ITEM 1. REPORTS TO SHAREHOLDERS.

The Annual report to Shareholders of the M3Sixty Small Cap Growth Fund, a series of the 360 Funds (the "registrant"), for the fiscal year ended May 31, 2026 pursuant to Rule 30e-1 under the Investment Company Act of 1940, as amended (the "1940 Act") (17 CFR 270.30e-1) is filed herewith.

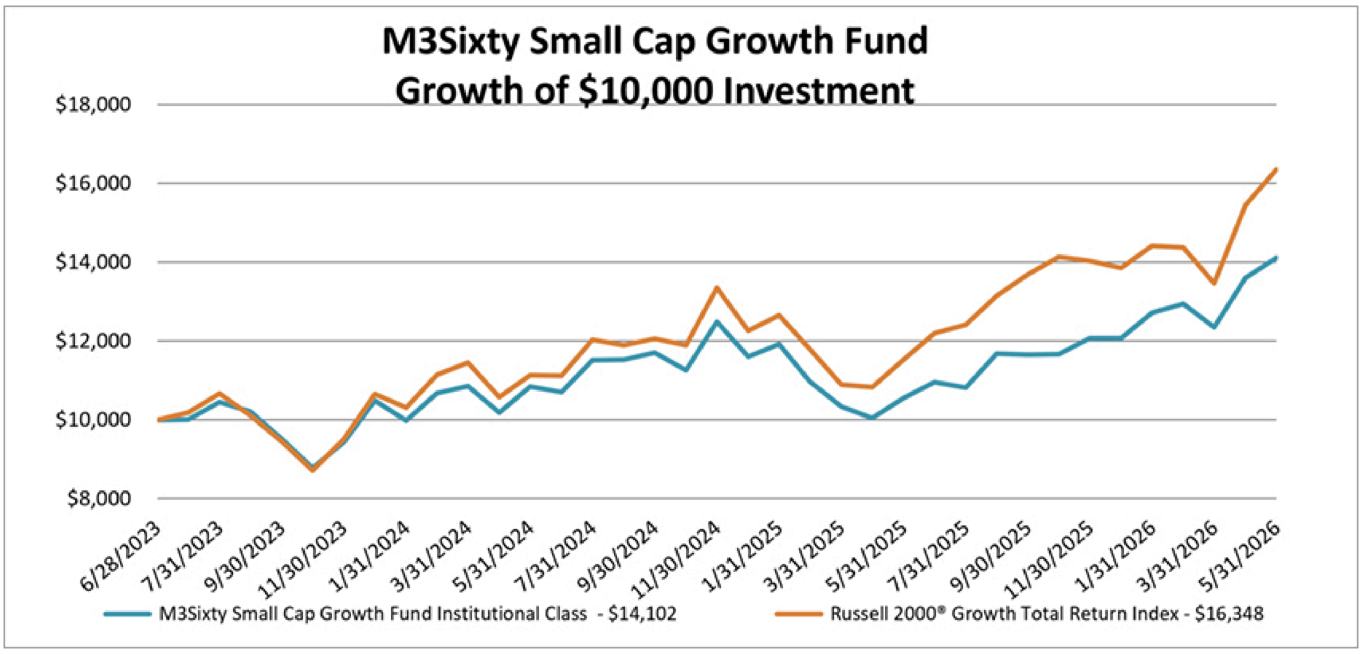
M3Sixty Small Cap Growth Fund **ANNUAL REPORT**

Institutional Class (MCSCX)
May 31, 2026

This annual report to shareholders contains important information about the M3Sixty Small Cap Growth Fund (the "Fund"), for the year ended May 31, 2026. You can find the Fund's prospectus, financial information on Form N-CSR, holdings, proxy voting information and other information at **https://m3sixtyfunds.com/small-cap-growth/.** You can also request this information without charge by contacting the Fund at (877) 244-6235.

What were the Fund costs for the year? (based on a hypothetical $10,000 investment)

	Costs of a $10,000 investment	Costs paid as a percentage of a $10,000 investment
Institutional Class Shares	$116	0.99%



How has the Fund performed?

	1 Year	Since Inception of June 28, 2023 through May 31, 2026
M3Sixty Small Cap Growth Fund – Institutional Class	33.74%	12.48%
Russell 2000® Growth Total Return Index	41.87%	18.33%

The performance information quoted in this annual report assumes the reinvestment of all dividend and capital gain distributions, if any, and represents past performance**. The Fund's past performance is not a good predictor of the Fund's future performance.** The returns shown do not reflect taxes that a shareholder would pay on Fund distributions or on the redemption of Fund shares. The investment return and principal value of an investment will fluctuate and, therefore, an investor's shares, when redeemed, may be worth more or less than their original cost. Updated performance data current to the most recent month-end can be obtained by calling (877) 244-6235.

The Russell 2000® Growth Total Return Index ("Russell 2000 Growth Index") measures the performance of the small-cap growth segment of the U.S. equity universe. It includes Russell 2000 companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium-term (2-year) growth, and higher sales per share historical growth (5 years). Please note that indices do not take into account any fees and expenses of investing in the individual securities that they track and individuals cannot invest directly in any index.

How did the Fund perform last year?

For the year ended May 31, 2026, the Fund returned 33.74%, trailing the Russell 2000 Growth Index which returned 41.87%. The Fund underperformed its benchmark during the period, primarily due to stock selection and to our quality growth style being out of favor, particularly early in the period.

Institutional Class (MCSCX)
May 31, 2026

What factors influenced performance during the past year?

The Fund saw strong absolute performance driven by renewed interest in domestic small cap equities. We are encouraged by the improved performance of our style and of higher-quality companies as the year progressed. Relative to the Fund's benchmark, our top performing sectors were Information Technology, Industrials, and Health Care, but this outperformance was more than offset by weakness in Consumer Discretionary, Consumer Staples, and Communication Services during the period. While disappointed with the relative performance, we are pleased with the absolute return levels, and we are confident our investment process will keep the Fund invested in companies with proven track records, profitable operating models, and strong balance sheets. We believe companies with these characteristics will outperform over a complete investment cycle.

Our top contributors and detractors to performance were as follows:

Top Contributors	Top Detractors
Sterling Infrastructure, Inc.	Badger Meter, Inc.
Credo Technology Group Holding Ltd.	CBIZ, Inc.
Onto Innovation, Inc.	Corcept Therapeutics, Inc.
Diodes, Inc.	Amphastar Pharmaceuticals, Inc.
Fabrinet - Thailand	ExlService Holdings, Inc.

How has the Fund changed?

During the reporting period, the Fund revised its principal investment strategy in connection with amendments to Rule 35d-1 under the Investment Company Act of 1940 (the 'Names Rule'), which now requires funds with terms like 'growth' in their names to adopt a corresponding 80% investment policy. Effective September 26, 2025, the Fund revised its 80% policy to invest, under normal circumstances, at least 80% of its net assets (plus borrowings for investment purposes) in equity securities of small capitalization growth companies. This is a summary of certain changes to the Fund since June 1, 2025. For more complete information, you may review the Fund's prospectus, dated September 26, 2025 at https://m3sixtyfunds.com/small-cap-growth/or upon request at (877) 244-6235.

What are some Fund statistics?

Fund Statistics			
Total Net Assets	$11,006,181	Investment Advisory Fees Paid	$0
Number of Portfolio Holdings	96	Portfolio Turnover Rate	32.18%

What did the Fund invest in?

Top Ten Holdings (as a % of Net Assets)			
Sterling Infrastructure, Inc.	2.85%	Ensign Group, Inc.	1.95%
Onto Innovation, Inc.	2.32%	Modine Manufacturing Co.	1.86%
RBC Bearings, Inc.	2.05%	Diodes, Inc.	1.82%
Credo Technology Group Holding Ltd.	2.02%	Vishay Precision Group, Inc.	1.69%
Kulicke & Soffa Industries, Inc.	1.96%	A10 Networks, Inc.	1.64%

Sector Allocation (as a % of Portfolio)			
Information Technology	28.61%	Energy	4.41%
Health Care	24.14%	Materials	1.61%
Industrials	22.10%	Consumer Staples	1.20%
Consumer Discretionary	8.87%	Real Estate	1.12%
Financials	7.40%	Utilities	0.54%

Additional information about the Fund

Additional information about the Fund, including its prospectus, financial information on Form N-CSR, holdings, proxy voting information and other information, is available on the Fund's website at https://m3sixtyfunds.com/small-cap-growth/.

Householding

To reduce Fund expenses, only one copy of most shareholder documents may be mailed to shareholders with multiple accounts at the same address (Householding). If you would prefer that your Fund documents not be householded, please contact the Fund at (877) 244-6235 or contact your financial intermediary. Your instructions will typically be effective within 30 days of receipt by the Fund.