

ITEM 7. FINANCIAL STATEMENTS AND FINANCIAL HIGHLIGHTS FOR OPEN-END MANAGEMENT INVESTMENT COMPANIES:



M3Sixty Small Cap Growth Fund
Institutional Class Shares (Ticker Symbol: MCSCX)

A series of the
360 Funds

SEMI-ANNUAL FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION

NOVEMBER 30, 2024

Investment Adviser:

M3Sixty Capital, LLC
4300 Shawnee Mission Parkway, Suite 100
Fairway, KS 66205

IMPORTANT NOTE: The Securities and Exchange Commission (the "SEC") adopted rule and form amendments which have resulted in changes to the design and delivery of annual and semi-annual reports (the "Reports"). The Reports are now streamlined to highlight key information about the Fund. Certain information previously included in the Reports, including the Fund's financial statements, will no longer appear in the Reports, but will be available online within the Annual and Semi-Annual Financial Statements and Additional Information, delivered free of charge, and filed with the SEC.

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M3SIXTY SMALL CAP GROWTH FUND
SCHEDULE OF INVESTMENTS
November 30, 2024 (Unaudited)

SEMI-ANNUAL REPORT

COMMON STOCK - 96.87%	Shares	Value
Auto Parts & Equipment - 3.07%		
Dorman Products, Inc. ^(a)	872	\$ 122,063
Gentherm, Inc. ^(a)	2,163	91,062
Methode Electronics, Inc.	3,747	40,917
		<u>254,042</u>
Banks - 5.65%		
First Financial Bankshares, Inc.	2,368	98,698
Glacier Bancorp, Inc.	2,832	163,944
Hope Bancorp, Inc.	4,472	60,909
Lakeland Financial Corp.	848	62,294
WesBanco, Inc.	2,299	81,247
		<u>467,092</u>
Building Materials - 3.92%		
Boise Cascade Co.	497	73,357
Modine Manufacturing Co. ^(a)	858	116,508
UFP Industries, Inc.	985	133,861
		<u>323,726</u>
Chemicals - 1.31%		
Quaker Chemical Corp.	376	59,295
Rogers Corp. ^(a)	469	48,579
		<u>107,874</u>
Commercial Services - 3.63%		
Barrett Business Services, Inc.	1,705	73,162
CBIZ, Inc. ^(a)	1,487	122,796
EVERTEC, Inc. - Puerto Rico	1,553	55,908
Healthcare Services Group, Inc. ^(a)	3,898	48,101
		<u>299,967</u>
Computers - 3.15%		
ExlService Holdings, Inc. ^(a)	2,911	134,954
Maximus, Inc.	657	48,946
Qualys, Inc. ^(a)	498	76,493
		<u>260,393</u>
Distribution & Wholesale - 1.15%		
SiteOne Landscape Supply, Inc. ^(a)	620	95,015
Diversified Financial Services - 1.11%		
Evercore, Inc.	297	91,446
Electric - 0.61%		
Ameresco, Inc. - Class A ^(a)	1,792	50,481
Electrical Components & Equipment - 0.92%		
Insteel Industries, Inc.	2,577	75,970

M3SIXTY SMALL CAP GROWTH FUND
SCHEDULE OF INVESTMENTS
November 30, 2024 (Unaudited)

SEMI-ANNUAL REPORT

COMMON STOCK - 96.87% (continued)

	<u>Shares</u>	<u>Value</u>
Electronics - 5.61%		
Badger Meter, Inc.	497	\$ 107,760
Napco Security Technologies, Inc.	1,624	63,710
NVE Corp.	681	52,628
OSI Systems, Inc. ^(a)	775	137,485
Plexus Corp. ^(a)	622	102,257
		<u>463,840</u>
Engineering & Construction - 5.44%		
Exponent, Inc.	958	94,564
MasTec, Inc. ^(a)	881	126,917
Sterling Infrastructure, Inc. ^(a)	1,173	228,090
		<u>449,571</u>
Food - 2.56%		
J & J Snack Foods Corp.	381	66,214
Performance Food Group Co. ^(a)	1,651	145,684
		<u>211,898</u>
Hand & Machine Tools - 0.99%		
Franklin Electric Co., Inc.	759	82,200
Healthcare - Products - 9.19%		
CONMED Corp,	1,031	76,335
Globus Medical, Inc. ^(a)	2,077	177,812
iRadimed Corp.	1,169	63,044
LeMaitre Vascular, Inc.	1,505	161,020
Neogen Corp. ^(a)	5,852	82,981
Omnicell, Inc. ^(a)	926	43,142
UFP Technologies, Inc. ^(a)	329	106,241
Zynex, Inc. ^(a)	5,845	48,630
		<u>759,205</u>
Healthcare - Services - 6.40%		
Addus HomeCare Corp. ^(a)	774	95,078
Amedisys, Inc. ^(a)	810	74,042
Ensign Group, Inc.	1,370	200,308
Pediatrix Medical Group, Inc. ^(a)	3,489	52,195
U.S. Physical Therapy, Inc.	1,087	107,352
		<u>528,975</u>
Home Builders - 0.86%		
Century Communities, Inc.	791	71,475
Home Furnishings - 0.75%		
MillerKnoll, Inc.	2,452	61,643
Household Products & Wares - 0.76%		
WD-40 Co.	228	63,177

M3SIXTY SMALL CAP GROWTH FUND
SCHEDULE OF INVESTMENTS
November 30, 2024 (Unaudited)

SEMI-ANNUAL REPORT

COMMON STOCK - 96.87% (continued)	Shares	Value
Internet - 2.48%		
ePlus, Inc. ^(a)	844	\$ 68,246
HealthStream, Inc.	1,282	42,434
Shutterstock, Inc.	703	22,271
Ziff Davis, Inc. ^(a)	1,227	72,209
		<u>205,160</u>
Leisure Time - 0.66%		
YETI Holdings, Inc. ^(a)	1,359	54,863
Machinery - Diversified - 3.97%		
Albany International Corp.	1,476	122,360
Cactus, Inc. - Class A	1,868	128,257
Columbus McKinnon Corp.	1,965	77,205
		<u>327,822</u>
Metal Fabricate & Hardware - 1.68%		
RBC Bearings, Inc. ^(a)	414	138,736
Miscellaneous Manufacturing 1.23%		
Fabrinet - Thailand ^(a)	434	101,808
Oil & Gas Services - 3.96%		
Aris Water Solutions, Inc. - Class A	3,847	103,484
Innovex International, Inc. ^(a)	4,037	65,682
RPC, Inc.	6,479	41,725
Select Water Solutions, Inc.	7,865	116,166
		<u>327,057</u>
Pharmaceuticals - 4.74%		
Amphastar Pharmaceuticals, Inc. ^(a)	1,680	75,919
Corcept Therapeutics, Inc. ^(a)	1,337	77,118
Harmony Biosciences Holdings, Inc. ^(a)	2,415	83,728
Pacira BioSciences, Inc. ^(a)	5,015	84,804
Supernus Pharmaceuticals, Inc. ^(a)	1,910	69,849
		<u>391,418</u>
REITS - 1.25%		
Getty Realty Corp.	1,951	64,149
LTC Properties, Inc.	1,010	38,976
		<u>103,125</u>
Retail - 7.10%		
American Eagle Outfitters, Inc.	4,026	77,460
Jack in the Box, Inc.	1,037	50,657
La-Z-Boy, Inc.	2,241	101,450
Lithia Motors, Inc.	372	143,927
Ollie's Bargain Outlet Holdings, Inc. ^(a)	843	83,415
Shake Shack, Inc. - Class A ^(a)	635	84,919
Texas Roadhouse, Inc.	219	44,954
		<u>586,782</u>

M3SIXTY SMALL CAP GROWTH FUND
SCHEDULE OF INVESTMENTS
November 30, 2024 (Unaudited)

SEMI-ANNUAL REPORT

COMMON STOCK - 96.87% (continued)	Shares	Value
Semiconductors - 7.19%		
Diodes, Inc. ^(a)	1,656	\$ 107,640
Kulicke & Soffa Industries, Inc. - Singapore	2,356	114,077
MACOM Technology Solutions Holdings, Inc. ^(a)	1,071	142,250
Onto Innovation, Inc. ^(a)	190	31,194
Photronics, Inc. ^(a)	1,774	44,190
Synaptics, Inc. ^(a)	520	41,725
Ultra Clean Holdings, Inc. ^(a)	1,978	76,015
Vishay Precision Group, Inc. ^(a)	1,627	37,372
		<u>594,463</u>
Software - 2.07%		
ACI Worldwide, Inc. ^(a)	1,386	78,753
Consensus Cloud Solutions, Inc. ^(a)	1,419	35,404
Donnelley Financial Solutions, Inc. ^(a)	951	57,298
		<u>171,455</u>
Telecommunications - 1.74%		
A10 Networks, Inc.	8,438	143,868
Transportation - 1.04%		
Landstar System, Inc.	461	85,709
Water - 0.68%		
California Water Service Group	1,094	56,002
TOTAL COMMON STOCK (Cost \$6,708,412)		<u>8,006,258</u>
INVESTMENTS AT VALUE (Cost \$6,708,412) - 96.87%		<u>\$ 8,006,258</u>
OTHER ASSETS IN EXCESS OF LIABILITIES, NET - 3.13%		<u>258,473</u>
NET ASSETS - 100.00%		<u><u>\$ 8,264,731</u></u>

Percentages are stated as a percent of net assets.

^(a) Non-income producing security.

The following abbreviations are used in this portfolio:

REITS - Real Estate Investment Trusts

The accompanying notes are an integral part of these financial statements.

**M3SIXTY SMALL CAP GROWTH FUND
STATEMENT OF ASSETS AND LIABILITIES**

November 30, 2024 (Unaudited)

SEMI-ANNUAL REPORT

Assets:

Investments, at cost	\$ 6,708,412
Investments, at value	\$ 8,006,258
Cash and cash equivalents	249,103
Due from Adviser	20,596
Receivables:	
Interest	942
Dividends	5,927
Prepaid expenses	3,459
Total assets	<u>8,286,285</u>

Liabilities:

Payables:	
Due to administrator	6,026
Accrued Trustee fees	1,374
Accrued expenses	14,154
Total liabilities	<u>21,554</u>

Commitments and contingencies ^(a)

Net Assets	<u>\$ 8,264,731</u>
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Sources of Net Assets:

Paid-in beneficial interest	\$ 6,731,480
Total distributable earnings	1,533,251
Total Net Assets (Unlimited \$0 par value shares of beneficial interest authorized)	<u>\$ 8,264,731</u>

Institutional Class Shares:

Net assets	\$ 8,264,731
Shares Outstanding (Unlimited \$0 par value shares of beneficial interest authorized)	<u>665,240</u>
Net Asset Value, Offering and Redemption Price Per Share	<u>\$ 12.42</u>

(a) See Note 9 in the Notes to the Financial Statements.

The accompanying notes are an integral part of these financial statements.

**M3SIXTY SMALL CAP GROWTH FUND
STATEMENT OF OPERATIONS**

SEMI-ANNUAL REPORT

	For the Six Months Ended November 30, 2024 (Unaudited)
Investment income:	
Dividends	\$ 33,149
Interest	4,386
Total investment income	37,535
Expenses:	
Advisory fees (Note 5)	28,313
Accounting and transfer agent fees and expenses (Note 5)	33,419
Reports to shareholders	10,027
Pricing fees	9,525
Trustee fees and expenses	9,274
Legal fees	5,516
Custodian fees	5,369
Miscellaneous	5,077
Compliance officer fees	5,014
Audit fees	4,513
Non-12b-1 shareholder servicing expense	2,552
Registration and filing fees	2,031
Insurance	756
Total expenses	121,386
Less: fees waived and reimbursed (Note 5)	(86,349)
Net expenses	35,037
Net investment income	2,498
Realized and unrealized gain:	
Net realized gain on:	
Investments	133,444
Net realized gain on investments	133,444
Net change in unrealized appreciation on:	
Investments	910,845
Net change in unrealized appreciation	910,845
Net realized and unrealized gain on investments	1,044,289
Net increase in net assets resulting from operations	\$ 1,046,787

The accompanying notes are an integral part of these financial statements.

**M3SIXTY SMALL CAP GROWTH FUND
STATEMENTS OF CHANGES IN NET ASSETS**

SEMI-ANNUAL REPORT

	For the Six Months Ended November 30, 2024 (Unaudited)	For the Period Ended May 31, 2024^(a)
Increase (decrease) in net assets from:		
Operations:		
Net investment income	\$ 2,498	\$ 9,807
Net realized gain on investments	133,444	116,050
Net change in unrealized appreciation on investments	910,845	387,001
Net increase in net assets resulting from operations	<u>1,046,787</u>	<u>512,858</u>
Distributions to shareholders from:		
Distributable earnings - Institutional Class	—	(26,394)
Total distributions	<u>—</u>	<u>(26,394)</u>
Beneficial interest transactions (Note 3):		
Increase in net assets from beneficial interest transactions	<u>532,134</u>	<u>6,199,346</u>
Increase in net assets	1,578,921	6,685,810
Net Assets:		
Beginning of year	<u>6,685,810</u>	<u>—</u>
End of period	<u><u>\$ 8,264,731</u></u>	<u><u>\$ 6,685,810</u></u>

(a) The M3Sixty Small Cap Growth Fund commenced operations on June 28, 2023.

The accompanying notes are an integral part of these financial statements.

**M3SIXTY SMALL CAP GROWTH FUND
FINANCIAL HIGHLIGHTS**

SEMI-ANNUAL REPORT

The following tables set forth the per share operating performance data for a share of beneficial interest outstanding, total return, ratios to average net assets and other supplemental data for the years/period indicated.

	Institutional Class	
	For the Six Months Ended November 30, 2024 (Unaudited)	For the Period Ended May 31, 2024^(a)
Net Asset Value, Beginning of Year/Period	\$ 10.78	\$ 10.00
Investment Operations:		
Net investment income ^(b)	0.00 ^(f)	0.02
Net realized and unrealized gain on investments	1.64	0.81
Total from investment operations	1.64	0.83
Distributions:		
From net investment income	—	(0.02)
From net realized capital gains	—	(0.03)
Total distributions	—	(0.05)
Net Asset Value, End of Year/Period	\$ 12.42	\$ 10.78
Total Return^(c)	15.21% ^(d)	8.37% ^(d)
Ratios/Supplemental Data		
Net assets, end of year/period (in 000's)	\$ 8,265	\$ 6,686
Ratio of expenses to average net assets:		
Before fees waived and expenses absorbed	3.43% ^(e)	4.89% ^(e)
After fees waived and expenses absorbed	0.99% ^(e)	1.01% ^(e)
Ratio of net investment income (loss):		
Before fees waived and expenses absorbed	(2.37)% ^(e)	(3.64)% ^(e)
After fees waived and expenses absorbed	0.07% ^(e)	0.24% ^(e)
Portfolio turnover rate	15.41% ^(d)	18.74% ^(d)

(a) The M3Sixty Small Cap Growth Fund commenced operations on June 28, 2023.

(b) Net investment income per share is based on average shares outstanding.

(c) Total Return represents the rate that the investor would have earned or lost on an investment in the Fund, assuming reinvestment of dividends. Had the Adviser not waived fees/reimbursed expenses, total returns would have been lower.

(d) Not annualized.

(e) Annualized.

(f) Net Investment income was less than \$0.005 per share.

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

November 30, 2024 (Unaudited)

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The M3Sixty Small Cap Growth Fund (the “Fund”) is a series of 360 Funds (the “Trust”), which was organized on February 24, 2005 as a Delaware statutory trust. The Trust is registered as an open-end management investment company under the Investment Company Act of 1940 (the “1940 Act”). The Fund is a diversified fund, and its investment objective is to seek long-term capital appreciation over a complete market cycle.

The Fund commenced operations on June 28, 2023.

The Fund offers one class of shares, institutional shares.

The following is a summary of the significant accounting policies followed by the Fund in the preparation of its financial statements. The Fund is an investment company that follows the accounting and reporting guidance of Accounting Standards Codification Topic 946 applicable to investment companies.

- a) Security Valuation – All investments in securities are recorded at their estimated fair value, as described in Note 2.
- b) Investments in Small-Cap Companies - The Fund may invest in securities of companies with small market capitalizations. Certain small-cap companies may offer greater potential for capital appreciation than larger companies. However, investors should note that this potential for greater capital appreciation is accompanied by a substantial risk of loss and that, by their very nature, investments in small-cap companies tend to be very volatile and speculative. Small-cap companies may have a small share of the market for their products or services, their businesses may be limited to regional markets, or they may provide goods and services for a limited market. For example, they may be developing or marketing new products or services for markets that are not yet established or may never become established. In addition, small companies may have or will develop only a regional market for products or services and thus be affected by local or regional market conditions. In addition, small-cap companies may lack depth of management, or they may be unable to generate funds necessary for growth or potential development, either internally or through external financing on favorable terms. Such companies may also be insignificant in their industries and be subject to or become subject to intense competition from larger companies. Due to these and other factors, the Fund’s investments in small-cap companies may suffer significant losses. Further, there is typically a smaller market for the securities of a small-cap company than for securities of a large company. Therefore, investments in small-cap companies may be less liquid and subject to significant price declines that result in losses for the Fund.
- c) Real Estate Securities — The Fund will not invest in real estate (including mortgage loans and limited partnership interests), but may invest in readily marketable securities issued by companies that invest in real estate or interests therein. The Fund may also invest in readily marketable interests in real estate investment trusts (“REITs”). REITs are generally publicly traded on the national stock exchanges and in the over-the-counter market and have varying degrees of liquidity. Investments in real estate securities are subject to risks inherent in the real estate market, including risk related to changes interest rates.
- d) Federal Income Taxes – The Fund has qualified and intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). It is the policy of the Fund to comply with the requirements of the Code applicable to regulated investment companies and to distribute substantially all of its net investment company taxable income and net capital gains. Therefore, no provision for federal income taxes is required.

As of and during the six months ended November 30, 2024, the Fund did not have a liability for any unrecognized tax expenses. The Fund recognizes interest and penalties, if any, related to unrecognized tax liability as income tax expense in the Statement of Operations. During the six months ended November 30, 2024, the Fund did not incur any interest or penalties. The Fund identifies its major tax jurisdictions as U.S. Federal and Delaware State.

In addition, accounting principles generally accepted in the United States of America (“GAAP”) requires management of the Fund to analyze all open tax years, as defined by the Internal Revenue Service statute of limitations for all major jurisdictions, including federal tax authorities and certain state tax authorities. As of the six months ended November 30, 2024 and for all other open tax years (period from June 28, 2023, commencement of operations, through May 31, 2024 (the “period ended May 31, 2024”)), the Fund did not have a liability for any unrecognized tax benefits. The Fund has no examinations in progress and is not aware of any tax positions for which it is reasonably possible that the total tax amounts of unrecognized tax benefits will significantly change in the next 12 months.

NOTES TO THE FINANCIAL STATEMENTS

November 30, 2024 (Unaudited)

1. ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Distributions to Shareholders – Dividends from net investment income and distributions of net realized capital gains, if any, will be declared and paid at least annually. Income and capital gain distributions, which are determined in accordance with income tax regulations, are recorded on the ex-dividend date. GAAP requires that permanent financial reporting differences relating to shareholder distributions be reclassified to paid-in beneficial interest. There were no reclassifications necessary for the six months ended November 30, 2024.

f) Use of Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

g) Other – Investment and shareholder transactions are recorded on trade date. The Fund determines the gain or loss realized from the investment transactions by comparing the original cost of the security lot sold with the net sales proceeds. Dividend income is recognized on the ex-dividend date or as soon as information is available to the Fund and interest income is recognized on an accrual basis. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and rates.

2. SECURITIES VALUATIONS**Processes and Structure**

The Fund's Board of Trustees (the "Board") has adopted guidelines for valuing securities including in circumstances in which market quotes are not readily available and has delegated authority to M3Sixty Capital, LLC (the "Adviser") to apply those guidelines in determining fair value prices, subject to review by the Board.

Hierarchy of Fair Value Inputs

The Fund utilizes various methods to measure the fair value of its investments on a recurring basis. GAAP establishes a hierarchy that prioritizes inputs to valuation techniques used to measure fair value. The three levels of inputs are as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.
- Level 2 – Observable inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.
- Level 3 – Unobservable inputs for the asset or liability to the extent that relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair Value Measurements

A description of the valuation techniques applied to the Fund's major categories of assets and liabilities measured at fair value on a recurring basis follows.

NOTES TO THE FINANCIAL STATEMENTS

November 30, 2024 (Unaudited)

2. SECURITIES VALUATIONS (continued)

Equity securities (common stock and REITs) – Securities traded on a national securities exchange (or reported on the NASDAQ national market) are stated at the last reported sales price on the day of valuation. To the extent these securities are actively traded, and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments such as American Depositary Receipts and the movement of the certain indexes of securities based on a statistical analysis of the historical relationship and that are categorized in Level 2. Preferred stock and other equities traded on inactive markets or valued by reference to similar instruments are also categorized in Level 2.

Money market funds – Money market funds are valued at their net asset value of \$1.00 per share and are categorized as Level 1.

The following table summarizes the inputs used to value the Fund's assets and liabilities measured at fair value as of November 30, 2024.

Financial Instruments - Assets

Security Classification ⁽¹⁾	Level 1 (Quoted Prices)	Level 2 (Other Significant Observable Inputs)	Totals
Common Stock ⁽²⁾	\$ 8,006,258	\$ —	\$ 8,006,258
Totals	<u>\$ 8,006,258</u>	<u>\$ —</u>	<u>\$ 8,006,258</u>

(1) As of and during the six months ended November 30, 2024, the Fund held no securities that were considered to be "Level 3" securities (those valued using significant unobservable inputs). Therefore, a reconciliation of assets in which significant unobservable inputs (Level 3) were used in determining fair value is not applicable.

(2) All common stock held in the Fund are Level 1 securities. For a detailed break-out of common stock by industry, please refer to the Schedule of Investments.

During the six months ended November 30, 2024, no securities were valued using alternative procedures approved by the Board.

Pursuant to Rule 2a-5, securities for which market quotations are not readily available will have a fair value determined by the Valuation Designee (as defined by Rule 2a-5) in accordance with the fair value policies and procedures adopted by the Board and the Adviser. The Board will oversee the Valuation Designee's fair value determinations and has assigned the Adviser as the Fund's Valuation Designee.

Small Capitalization Company Risk

The Fund is subject to the risk that securities of small capitalization companies may underperform other segments of the equity market or the equity market as a whole. Investing in the securities of small capitalization companies involves greater risk and the possibility of greater price volatility than investing in larger capitalization and more established companies. Because smaller companies may have inexperienced management and limited operating history, product lines, market diversification and financial resources, the securities of these companies may be more speculative, volatile and less liquid than securities of larger companies, and they can be particularly sensitive to unexpected changes in interest rates, borrowing costs and earnings or other adverse developments.

Growth Company Risk

Securities of growth companies can be more sensitive to the company's earnings and more volatile than the market in general. Growth stocks may also fall out of favor and may underperform relative to the overall equity market at times.

NOTES TO THE FINANCIAL STATEMENTS

November 30, 2024 (Unaudited)

3. BENEFICIAL INTEREST TRANSACTIONS

Transactions in shares of beneficial interest for the Fund for the six months ended November 30, 2024 were as follows:

	Sold	Redeemed	Reinvested	Net Increase
Institutional Class				
Shares	54,817	(9,557)	—	45,260
Value	\$ 640,820	\$ (108,686)	\$ —	\$ 532,134

Transactions in shares of beneficial interest for the Fund for the period ended May 31, 2024 were as follows:

	Sold	Redeemed	Reinvested	Net Increase
Institutional Class				
Shares	627,690	(10,113)	2,403	619,980
Value	\$ 6,278,376	\$ (103,972)	\$ 24,942	\$ 6,199,346

4. INVESTMENT TRANSACTIONS

For the six months ended November 30, 2024, aggregate purchases and sales of investment securities (excluding short-term investments) for the Fund were as follows:

	Purchases	Sales
	\$ 1,472,561	\$ 1,078,035

There were no government securities purchased or sold during the six months ended November 30, 2024.

5. ADVISORY FEES AND OTHER RELATED PARTY TRANSACTIONS

The Fund has entered into an Investment Advisory Agreement (the “Advisory Agreement”) with the Adviser. Pursuant to the Advisory Agreement, the Adviser manages the operations of the Fund and manages the Fund’s investments in accordance with the stated policies of the Fund. As compensation for the investment advisory services provided to the Fund, the Adviser will receive a monthly management fee equal to an annual rate of 0.80% of the Fund’s net assets.

The Adviser has entered into an Amended Expense Limitation Agreement with the Fund under which it has agreed to waive or reduce its fees and to assume other expenses (exclusive of interest, borrowing expenses, distribution fees pursuant to Rule 12b-1 Plans, taxes, acquired fund fees and expenses, brokerage fees and commissions, dividend expenses on short sales, litigation expenses, expenditures which are capitalized in accordance with GAAP and, other extraordinary expenses not incurred in the ordinary course of the Fund’s business) of the Fund in an amount that limits “Total Annual Fund Operating Expenses” to not more than 0.99% through at least June 30, 2025. These fee waivers and expense reimbursements are subject to recoupment from the Fund within three years of the date on which the waiver or reimbursement occurs, provided that the recoupment payments do not cause Total Annual Fund Operating Expenses (after the repayment is taken into account) to exceed (i) the expense limit then in effect, if any, and (ii) the expense limit in effect at the time the expenses to be repaid were incurred. Before June 30, 2025, this agreement may not be modified or terminated without the approval of the Board. Please see the table below for information regarding the management fees earned, fee waivers and expenses reimbursed during the six months ended November 30, 2024, as well as amounts due to (from) the Adviser at November 30, 2024.

Advisory fees earned	\$ 28,313
Fees waived and reimbursed	86,349
Payable to (Due from) Adviser	(20,596)

NOTES TO THE FINANCIAL STATEMENTS

November 30, 2024 (Unaudited)

5. ADVISORY FEES AND OTHER RELATED PARTY TRANSACTIONS (continued)

The amounts subject to repayment by the Fund, pursuant to the aforementioned conditions, are \$245,951, of which \$159,602 can be repaid no later than May 31, 2027 and \$86,349 can be repaid no later than May 31, 2028.

The Fund has entered into an Investment Company Services Agreement (“ICSA”) with M3Sixty Administration, LLC (“M3Sixty”), an affiliate of the Adviser. Pursuant to the ICSA, M3Sixty will provide day-to-day operational services to the Fund including, but not limited to: (a) Fund accounting services; (b) financial statement preparation; (c) valuation of the Fund’s portfolio securities; (d) pricing the Fund’s shares; (e) assistance in preparing tax returns; (f) preparation and filing of required regulatory reports; (g) communications with shareholders; (h) coordination of Board and shareholder meetings; (i) monitoring the Fund’s legal compliance; and (j) maintaining shareholder account records.

For the six months ended November 30, 2024, M3Sixty earned \$33,419, including out of pocket expenses, pursuant to the ICSA.

The Fund has also entered into a Chief Compliance Officer Service Agreement (“CCO Agreement”) with M3Sixty. Pursuant to the CCO Agreement, M3Sixty agrees to provide a Chief Compliance Officer (“CCO”), as described in Rule 38a-1 of the 1940 Act, to the Fund for the year and on the terms and conditions set forth in the CCO Agreement.

For the six months ended November 30, 2024, M3Sixty earned \$5,014 of fees pursuant to the CCO Agreement.

Certain officers and a Trustee of the Fund are also employees of M3Sixty and the Adviser.

The Fund has entered into a Distribution Agreement with Matrix 360 Distributors, LLC (“Matrix 360”), an affiliate of the Adviser and M3Sixty. Pursuant to the Distribution Agreement, Matrix 360 provides distribution services to the Fund. Matrix 360 serves as underwriter/distributor of the Fund. During the six months ended November 30, 2024, no commissions were paid to Matrix 360.

6. TAX MATTERS

For U.S. Federal income tax purposes, the cost of securities owned, gross appreciation, gross depreciation, and net unrealized appreciation/(depreciation) of the Fund’s investments at November 30, 2024 were as follows:

Cost	Gross Appreciation	Gross Depreciation	Net Appreciation
\$ 6,709,300	\$ 1,659,445	\$ (362,487)	\$ 1,296,958

The difference between book basis unrealized depreciation and tax-basis unrealized depreciation for the Fund is attributable primarily to the tax deferral of losses on wash sales.

The Fund did not pay any distributions during the six months ended November 30, 2024.

The tax character of distributions paid by the Fund during the period ended May 31, 2024 were as follows:

Ordinary Income
\$ 26,394

The Fund’s tax basis distributable earnings are determined at the end of each fiscal year. As of May 31, 2024, the Fund’s most recent fiscal year end, the components of distributable earnings presented on an income tax basis were as follows:

Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Capital Loss Carryforwards	Post-October Capital Losses & Post-December Ordinary Loss	Net Unrealized Appreciation	Total Distributable Earnings
\$ 100,089	\$ 262	\$ —	\$ —	\$ 386,113	\$ 486,464

Under current tax law, net capital losses realized after October 31st and net ordinary losses incurred after December 31st may be deferred and treated as occurring on the first day of the following fiscal year. As of May 31, 2024, the Fund did not elect to defer any post-October or post-December losses.

NOTES TO FINANCIAL STATEMENTS

November 30, 2024 (Unaudited)

6. TAX MATTERS (continued)

Under the Regulated Investment Company Modernization Act of 2010 (the “Act”), net capital losses recognized after December 31, 2010, may be carried forward indefinitely, and their character is retained as short-term and/or long-term. As of May 31, 2024, the Fund did not have any capital loss carryforwards for federal income tax purposes available to offset future capital gains.

During the period ended May 31, 2024, the Fund utilized no capital loss carryforwards.

In accordance with accounting pronouncements, the Fund may record reclassifications in the capital accounts. These reclassifications have no impact on the net asset value of the Fund and are designed generally to present distributable earnings on a tax basis which is considered to be more informative to the shareholder. There were no reclassifications necessary for the period ended May 31, 2024.

7. NEW ACCOUNTING PRONOUNCEMENTS AND REGULATORY UPDATES

In September 2023, the SEC adopted a final rule relating to “Names Rule” under the 1940 Act. The amendments expanded the rule to require more funds to adopt an 80 percent investment policy, including funds with names suggesting a focus in investments with particular characteristics (e.g., growth or value) or with terms that reference a thematic investment focus (e.g., environmental, social, or governance factors). The amendments will require that a fund review its name for compliance with the rule. If needed, a fund may need to adopt an 80 percent investment policy and review its portfolio assets’ treatment under such policy at least quarterly. The rule also requires additional prospectus disclosure and reporting and record keeping requirements. The amendments to the Names Rule became effective on December 11, 2023. Fund groups with net assets of \$1 billion or more will have 24 months to comply with the amendments, and fund groups with net assets of less than \$1 billion will have 30 months to comply. Management has determined that the Fund will be impacted by the rule, and it is currently considering options for compliance with the rule.

8. BENEFICIAL OWNERSHIP

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates a presumption of control of the fund, under Section 2(a)(9) of the 1940 Act. As of November 30, 2024, Linscott Joint Revocable Trust held 29.23% of the Fund’s shares. National Financial Services, LLC held 48.62% of the Fund’s shares in an omnibus account for the sole benefit of their customers. The Trust does not know whether any of the underlying beneficial shareholders of the omnibus account held by National Financial Services, LLC own more than 25% of the voting securities of the Fund. Shareholders with a controlling interest could affect the outcome of proxy voting or direction of management of the Fund.

9. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Trust may enter into contracts that may contain a variety of representations and warranties and provide general indemnifications. The Trust’s maximum exposure under these arrangements is dependent on future claims that may be made against the Fund and, therefore, cannot be estimated; however, management considers the risk of loss from such claims to be remote.

10. SUBSEQUENT EVENTS

On December 20, 2024, the Fund declared ordinary income distributions of \$296,870 and long-term capital gains distributions of \$50,757, which were paid on December 20, 2024.

In accordance with GAAP, Management has evaluated the impact of all subsequent events of the Fund through the date the financial statements were issued and has determined that there were no other events requiring recognition or disclosure in the financial statements.

ADDITIONAL INFORMATION

November 30, 2024 (Unaudited)

The Fund files its complete schedules of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. The Fund's Forms N-PORT are available on the SEC's website at <http://www.sec.gov>.

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, by calling 1-877-244-6235; and on the SEC's website at <http://www.sec.gov>.

Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-months ended June 30th is available without charge, upon request, by calling 1-877-244-6235; and on the SEC's website at <http://www.sec.gov>.

Shareholder Tax Information - For the six months ended November 30, 2024, the Fund did not pay any distributions. Tax information is reported from the Fund's fiscal year and not calendar year, therefore, shareholders should refer to their Form 1099-DIV or other tax information which will be mailed in 2025 to determine the calendar year amounts to be included on their 2024 tax returns. Shareholders should consult their own tax advisors.

360 FUNDS

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Fairway, KS 66205

INVESTMENT SUB-ADVISER

Bridge City Capital, LLC
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ADMINISTRATOR & TRANSFER AGENT

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DISTRIBUTOR

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CUSTODIAN BANK

Huntington National Bank
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Columbus, OH 43219

Item 8. Changes in and Disagreements with Accountants for Open-End Management Investment Companies.

N/A

Item 9. Proxy Disclosures for Open-End Management Investment Companies.

N/A

Item 10. Remuneration Paid to Directors, Officers, and Others of Open-End Management Investment Companies.

Trustee fees paid by the Funds are within Item 7. Statement of Operations as Trustee fees and expenses.

Item 11. Statement Regarding Basis for Approval of Investment Advisory Contract

N/A
