360 Capital

ASX Release

360 Capital Mortgage REIT (ASX:TCF)

27 November 2026

Loan realisation update
Revised NAV post Bathla loan provisions
Distributions to remain 5.0 cents per month for remainder of FY27

Key points

- Distributions to continue at 5.0 cents per unit each month for FY27 with forecast FY27 distribution of 60.0 cents per unit, equivalent to a 13.3% distribution yield based on current ASX price of $4.50 per unit[1];
- $5.8 million of expected credit losses provision from Bathla portfolio realisation, equating to a provision of $0.65 per unit, reducing the unaudited net tangible asset backing (**NAV**) to $5.30 per unit a 17.8% premium to its current ASX trading price[1];
- The Trust is in a strong liquid position and will continue to buyback units or invest its cash to maximise unitholder returns.

Further to previous updates, 360 Capital FM Limited (**Responsible Entity**) as responsible entity of the 360 Capital Mortgage REIT (ARSN 115 632 990) (ASX:TCF) (**TCF** or **Trust**) provides the following update on its loans to Universal Property Group (**Bathla**) and the Trust's remaining loans.

Realisation update on Bathla loans

Loan 1 - Homes and lifestyle land lot loan-$10.1 million[2]

Contracts have now been exchanged on 11 of the 15 properties, with 4 of the 15 properties now settled and the 7 remaining to be settled by 31 March 2027. We expect to exchange contracts on the remainder of the properties in the next few weeks.

As a result of the escalated costs of remediation works required on all the homes and a softening in the Box Hill housing market and increased supply from competing Bathla sales, the Trust does not expect to recover 100% of the outstanding loan and accrued interest once final settlements have occurred and will rely on the Bathla cross-collateralised facilities to recover some of this loss.

Loan 2 – Land lots-$5.1 million[2]

2 of the 10 lots have been exchanged, with one settled and the other settling in December 2026, with contracts issued for a further 2 lots. We will continue an orderly sales program for the remaining lots with an expectation of all settling by 30 June 2027.

We expect net proceeds at the completion of all Loan 2 properties to be in excess of outstanding loan and accrued interest which will be used to cover other losses under the Bathla cross-collateralised facilities.

Loan 3 – 72 Apartments-$14.1 million[2] (TCF's share)

Following on from the acquisition of the senior loan by the Trust and 360 Capital partners on 13 October 2026, we have entered into a building contract to complete the unfinished and remedial works to the property to achieve practical completion and occupancy certificates by 28 February 2027.

[1] Basing on ASX closing price on 26 November 2026.

[2] Outstanding loan balances as at 25 November 2026 including principal and outstanding interest prior to recognition of ECL provision.

Obtaining the occupancy certificates will then allow the settlement of the 36 unconditional presale contracts to occur within 2 weeks.

On 17 November 2026, the Trust launched an "in one line" sales campaign to sell the remaining 36 unsold apartments, with the campaign to close on 18 December 2026. Depending on the result of this campaign, the Trust will decide if it sells the remaining apartments immediately in one line or undertake a new campaign to sell each remaining apartments individually.

As a result in the delay in recommencing construction to complete unfinished works, increased accrued interest on the project, unforeseen remedial works and escalated costs to complete, coupled with the deterioration in the apartment market from competing Bathla apartments sales, the Trust expects to incur a loss on its junior loan position, however, continues to expect full recovery of its senior loan position (including interest) in this project.

Loan 4 - Townhouse loan-$4.7 million[2] (TCF's share)

Remedial construction works have been completed at this property and selling agents appointed to sell the remaining 60 townhouses which is expected to occur by the end of March 2027. The Trust only has a share of this loan with outstanding principal of $4.7 million. The loan is secured with first ranking registered mortgage across the remaining individually titled and completed townhouses in North-West Sydney at an LVR of 67% and the Trust is expected to receive all of the outstanding interest and principal from this loan.

Trust's remaining loan portfolio update

All remaining loans are fully compliant with their covenants. Two of the three loans are expected to be refinanced before 31 December 2026, with the remaining loan scheduled to be repaid in March 2027. These three loans total $15.5 million.

Loan exposures – expected credit loss provisions

The Responsible Entity has undertaken a detailed review of the fair value of the TCF's loan portfolio held in the sub-trusts and the expected credit losses (**ECL**s) recognised in accordance with AASB 9 Financial Instruments of the underlying loans.

The measurement of expected credit losses for private credit investments involves significant judgement, particularly in relation to expected recovery cash flows, collateral values, timing of recoveries, project outcomes and the probability assigned to alternative recovery scenarios.

As part of the review, TCF has individually assessed a number of its loan exposures. The principal impact relates to TCF's junior loan exposure, which is individually assessed having regard to the remaining project completion costs, presale settlement outcomes, realisation of remaining property residual apartments, enforcement and receivership costs and the timing of expected recoveries.

The ECL provisions do not represent a realised loss rather, the provision reflects the probability-weighted requirements of AASB 9, under which potential credit losses are recognised having regard to reasonable and supportable current and forward-looking information and alternative recovery outcomes. The ECL provisions are unaudited however will be subject to audit review as part of the Trust's half year financial statements as at 31 December 2026.

The Responsible Entity will continue to monitor the relevant exposures and reassess expected credit losses at each reporting date as further information concerning settlements, project completion, security realisations and other recovery outcomes becomes available.

Impact on net asset value

As a consequence of the total ECL provisions; the unaudited NAV of the Trust has reduced to $5.30 per unit, compared to the last reported NAV of $5.95 per unit as at 31 October 2026, representing a reduction $0.65 per unit or 11.0%.

Forecast distributions

The Trust will maintain **monthly distributions at 5.0cpu per month for the balance of FY27**. Distributions are expected to comprise both income and capital.

Based on forecast FY27 distribution of 60.0 cents per unit, and the current ASX trading price of $4.50 per unit[1]**, the FY27 forecast distribution yield is equivalent to 13.3% p.a.**

Cash Position and On-Market Buyback and Reinvestment of Cash

As at 26 November 2026, the Trust held $3.5 million in cash with approximately $15.8 million in settlements and loan repayments expected before 31 December 2026. The Trust is forecasting to invest a further $8.2 million of this cash into the senior component of Loan 3. This will ensure that the Trust remains significantly invested.

Cash is forecast to continue to accumulate from further settlements and is expected to be the Trust's largest assets by June 2027 positioning the Trust to capitalise on the lack of capital now in the non-bank sector.

To date, the Trust has bought back a total of 125,224 units at an average price of $4.96 per unit on market, with **the Trust currently trading at $4.50, a 15.1% discount to the revised net asset value of $5.30 per unit**.

The Responsible Entity will continue to assess the best return for the Trust's cash going forward, including the buyback, further investment into Loan 3 or other opportunities which arise.

The Trust has remaining capacity under its current on-market buyback to buy back a further 4.7% of the units on issue.

The Trust will be releasing its half year results in mid-February 2027 and will be providing an update on the Trust's loan portfolio, cash position and strategy going forward as it looks to capitalise on the dislocation occurring in the Australian non-bank real estate credit market.

Authorised for release by, Glenn Butterworth, Company Secretary, 360 Capital FM Limited.

More information on the Trust can be found on the ASX's website at www.asx.com.au using the Trust's ASX code "TCF", on the Trust's website www.360capital.com.au, by calling the 360 Capital investor enquiry line on 1300 082 130 or by emailing investor.relations@360capital.com.au.

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About 360 Capital Mortgage REIT (ASX:TCF)

The 360 Capital Mortgage REIT provides investors access to credit opportunities secured by Australian real estate assets. TCF aims to deliver regular monthly income to investors through disciplined asset selection and risk analysis.