressed an interest in expanding the portfolio
- Be patient with TGP's capital, continue to monitor opportunities, manage the exposures with have to CNI, look at growing revenue streams and continue to be opportunistic in our approach to creating value for our investors

# Questions



A	FY17 Financial Statements and Report
B	Resolution 1: Approval of the Fiscal 2017 Remuneration Report
C	Resolution 2 and 3: Re-election of Directors
D	Resolution 4: Capital Reconstruction Proposal Resolution 5: Amendments to the Trust Constitution Resolution 6: Amendments to the Company Constitution

## To receive the Company's Annual Report 2017, including the Directors' Report and Financial Statements for the Company together with the Independent Auditor's Report for the year ended 30 June 2017.

### 360 Capital Group

Consolidated statement of financial position  
As at 30 June 2017

	Note	30 June 2017 \$'000	30 June 2016 \$'000
<b>Current assets</b>			
Cash and cash equivalents	13	97,246	13,732
Receivables	14	1,876	3,993
Assets held for sale	16	-	38,350
Financial assets at fair value through profit or loss	15	4,743	-
Other current assets		88	654
<b>Total current assets</b>		<b>103,953</b>	<b>56,729</b>
<b>Non-current assets</b>			
Financial assets at fair value through profit or loss	15	98,559	146,806
Investments equity accounted	17	19,141	-
Investment properties	18	-	258,700
Intangible assets	19	-	13,879
Property, plant and equipment		43	54
Deferred tax assets	20	268	144
<b>Total non-current assets</b>		<b>118,011</b>	<b>419,583</b>
<b>Total assets</b>		<b>221,964</b>	<b>476,312</b>
<b>Current liabilities</b>			
Trade and other payables	21	920	4,814
Borrowings	22	-	10,841
Distribution payable		3,487	3,744
Income tax payable		18,335	878
Provisions	24	45	106
Other current liabilities		-	1,676
<b>Total current liabilities</b>		<b>22,787</b>	<b>22,059</b>
<b>Non-current liabilities</b>			
Borrowings	22	-	207,258
Derivative financial instruments	23	-	2,190
Provisions	24	86	66
<b>Total non-current liabilities</b>		<b>86</b>	<b>209,514</b>
<b>Total liabilities</b>		<b>22,873</b>	<b>231,573</b>
<b>Net assets</b>		<b>199,091</b>	<b>244,739</b>

### 360 Capital Group

Consolidated statement of profit or loss and other comprehensive income  
For the year ended 30 June 2017

	Note	30 June 2017 \$'000	30 June 2016 \$'000
<b>Revenue from continuing operations</b>			
Rental from investment properties	5	15,559	29,352
Funds management fees	5	4,314	8,069
Distributions from property funds	5	8,627	11,273
Finance revenue		1,725	384
<b>Total revenue from continuing operations</b>		<b>30,225</b>	<b>49,078</b>
<b>Other income</b>			
Net gain on disposal of subsidiary	29	77,621	-
Net gain on fair value of financial assets	6	-	14,417
Net gain on disposal of financial assets		-	750
Net gain on fair value of investment properties		1,782	-
Net gain on fair value of derivative financial instruments		1,649	-
Share of equity accounted profits	17	2,377	-
Other income		-	205
<b>Total other income</b>		<b>83,429</b>	<b>15,372</b>
<b>Total revenue from continuing operations and other income</b>		<b>113,654</b>	<b>64,450</b>
Investment property expenses	7	5,676	10,552
Employee benefit expenses	8	3,085	5,708
Administration expenses		1,308	1,828
Depreciation expenses		12	15
Finance expenses	9	7,496	11,935
Transaction costs	29	5,677	-
Net loss on fair value of financial assets	6	3,823	-
Net loss on fair value of investment properties		-	860
Net loss on fair value of derivative financial instruments		-	2,433
Net loss on sale of investment properties		355	279
<b>Profit from continuing operations before income tax</b>		<b>86,222</b>	<b>30,840</b>
Income tax expense	10	18,331	1,196
<b>Profit for the year</b>		<b>67,891</b>	<b>29,644</b>

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

# Resolution 1: Approval of the Fiscal 2017 Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

***“That the remuneration report of the Company for the financial year ended 30 June 2017 as contained in the director’s report for the Company be approved.”***

The vote on this resolution is advisory only and does not bind the Directors of the Company

Proxy Voting	Type	For		Against		Open		Total	Exclusions	Abstain
		Votes (m)	%	Votes (m)	%	Votes (m)	%	Votes (m)	Votes (m)	Votes (m)
<b>Resolution 1</b>	<b>Ordinary</b>	99.3	85.4	3.8	3.3	13.2	11.3	116.3	68.7	0.8

## Voting exclusions

In accordance with the Corporations Act a vote must not be cast on the non-binding Remuneration Report resolution (Resolution 1) by or on behalf of a Securityholder of the Key Management Personnel (whose remuneration details are contained in the Remuneration Report) or their closely related parties whether as a Securityholder or as a proxy. However, a vote may be cast on Resolution 1 by a Key Management Personnel or a closely related party of a Key Management Personnel if:

- the vote is cast by a person as a proxy for a person who is entitled to vote (i.e. is not a Key Management Personnel or a closely related party of a Key Management Personnel), in accordance with the directions on the proxy form; or
- a Key Management Personnel is the Chairman of the meeting and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on the resolution and expressly authorises the Chairman to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of the Key Management Personnel.

## RE-ELECTION OF DIRECTOR: MR. ANDREW GRAEME MOFFAT

The meeting is therefore asked to consider and if thought fit, to pass the following resolution as an ordinary resolution of the Company:

***“That Mr. Andrew Graeme Moffat, being a Director of the Company who retires from office in accordance with the Constitution of the Company and Listing Rules and being eligible and having offered himself for re-election, is re-appointed as a Director of the Company.”***

Proxy Voting	Type	For		Against		Open		Total	Exclusions	Abstain
		Votes (m)	%	Votes (m)	%	Votes (m)	%	Votes (m)	Votes (m)	Votes (m)
<b>Resolution 2</b>	<b>Ordinary</b>	180.3	97.8	3.4	1.8	0.7	0.4	184.4	0.8	0.6

Voting exclusions

None

## RE-ELECTION OF DIRECTOR: MR. WILLIAM JOHN BALLHAUSEN

The meeting is therefore asked to consider and if thought fit, to pass the following resolution as an ordinary resolution of the Company:

***“That Mr. William John Ballhausen, being a Director of the Company who retires from office in accordance with the Constitution of the Company and Listing Rules and being eligible and having offered himself for re-election, is re-appointed as a Director of the Company.”***

Proxy Voting	Type	For		Against		Open		Total	Exclusions	Abstain
		Votes (m)	%	Votes (m)	%	Votes (m)	%	Votes (m)	Votes (m)	Votes (m)
<b>Resolution 3</b>	<b>Ordinary</b>	181.4	98.2	2.6	1.4	0.7	0.4	184.7	0.5	0.6

Voting exclusions

None

The meeting is therefore asked to consider and if thought fit, to pass the following resolution as an ordinary resolution of the Group:

***“That subject to, and conditional on Resolutions 5 and 6 each being passed, the Capital Reallocation Proposal described in the Explanatory Memorandum (attached to the Notice of Meeting) be approved for all purposes.”***

Proxy Voting	Type	For		Against		Open		Total	Exclusions	Abstain
		Votes (m)	%	Votes (m)	%	Votes (m)	%	Votes (m)	Votes (m)	Votes (m)
<b>Resolution 4</b>	<b>Ordinary</b>	165.4	89.0	7.2	3.9	13.1	7.1	185.7	0	0.1

Voting exclusions

None

# Resolution 5: Amendments to the Trust Constitution for the Capital Reallocation Proposal

The meeting is therefore asked to consider and if thought fit, to pass the following resolution as an special resolution of the Trust:

***“That for the purposes of section 601GC(1)(a) of the Corporations Act 2001 (Cth) and for all other purposes, subject to, and conditional on Resolutions 4 and 6 being passed, the Constitution of 360 Capital Investment Trust be amended to facilitate the Capital Reallocation Proposal as described in the Explanatory Memorandum.”***

Proxy Voting	Type	For		Against		Open		Total	Exclusions	Abstain
		Votes (m)	%	Votes (m)	%	Votes (m)	%	Votes (m)	Votes (m)	Votes (m)
<b>Resolution 5</b>	<b>Special</b>	165.4	89.0	7.2	3.9	13.1	7.1	185.7	0	0.1

Voting exclusions

None

# Resolution 6: Amendments to the Company Constitution for the Capital Reallocation Proposal

The meeting is therefore asked to consider and if thought fit, to pass the following resolution as a special resolution of the Company:

***“That for the purposes of section 136(2) of the Corporations Act 2001 (Cth) and for all other purposes, subject to, and conditional on Resolutions 4 and 5 being passed, the Constitution of 360 Capital Group Limited be amended to facilitate the Capital Reallocation Proposal as described in the Explanatory Memorandum.”***

Proxy Voting	Type	<u>For</u>		<u>Against</u>		<u>Open</u>		<u>Total</u>	<u>Exclusions</u>	<u>Abstain</u>
		Votes (m)	%	Votes (m)	%	Votes (m)	%	Votes (m)	Votes (m)	Votes (m)
<b>Resolution 6</b>	<b>Special</b>	165.4	89.0	7.2	3.9	13.1	7.1	185.7	0	0.1

Voting exclusions

None

Thank you.

