TIP Group

ANNUAL **REPORT**

Year ended 30 June 2024

Teaminvest Private Group Limited (ASX: TIP)

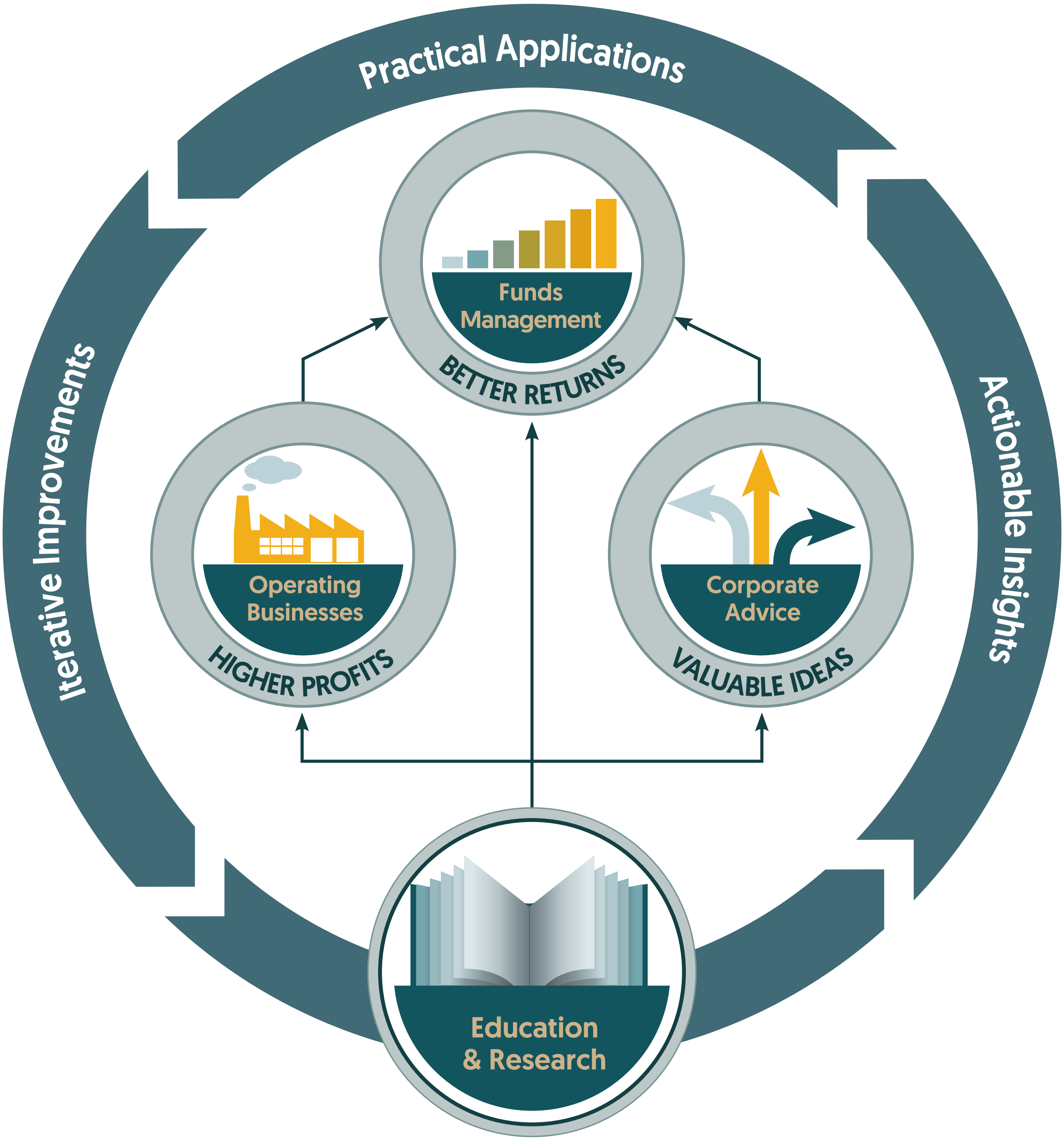
ACN 629 045 736

ANNUAL REPORT

Year ended 30 June 2024

Contents

About TIP Group



Noble Purpose

We compound knowledge and wealth

Vision

We use proprietary, research driven, insights to create better investors and better people

Mission

To build a portfolio of outstanding investments, run by talented leaders, that materially improves the lives of customers, staff and those who trust us with their money

Group Structure

as of August 2024

TiP Group

CEO
Andrew Coleman

CFO, COO & Company Secretary
Dean Robinson

Group Financial Controller
Shikhar Bansal

Head of Sales
Walter Reinhard

TiP Equity

Head of Equity
Dean Robinson

Company	CEO	Holding
GLT	CEO - Shay Chalmers	100%
Icon Metal	CEO - Stephen Pribula	100%
Automation Group	CEO - Graham Nisbet	100%
Multimedia Technology	CEO - Johan Meyer	30%
East Coast Traffic Control	CEO - Greg Jeckeln	100%
Colour Capital	CEO - Matt Hope	33%
BizGPT	CEO - David van Leeuween	33%
Kitome	CEO - Carol Morley	100%

Group Employees: 516*

* wholly owned companies only

TiP Wealth

- **Head of Corporate Advice**
  Andrew Coleman
  - **Corporate Advice**
  - **Property Advice**
  - **Insurance Broking**
  - **Trustee & Custody**
  - **Capital Raising**
- **Head of Funds Management and Education**
  Sanjee Narendran
  - **Funds Management**
    - Financial Services Fund
    - Property Fund
    - Corinthian Balanced Fund
    - Teaminvest Access Fund
    - Conscious Investor Fund
  - **Education**
    - Teaminvest

CEO's Letter

Andrew Coleman

MD & CEO

TIP Group

Strong operating cashflow enables investment for growth

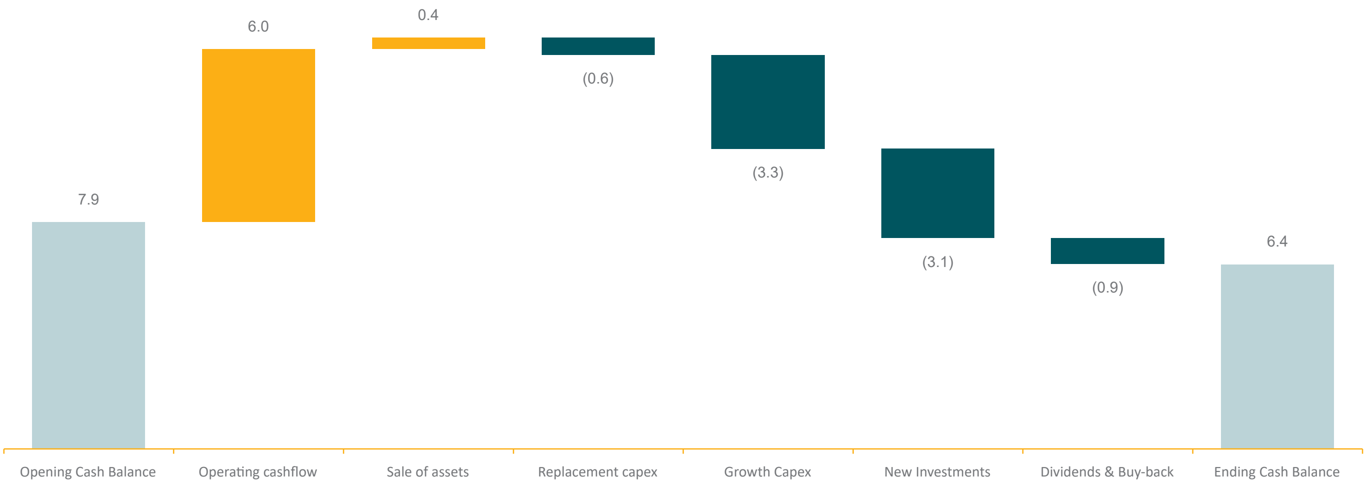
The year ended 30 June 2024 (FY24) delivered strong operating cashflow, enabling significant investments for future growth.

During the year Teaminvest Private Group Limited (TIP) invested over 20% of our market capitalisation[1] in growth initiatives, returned a further 3% to shareholders via dividends and buybacks, and ended the year with net cash and listed investments of $9.5m.

Operating highlights included Look-Through EBITDA, our preferred operating metric, rising 21% to $15.8m and the declaration of fully-franked dividends of 3 cents per share (1.5c interim and 1.5c final dividend).

[1] Market Capitalisation of $34.67m as of 30 June 2024

Use of shareholders’ funds



During FY24 TIP generated $6.0m of operating cashflow and $0.4m from the sale of assets.

These receipts, plus $1.5m of cash retained at the end of FY23, was used to make $7.9m of investments during the year, including

- $3.3m in growth capex for our existing portfolio, comprising:
    - $1.9m to double production capacity at GLT;
    - $0.9m to acquire new vehicles for further expansion at ECT; and
    - $0.5m of growth capex at other equity portfolio companies.
- $3.1m of new investments comprising:
    - $1.4m placement in Clime Investment Management (ASX:CIW);
    - $1.1m of other listed securities and managed funds; and
    - $0.6m of new private equity investments.
- $0.6m of replacement capex to renew fleets and equipment at our portfolio companies; and
- $0.9m of capital returned to shareholders via dividends and buy-backs.

This means that during the financial year we:

- Generated new cash equal to approximately 18% of our market capitalisation;
- Invested over 20% of our market capitalisation in assets that we expect will deliver future income or capital gains;
- Paid a record dividend and commenced our first on-market buy-back (which should increase per share earnings); and
- Still ended the year with approximately 27% of our market capitalisation in cash (19%) and liquid investments (8%).

We expect these significant investments, like those made in prior periods, will deliver attractive compounding returns.

Why do we invest so much? Do we invest well?

Investment	GLT	ECT	Coastal Energy	Kitome	Decoglaze	AG	Icon Metal	Colour Capital
Vintage (Financial Year)	2013	2014	2014	2014	2014	2015	2017	2018
Ownership	100%	100%	100%	100%	100%	100%	100%	33%
Exited (Y/N)	N	N	Y	N	Y	N	N	N
Times Money (x)	6.7x	3.9x	0.4x	1.1x	1.0x	0.7x	2.1x	1.0x

Investment	MMT	Insurance	WDA (loan)	Trustees	Teaminvest	CI Fund	BizGPT	Total
Vintage (Financial Year)	2019	2019	2019	2021	2022	2023	2024	
Ownership	30%	50%	0%	100%	100%	50%	33%	
Exited (Y/N)	N	N	Y	N	N	N	N	
Times Money (x)	3.3x	2.0x	-	4.3x	1.6x	1.1x	-	2.7x

Investing returns come from two sources: payments made to the investor for the use of their capital over time (dividends), and any final capital gain or loss.

Where do dividends come from?

Dividends are a proportion of profit paid out to investors. Dividends are thus represented by the formula:

Dividend = Payout Ratio x Earnings

What drives capital gains?

Value = Earnings x Valuation Multiple

which, on a proportional basis, is equivalent to:

Price = Earnings Per Share x P/E Ratio

In other words, the price of an asset is equal to some objective factor (the cash earnings it generates) multiplied by a ratio that captures market sentiment. If market sentiment is constant, then price changes reflect only changes in earnings. If sentiment shifts (as it does regularly), then prices can move regardless of any change in earnings.

For a capital gain, the sale price must exceed the purchase price. This can only occur if the earnings rise, or if market sentiment increases. We aim for both.

Some observations

For TIP to achieve our internal target returns (above 15% per annum over the long-run), we need to invest in assets that deliver a combination of dividends and capital growth above 15% on average each year.

Very few assets offer us a sustainable dividend yield of 15%! This challenge is made harder when:

- Payout ratios in the long run are capped at 100%. An asset can't keep paying out more in dividends than it earns. Eventually the cash runs out; and
- In the long-run, sentiment is mean reverting: the market darling one year is unloved the next. P/E's, like payout ratios, can't expand forever.

The only way we can be reasonably certain of generating our required return over the long-run is by investing in assets whose earnings grow over time. And then acquire those assets when the market sentiment is below its historic mean.

Doing so gives TIP, as it would give any investor, access to both a growing potential dividend pool and the maximum chance of experiencing capital growth.

Cultural Value 1

"We believe being better investors makes us better business people; and being better business people makes us better investors."

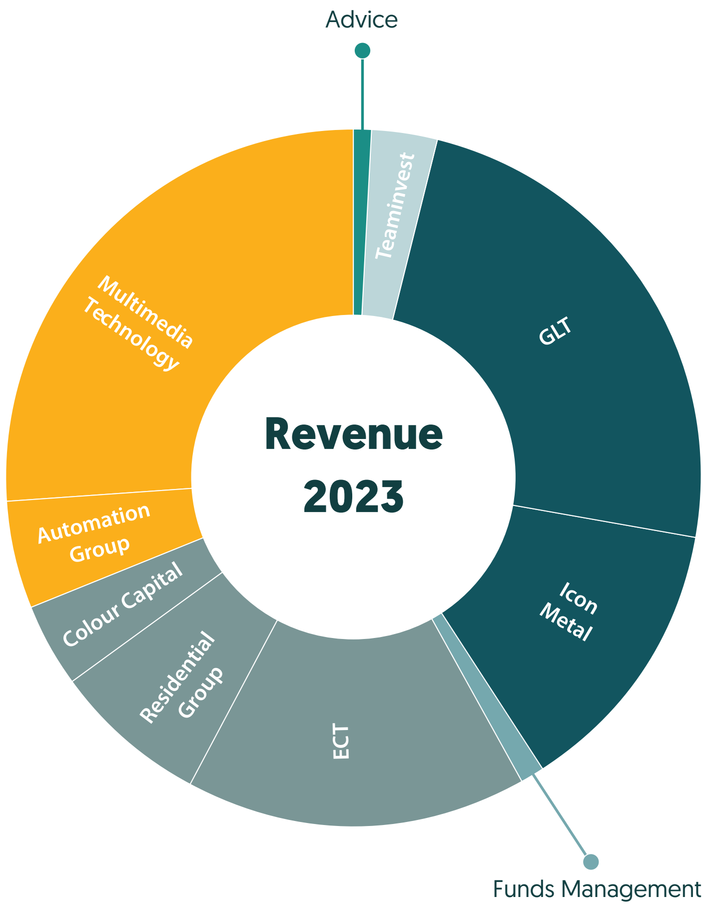
What this means for our shareholders

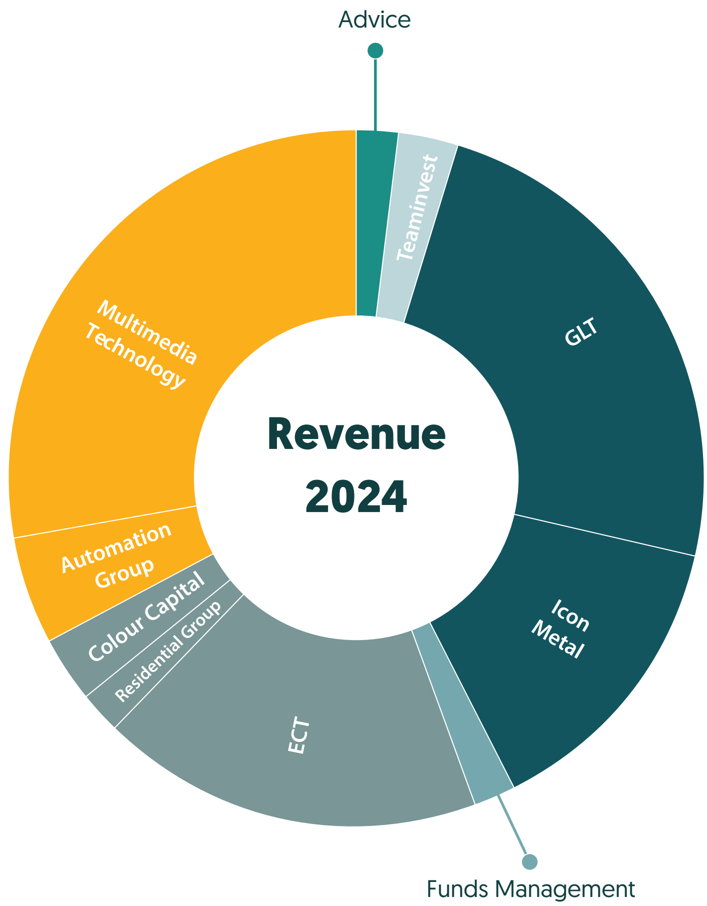
Accounting standards, and Look-Through Earnings, deal only with the dividend half of the equation. They represent only the cash we (or any other listed company) earn from our investments in any given year. They don't include capital gains on our largest assets.

That would be like judging your stock portfolio by only looking at your dividends or valuing your investment property solely on the basis of net rent. Sure, these are important, but miss the bigger picture: what is the asset worth today compared to what you paid for it?

This is the trap we find ourselves in when we provide annual reports. Our report this year runs to over 120 pages and in it you will find table after table, and note after note, dedicated to the earnings of our portfolio, climate disclosure, remuneration, risk and governance.

But in all those 120 something pages, there is not a single time where we provide you – our owners – with a summary of what we think our assets are worth.





As I covered in my 2022 annual letter, the only time we mention an assets value is when accounting standards require us to reduce it!

In all those pages this year, and the next year, there won't be a disclosure pointing the curious shareholder to what today is worth more than we paid for it unless we sell it ... at which point of course it will be called a 'one-off' or 'abnormal' gain as if capital growth is unusual or unexpected.

How to fix this

I am now including two sections in this letter that I hope goes some way to addressing this.

The first is where we invested capital during the year (to illustrate actions taken to increase shareholder value); and a table of our "Money on Invested Capital" (**MOIC**).

MOIC is a term used in private equity to show investors the 'cash on cash' return achieved by an asset. It takes the sum of earnings paid to the owner since it was acquired (i.e. periodic income plus any final realised sale value), and divides that by the cash invested to achieve it. MOIC of greater than one means the asset has paid back more than its purchase price through earnings (if still owned), or a combination of earnings and sale price if disposed.

TIP's MOIC on our larger private equity investments is in the table that starts this section.

Our combined MOIC is now 2.7x and rising. Every dollar we have invested in our portfolio so far, has given us back $2.70.

We expect our MOIC will rise again next year because it comes predominantly from the cash earnings of those wonderful businesses, we still own.

Until we sell them, they keep rewarding us for the initial risk we took. While speculators must paddle furiously in and out of rapids to make a profit, investing is a pleasure cruise for those with patience.

You won't see MOIC in our statutory accounts. However, for judging our ability to deploy capital, we consider it more valuable.

Cultural Value 2

"We understand 'noise' contributes more to error than 'bias'; and we seek to reduce both."

TiP Group

info@tipgroup.com.au | www.tipgroup.com.au

EASTCOAST TRAFFIC CONTROL

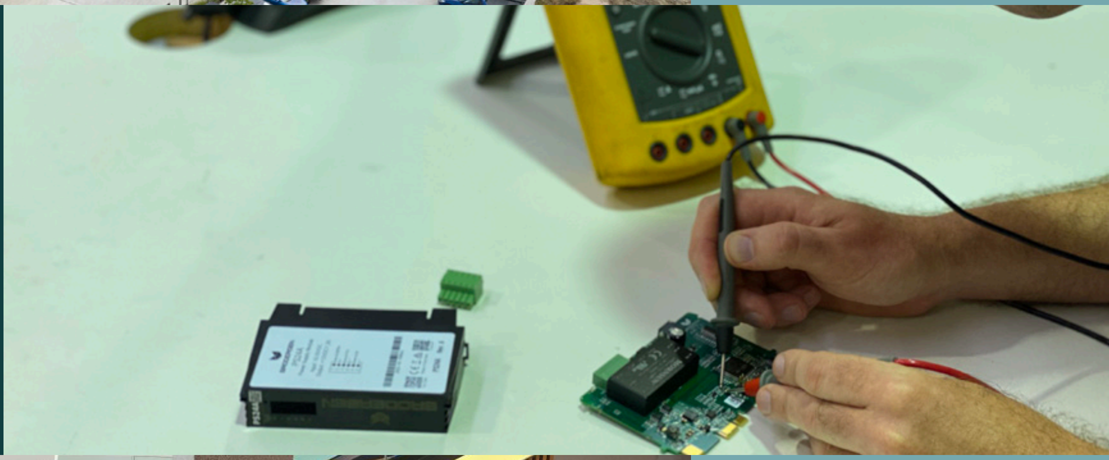
The ECTC team at work strengthening Gladstones pathways and roads come rain, hail or shine

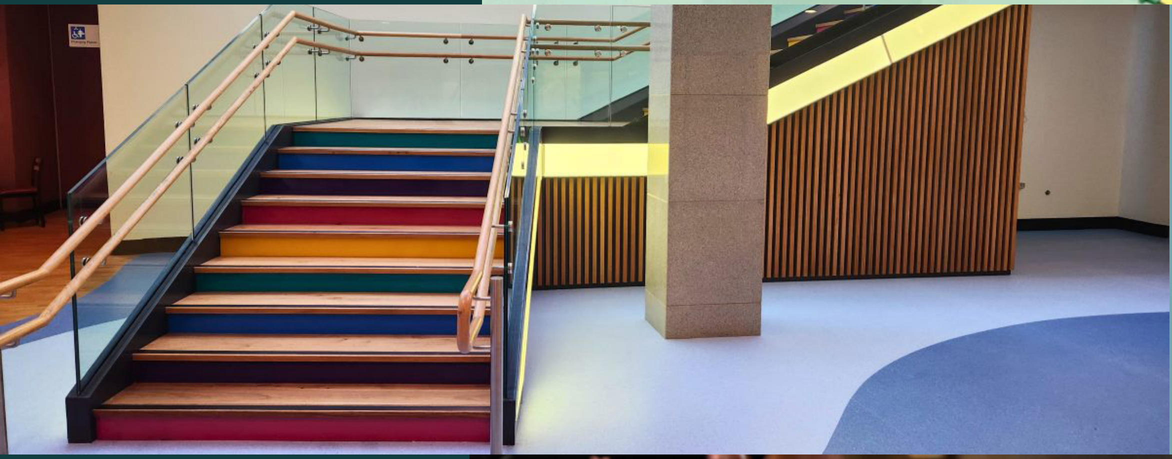
GLT TRAILERS REDEFINED

The 14,000 sqm new GLT facility in Carole Park QLD aimed at expanding sevices to meet the dynamic needs of thier customers

AUTOMATION GROUP

A highly skilled technician performing workshop testing





ICON METAL

Form and function come together for this amazing staircase at Children's Hospital Westmead

teaminvest

Teaminvest members voting at a meeting in Melbourne

Look Through Results

Look Through Results is the proportion of revenue and EBITDA generated by our investments attributable to TIP Group. They are calculated by multiplying the percentage we own of an investment by the revenue and EBITDA it generates. They are a non-IFRS measure which we find more useful for understanding operating performance than Statutory Comprehensive Income (**SCI**) reported in accordance with accounting standards.

In FY24 we report three divisions: TIP Equity, TIP Wealth and Education & Investments.

Revenue

($m)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY24 △ %	"CAGR FY17-24"
Equity	117.3	125.7	135.7	137.5	144.3	147.5	153.1	147.7	(4%)	3%
Wealth					0.3	0.3	4.3	6.0	37%	163%
Education & Investments						4.3	4.1	4.3	6%	0%
Pre-abnormal	117.3	125.7	135.7	137.5	144.6	152.1	161.5	158.0	(2%)	4%
Abnormal / discontinued operations				3.5	(0.1)		3.0			
Total	**117.3**	**125.7**	**135.7**	**141.0**	**144.5**	**152.1**	**164.5**	**158.0**	**(4%)**	**4%**

EBITDA

($m)	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY23 △%	"CAGR FY17-23"
Equity	0.8	8.4	7.2	13.6	14.8	12.0	13.2	14.2	7%	51%
Wealth					(0.1)	(0.2)	0.7	1.8	168%	n.m.
Education & Investments						1.8	1.8	1.8	0%	(1%)
Pre-abnormal	0.8	8.4	7.2	13.6	14.7	13.6	15.7	17.8	13%	56%
Abnormal / discontinued operations				3.5	(2.2)	(4.6)	(2.7)	(2.0)		
Total	**0.8**	**8.4**	**7.2**	**17.1**	**12.5**	**9.0**	**13.0**	**15.8**	**21%**	**53%**

*Note: Wealth include impact of Enva (which is not consolidated in statutory accounts)

Look Through EBITDA was up 21% to $15.8m. This performance was driven by gains across both our well-established Equity division and our newer (but growing strongly) Wealth operations.

While we regard revenue as less important than profit (as the saying goes: "revenue is vanity while profit is sanity"), Look Through Revenue declined 4%, primarily due to lower home building sales at Kitome and Colour Capital.

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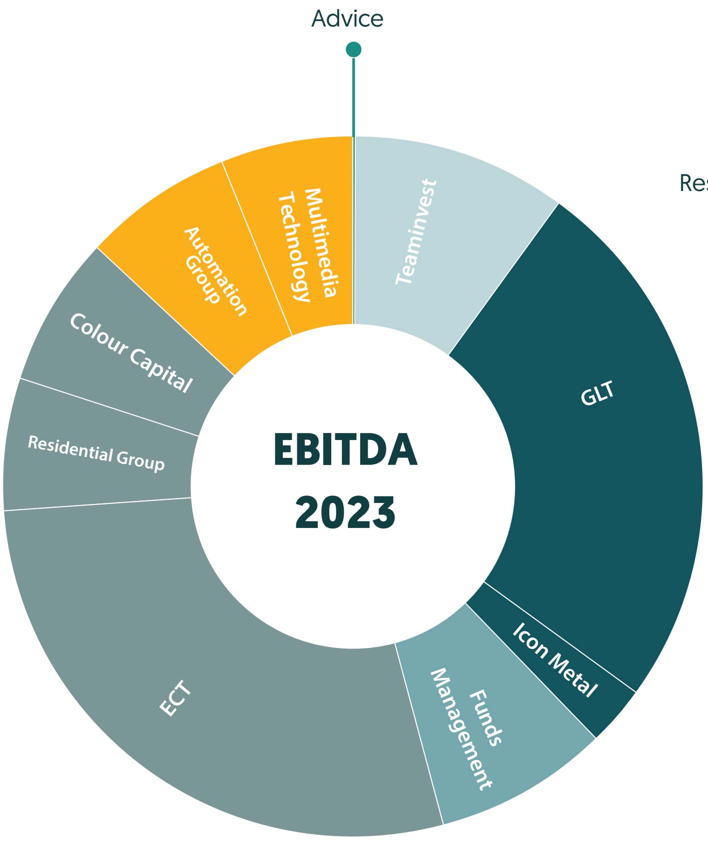
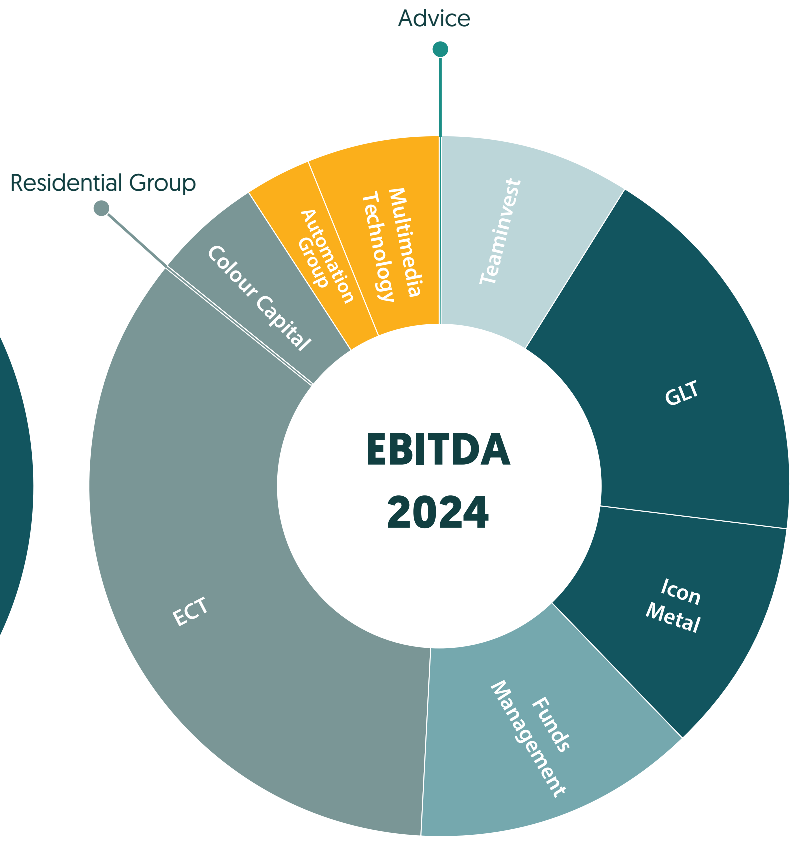




Equity

Equity is our private equity operations. Established in 2012, Equity forms the bulk of our operating business and is led by Dean Robinson.

Look Through EBITDA grew by 7% to $14.2m, driven primarily by significant growth in East Coast Traffic Control (**ECT**) and Icon Metal. Whilst earnings rose, Look Through Revenue declined slightly, predominantly due to lower home building sales at Kitome and Colour Capital.

East Coast Traffic Control (100% owned) grew revenue by 15% and EBITDA by 44% in FY24. Led by Greg Jeckeln, ECT continues to grow its reputation as the traffic controller of choice for regional Australia: with customers from the South Western Slopes region in New South Wales to Cairns now benefitting from their best-in-class service. ECT has now delivered an MOIC of 3.9x, a testament to the remarkable efforts of the outstanding leadership. ECT also invested heavily in new equipment during FY24, with $0.9m of growth capex deployed into new vehicles which we expect will add to our bottom line in coming years.

Icon Metal (100% owned) grew revenue by 7% and EBITDA by $1.6m in FY24, returning to material profitability after the pain of the covid and construction lock-down affected FY21 through FY23. The team at Icon, led by Stephen Pribula and Chris Farmer, have put in countless hours and huge effort to weather the storm and position Icon to be even stronger in the future: and they deserve fulsome praise for their achievement. With this strong return to profitability, Icon has now delivered an MOIC of 2.1x and we expect this will continue to grow as it had before the unfortunate disruptions.

Our other large engineering business, GLT (100% owned), saw EBITDA decline by 20% in FY24 due to the planned investment and costs associated with expanding production capacity. During FY24 GLT secured a new 14,000 sqm facility, added 22 staff and acquired material new equipment (for which we only paid $1.0m at a fire sale) to double production capability. This impacted the P&L this year, but we believe has made the company significantly more valuable as it positions us for significant expansion. Since moving, the team led by Shay Chalmers have already secured c.$20m of new fleet sales, and have significantly expanded our repairs business. These should deliver higher profits in future years and create the beginnings of a recurring income stream for what, until now, has been purely a capital goods business.

Wealth

Wealth is our advisory, funds management and investment banking business, focused on using the Group's insights and networks to deliver superior client outcomes. The wealth division was established in FY23 and provides a platform for substantial growth. As of 30 June 2024, Wealth acts as manager or trustee for $244m in funds under management (**FUM**), and as an advisor for a further $1.6b of funds under advice (**FUA**)*.

Includes Enva (which is not consolidated in statutory accounts), but excludes Clime Investment Management

Wealth earns revenues in three ways:

- Advisory fees, usually comprising a small retainer and a much larger success fee;
- Operation fees, usually determined as a small proportion of funds under management (**FUM**), paid to cover the provision of trustee, custodial and administrating functions; and
- Performance fees, usually linked to outperformance relative to a compounding high-water mark or industry benchmark.

Operation fees tend to be small and regular (usually less than 150 basis points (**bps**) annually of FUM). Corporate advisory and performance fees are irregular (in that they depend on success and are paid only upon achieving results at the end of some pre-determined period) but can be significant (often 300 to 500 bps of total deal size in the case of advisory, and 1,500 to 2,000 bps of out performance in the case of performance fees).

Wealth delivered Look Through revenue of $6.0m (up 37%) and Look Through EBITDA of $1.8m (up 168 %) for FY24.

Of particular note, our flagship Conscious Investor (wholesale) and Corinthian Balanced (NFP/Charity) funds delivered after-fee returns to investors of 15.14% and 8.93% respectively for the year: a testament to the continued power of disciplined value investing using proven Teaminvest principles.

Cultural Value 3

"Complex decisions are hard; simple decisions are easy. We make decisions easy for our staff, customers, executives and investors"

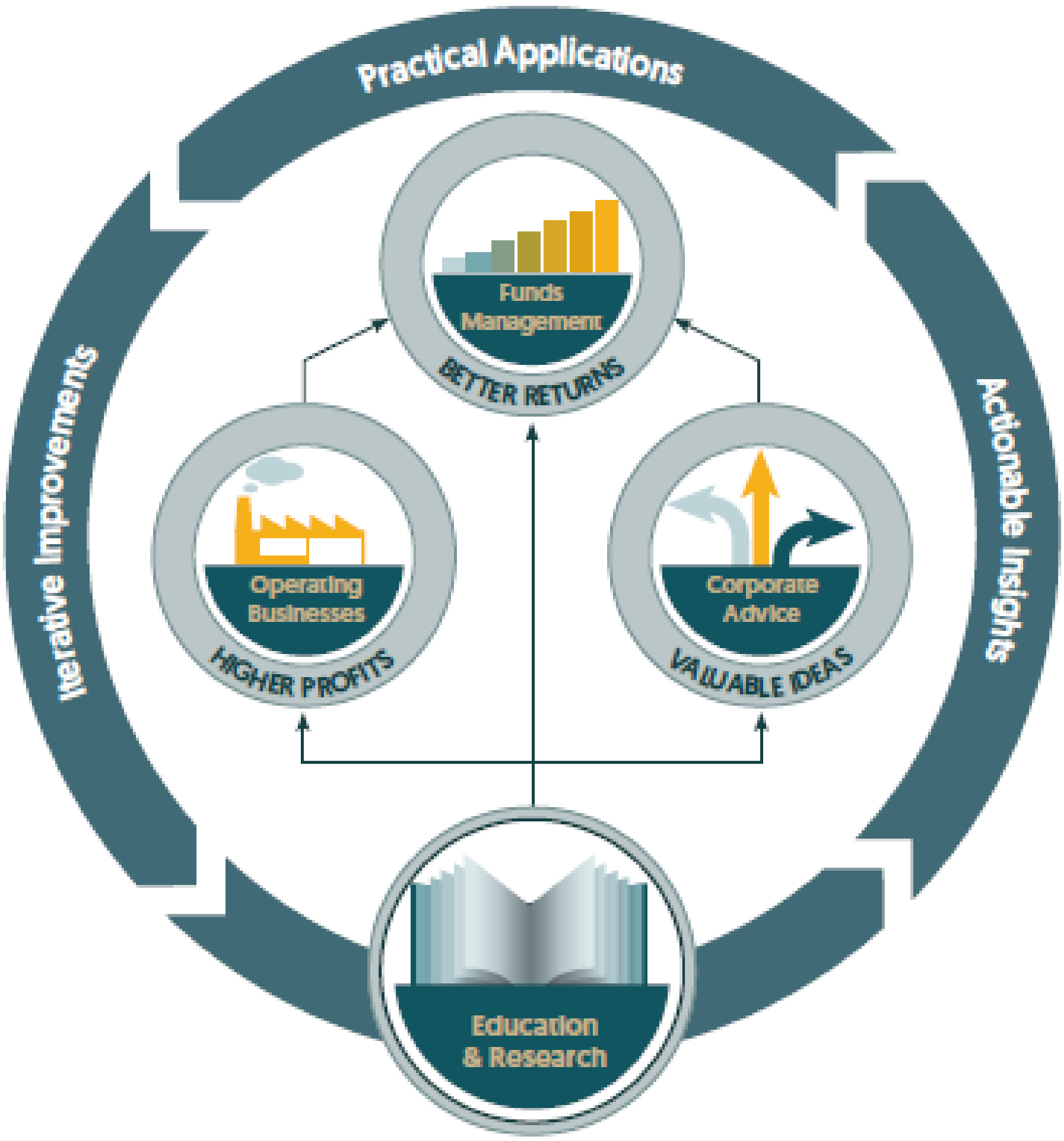
Education & Investments

Education & Investments is the division responsible for generating actionable intelligence that we can apply across our broader portfolio. It primarily comprises Teaminvest (our high-net worth investor education business), and direct stakes in listed securities and managed funds.

In FY24 Education & Investments delivered Look Through revenue of $4.3m and Look Through EBITDA of $1.8m.

This division is our smallest by revenue but potentially the most important for our long-run success. Starting with education and research, this division continually iterates to drive performance improvement across our business. Our continued investment in proprietary valuation software (now covering over 40 markets), and our ability to aggregate intelligence from over 600 active market participants, means this division is the engine room that drives our ability to identify future investment opportunities.

Whilst Education & Investments is unlikely to ever contribute as much to our P&L as Equity or Wealth, it is the special sauce that allows us to drive compounding value growth year after year across all parts of our business.



GLT
TRAILERS REDEFINED

Another GLT trailer rolling off the assembly line at the brand new facility at Carole Park QLD

EASTCOAST
TRAFFIC CONTROL

Keeping drivers, pedestrians and road workers safe is always top of mind

ICON
METAL

A display of architectural genius at Liverpool Civic Place

teaminvest

Kitome

Another happy customer living in their beautiful home from Kitome

Statutory Comprehensive Income (SCI)

Unlike Look Through results, which are compiled on a proportional ownership (i.e. operating) basis, SCI is calculated in accordance with the Australian accounting standards in force at any time. It encompasses consolidation accounting where we control a business, equity accounting where we own a substantial share and have significant influence (typically between 20% and 50%), and investment accounting where we don't have significant influence (typically less than 20%).

While SCI is the official published result of the Group, shareholders should be aware of its limitations when using it to understand operating performance. The table below sets out our SCI and a summary balance sheet.

($m)

P&L	FY19	FY20	FY21	FY22	FY23	FY24
Revenue	28.4	89.0	91.4	92.7	111.4	106.1
Operating expenses	(28.4)	(77.3)	(78.4)	(88.7)	(102.7)	(96.6)
EBITDA	(0.0)	11.7	13.1	4.0	8.7	9.5
D&A	(0.3)	(2.5)	(7.1)	(22.4)	(3.8)	(13.0)
EBIT	(0.3)	9.2	5.9	(18.4)	4.9	(3.5)
Interest income / (expense)	(2.3)	(0.3)	(0.1)	(0.3)	(0.2)	(0.5)
PBT (incl other comprehensive income)	(2.6)	8.9	5.8	(18.7)	4.7	(4.0)
Tax income / (expense)	0.2	(0.6)	(0.6)	1.0	(0.7)	1.8
Statutory NPAT	(2.4)	8.3	5.2	(17.7)	4.0	(2.2)
Add back Impact of discontinued operations	-	-	-	-	2.7	1.0
Add back Impact of abnormal items	-	(3.3)	1.7	21.9	-	7.5
Operating NPAT	(2.4)	5.0	6.9	4.2	6.7	6.3

($m)

Balance Sheet	FY19	FY20	FY21	FY22	FY23	FY24	Per share
Current assets	27.0	35.0	38.7	38.4	43.1	40.6	
Non-current assets	68.2	72.9	93.8	77.7	80.6	93.4	
Total assets	95.2	107.9	132.5	116.2	123.7	134.0	4.95
Current liabilities	21.6	23.3	24.8	27.0	30.6	28.4	
Non-current liabilities	0.9	3.5	9.1	7.6	6.2	21.7	
Total liabilities	22.5	26.8	33.9	34.6	36.8	50.1	
Equity	72.7	81.1	98.6	81.5	86.9	83.9	3.10
Cash	6.7	10.8	12.3	6.4	7.9	6.4	0.24
Total debt (traditional)	5.2	1.5	2.2	0.6	0.5	0.4	
Total debt (AASB 16)	5.2	5.6	6.0	4.2	2.4	21.5	

Abnormal items

During FY24 we recognised $10.6m of pre-tax abnormal expenses ($7.5m after tax), comprising:

- $1.4m of moving costs at GLT (a one-off real 'cash' expense); and
- $9.2m associated with Colour Capital. Of this, $0.6m was a one-off real 'cash' cost associated with the legal action, and the remaining $8.6m was a one-off 'non-cash' expense required by accounting standards.

Colour Capital (33% owned) is a franchise manager. Their economic moats are based on their ability to develop and grow franchise systems and networks. They are always on the look-out for new brands to manage, and have operations in areas as diverse as cafés, gyms and home building.

Since we invested in 2018, they have done this exceptionally well. Colour Capital has already delivered an MOIC of 1.0x; and they paid us $0.5m in cash dividends this year.

However, during FY24 their largest client (Netdeen Pty Ltd, the franchisor of GJ Gardner Homes) terminated an existing master franchise agreement. This decision has seen Colour Capital take Netdeen to court, with a judgement expected in due course. While the court case is uncertain (all court outcomes are), Colour Capital continues to operate its other franchise brands and is seeking new opportunities to replace the lost contract. In accordance with accounting standards, we have impaired the full value of Colour Capital as a 'non-cash' expense.

Cultural Value 4

"Small improvements make a big difference when compounded. Doing nothing compounds nothings."

On market buy-back

In the FY23 update to our philosophy document, released as part of our annual report, we included the following:

"TIP predominantly owns and operates profitable and growing businesses. We also look to regularly expand our portfolio when great businesses become available at good prices. We therefore consider capital allocation in three steps:

1. What capital should be reinvested in our existing operations to deliver appropriately growing returns (***Organic Investment***);
2. What capital should be set aside for new acquisitions (***Acquisitive Investment***);
3. Where excess capital exists, how much should be returned to shareholders as a reward for the use of their funds (***Distributions***).

When a Distribution is appropriate, we intend to provide it to shareholders by:

- If our share price is lower than both the implied valuation using the CIP Formula and our equity per share, conducting an on-market acquisition of shares;
- If our share price is higher than both the implied valuation using the CIP Formula and our equity per share, distributing an appropriately franked dividend; and
- If the share price is neither higher nor lower than both valuation methods imply, at the discretion of the board."

While we are disappointed that TIP is trading at a discount to our net assets of 59%, and a 82% discount to our peer median P/E ratio[2] of 19.6x, we remain mindful that in the words of Benjamin Graham "in the short-run the market is a voting mechanism, while in the long-run it is a weighing one". And while we continue to increase our weight, the best way to take advantage of this situation for our shareholders is to buy our dollar bills back for less than a dollar in price.

As such we announced an on-market share buy-back for up to 10% of our issued capital in February 2024. As of August, the buy-back remains ongoing.

Cultural Value 5

"In the long-run 'factfulness' beats running with the herd. No matter how unpopular it makes us in the short-run."

Year ahead

In my FY23 letter I wrote:

"Our goals for FY24 are simply to continue to focus on the three things that (to paraphrase Warren Buffett) "matter most":

1. Continually delighting customers;
2. Eliminating unnecessary costs; and
3. Innovating to do the first two better."

Our fantastic leadership teams have put this into practice in FY24.

For FY25 they remain our operational focus alongside our permanent strategic desire to acquire fantastic assets at reasonable prices out of the cash our wonderful businesses generate.

Final word

If you are excited by our noble purpose, and would like to participate in our unique organisation, please apply to become a Selected Shareholder. The knowledge you bring, and the value you add, accelerates our growth.

As Warren and Charlie put it so succinctly: ***"We are better investors because we are business people; and better business people because we are investors".***

I look forward to seeing you at future strategy days and our AGM.

Best wishes,

Andrew Coleman

CEO

Teaminvest Private Group Limited


CQS1
TMU157
EASTCOAST
TRAFFIC CONTROL
1300 011 203

Our Philosophy

1. GUIDANCE FOR SHAREHOLDERS

1.1 Our Noble Purpose, Mission and Vision

Our noble purpose, mission and vision are core to who we are and what we do. They are:

Noble purpose: We compound knowledge and wealth

Mission: We use proprietary, research driven, insights to create better investors and business people

Vision: To build a portfolio of outstanding investments, run by talented leaders, that materially improves the lives of customers, staff and those who trust us with their money

We consider all operating and investment decisions against these metrics. We are prepared to sacrifice short-term gain if it helps achieve our mission and vision in the long-run.

1.2 Our Cultural Values

We will never take an action contrary to our values. We assess our staff against these values on a quarterly basis. Our cultural values are:

- We believe being better investors makes us better business people; and being better business people makes us better investors.
- We understand "noise" contributes more to error than "bias"; and we seek to reduce both.
- Complex decisions are hard; simple decisions are easy. We make decisions easy for our staff, customers, executives and investors.
- Small improvements make a big difference when compounded. Doing nothing compounds nothing.
- In the long-run "factfullness" beats running with the herd. No matter how unpopular it makes us in the short-run.

1.3 Share Price vs Intrinsic Value

Share prices follow the formula "Price = Earnings * P/E ratio". Internally, we refer to this identity as the Conscious Investor Pricing Formula **(CIP Formula)**.

P/E ratios (the multiple investors are prepared to pay for every dollar of profit generated) can fluctuate wildly for days, weeks, months or even years. However, over an economic cycle they will (by definition) gravitate towards the market average. In Australia this has usually been around 3x-6x for a private company and 15x-20x for a listed company.

As P/E ratios are mean reverting, the only way to grow share price in the long-term is through increasing earnings. Any business that grows earnings will, over time, see a corresponding increase in share price and value. Time is the enemy of poor businesses, and the friend of good businesses. Many years of research by Dr John Price (and then Teaminvest) have proven this truism over and over.

For this reason we measure, reward and focus our executives on growing earnings. We have no rewards based on share price, P/E ratio or "market reputation". We have no interest in incentivising behaviour that encourages short-termism.

This means we risk having our share price deviate from intrinsic value as we spend our focus on profits not media exposure or 'creating momentum'.

If we could have one wish about our share price it is this: that at any time it accurately reflects the intrinsic value of our company as merited by the path of our long-term earnings, or the sum of the value of the great businesses we own.

1.4 Diversification

Diversification reduces risks and improves returns. We hold investments across a portfolio of companies in different industries and geographies to create diversification. Whilst this means we are exposed to the risk of having individually underperforming assets, or accounting impairments, in any specific period, over time we expect it will provide better returns to shareholders at lower risk.

1.5 Accounting Impairments vs Economic Value

Economic goodwill is a value that flows over time. Every action that delights customers and increases their willingness to pay, enhances economic goodwill: creating moats and increasing returns. Every action that disappoints customers reduces their willingness to pay and 'impairs' economic goodwill, weakening moats and reducing returns.

In contrast, accounting goodwill is a static measure reflecting the intangible assets of a business at the time it is acquired. Accounting goodwill cannot be increased. It is generated not by delighting customers, developing patents, training staff or creating moats, but to balance a set of accounts at a specific point in time.

This means our economic goodwill almost certainly exceeds accounting goodwill. When we make a great acquisition, we can never increase the amount at which it is held on our balance sheet. The moats may be stronger and the profits larger but there can be no increase in the value assigned to it on our balance sheet.

In contrast, if an investment ever fails an impairment test (even if only due to short-term uncertainty), we will immediately reduce its carrying value by taking an accounting impairment.

Over time we expect this means our balance sheet will substantially understate the true economic value of our business.

1.6 How We Value TIP

TIP is a regular acquirer of profitable, growing, businesses across multiple industries and sectors. Over the long-term we therefore expect that our shares will trade at a price that is:

a. In line with the market average P/E multiple applied in the CIP Formula, reflecting our diversified holdings; and

b. Higher than accounting "equity per share", reflecting the disparity between economic and accounting goodwill.

Where we consider our earnings for the purpose of the CIP Formula, we use what Warren Buffett calls "Look Through" earnings. Historically we have referred to this as our Segment or Proportional earnings. Look Through earnings differ from accounting profits as they include the proportional income of associated entities and exclude one-off gains and losses. For the ease of investors, we publish our Look Through earnings as part of the CEO report in each set of accounts.

Accounting equity per share is available on our balance sheet without adjustment.

1.7 Returning Capital to Shareholders

TIP predominantly owns and operates profitable and growing businesses. We also look to regularly expand our portfolio when great businesses become available at good prices.

We therefore consider capital allocation in three steps:

1. What capital should be reinvested in our existing operations to deliver appropriately growing returns (Organic Investment);
2. What capital should be set aside for new acquisitions (Acquisitive Investment);
3. Where excess capital exists, how much should be returned to shareholders as a reward for the use of their funds (Distributions).

When an increase in Distributions are appropriate, we intend to provide them to shareholders by:

1. If our share price is lower than both the implied valuation using the CIP Formula and our equity per share, conducting an on-market acquisition of shares;
2. If our share price is higher than both the implied valuation using the CIP Formula and our equity per share, distributing a special dividend; and
3. If the share price is neither higher nor lower than both valuation methods imply, at the discretion of the board.

1.8 Becoming a Selected Shareholder

You can apply to have greater involvement in our company by being made a Selected Shareholder. Selected Shareholders are able to participate in our investment process and are invited to our twice-yearly strategy days. Top performing Selected Shareholders may also be asked to mentor an executive or join one of our committees.

Being a Selected Shareholder is intellectually stimulating and gives you greater insight into our business. It also lets you participate in our noble purpose of transferring knowledge and wealth between generations.

You can apply to be a Selected Shareholder by filling out the form on our website.

2. GUIDANCE FOR PORTFOLIO BOARDS

2.1 Introduction

For most investments we make, we have board representation.

This section provides guidance for our portfolio boards. We make it public because we believe all shareholders should know (and can benefit) from better understanding how we operate our investments.

Our approach draws on how Warren Buffett and Charlie Munger engage with Berkshire Hathaway's private businesses to grow profits organically and via bolt-on acquisitions.

Our portfolio company boards are selected by, and report to, the relevant head of division and Group CEO.

2.2 The Role of a Portfolio Board

Portfolio boards have five requisites for which they are appointed and against which their performance is judged. These are:

1. Mentor executives;
2. Allocate capital within the business;
3. Strengthen moats and reduce risks;
4. Ensure compliance with all laws, regulations and governance requirements; and
5. Deliver regular dividends to TIP.

The best boards are those who regularly examine and improve upon these objectives.

Mentoring executives: Our portfolio boards are responsible for mentoring executives. Mentorship is distinct from managing: it involves guiding, educating and encourage executives to think differently to enhance their skill set and grow the business in a visionary manner. Executives are responsible for delivering monthly results and, if a board becomes concerned that executives are not delivering appropriately, they should immediately notify the relevant division head so we can look to enhance or replace the executive team. Board members should never act as quasi-executives.

Allocating capital: Portfolio boards are responsible for capital allocation within amounts set out in our Limits of Authority policy. Capital can be used in three main ways: funding organic growth; funding bolt-on acquisitions to increase profits; and returning capital to TIP via dividends. We expect all investments to deliver both increased value and attractive dividends over time.

Strengthening moats and reducing risks: One of the key responsibilities of a board is to continually seek ways to strengthen moats and reduce risks. Strengthened moats allow the business to increase profitability and grow faster. Reduced risks ensure that profits and dividends can continue to grow without undue stress. The simplest way to reduce risk is to improve the Break-Even Safety Margin (BESM), and one of the key tasks of a board is to ensure that the BESM rises over time.

Ensuring compliance: One of the biggest risks to any business is damage to reputation or adverse litigation. Ensuring a culture of compliance to the highest possible standards helps to protect each portfolio company and the Group. As the saying goes: "it takes a lifetime to make a reputation, and one oversight to ruin it".

Delivering regular dividends to TIP: As an investor we expect to be rewarded for the use of our funds and the effort we put in as mentors. The best proof of success of any portfolio company and its board is delivering on this expectation.

2.3 Preparation Before Becoming a Board Member

Application: If you have experience or wisdom to offer, please make your interest known to us. Following a formal selection process we may appoint you to the board of one of our portfolio companies. When appointed, you serve at the pleasure of the company and can be removed or replaced at any time.

Compliance obligations: Becoming a board member requires adherence to TIP's investment philosophy, confidentiality obligations and securities trading policy.

Desirable experience: Whilst there is no set formula for a great board member, candidates should have run a larger business (in terms of staff, revenue and profits) than the business on which they serve. This enables them to better mentor executives and grow the company. An understanding of accounting, corporate law and governance are valuable but not a prerequisite.

Prior participation in SMaRT and Due Diligence processes: Potential board members should have previously participated in our proprietary Strengths, Moats, Risks and Trustworthiness (SMaRT) and due diligence processes. This enables you to better understand our philosophy and the ways you can add value. We consider it advantageous for board members to have participated in the SMaRT and due diligence process for the business to which they are appointed. Doing so provides greater understanding of the moats to enhance (to drive profits), the future risks to mitigate or avoid (to avoid or minimise losses) and the personalities involved. If a potential board member has not participated in the specific SMaRT and due diligence, we will usually require them to attend board meetings as an observer before their appointment.

SMaRT and Due Diligence Reports: All board members should be familiar with the SMaRT and due diligence reports. These contain analysis of the rationale behind our investment, and the moats and risks identified. Knowledge of these is a prerequisite to adding value.

Terms of Acquisition: Board members should ensure they understand the key acquisition terms. These differ by company and may include performance hurdles, conditional payments, remuneration packages, debt funding arrangements, vendor financing and succession plans. Boards should periodically review progress against the terms of acquisition and keep TIP informed.

Conscious Investor, TIPBars and TIPTool: Board members must be familiar with our proprietary financial analysis (Conscious Investor), board reporting (TIPBars), and financial modelling (TIPTool) software. Conscious Investor underpins how we analyse and value investments. TIPBars provides standardised financial reporting utilising the Conscious Investor methodology with built-in audit functionality. TIPTool facilitates the quick and easy modelling of alternative paths for substantially increasing profits. If substantially increasing profits were easy, executives would already have done so. Our three proprietary software tools allow for accurate and robust discussion about important decisions.

2.4 Common Learnings

Our boards have experienced the following common learnings:

1. **You can't have valuable meetings without best-practice financial reporting:** Many entrepreneurs are wonderfully successful through inspiring and motivating their staff to work 'miracles' and their clients to pay highly for their products. However, many see financial record-keeping and reporting as a distraction. Since starting in 2012, we have learned that it is impossible for boards to add value without the benefit of best-practice financial reporting. Boards must address this concern as one of their highest priorities by either:

a. Encouraging the portfolio company to hand financial reporting over to TIP head office: ideally as an interim measure while the business enhances its systems and recruits a highly educated professional to lead the function. This allows executives to focus on strategy without being distracted about the preparation, and accuracy, of financial reporting and the six-monthly audit process. It is also likely to be financially beneficial due to the costs saved by harnessing economies of scale. Portfolio companies who were not already audited for a number of years, or who don't already have the benefit of a highly-educated, multi-disciplinary, finance team benefit most from this approach; or

b. Showing how best practice record keeping, reporting and discussions can increase profits and enhance decision making: enhancing internal structures and creating an environment where the board can encourage profitable action based on forward looking projections. This approach is best available to companies who already have robust, audited, systems in place with a highly-educated CFO leading discussions. Boards in this situation can immediately focus on TIPBars and TIPTool, confident that the analysis is meaningful for strategic discussion.

2. **Leadership rarely extends below one or two key executives:** Medium-sized businesses rarely have top quality executives below C-level. This is a function of size: it is tough to recruit supremely talented people in smaller organisation. For the business to grow, or the founder to transition, a key requirement is attracting the right talent into the right roles. In particular we have found that:

   a. Existing employees rarely have the drive or skill to step up to C-level in SMEs. This is a function of self-selection: ambitious and talented employees rarely stay if there aren't opportunities for rapid advancement. In smaller businesses this career path caps out by about the age of 30, so most supremely talented staff either move on to bigger companies or remain only if their ambition declines. With ambition being a key requirement for successful leadership (the other two being passion and intelligence), fishing in the existing pool is likely to be unrewarding, and may well be why the founder was attracted to a partnership in the first place;

b. External hires usually fail because motivations are misunderstood. One of the great hiring fallacies is recruiting people with demonstrated experience in a role of the same size, in the same industry, as the one for which they are applying. This is a mistake: why would a high-achiever be motivated to join you if the role and responsibility you offer is no better than what they already have? Instead, the best external hires tend to be those who are motivated by either:

   i. Joining a larger company from a smaller competitor at the same level, increasing their scope to develop and lead;
   ii. Getting a promotion, providing a career opportunity not otherwise available in the short-term;
   iii. Changing industry to better align with their personal values, for which they may accept a similar or lower role; or
   iv. Moving geographically due to family or personal motivations which may entice them to accept a similar or lower role.

c. As we get older we forget just how young we were when we first took a leadership role. Most successful CEOs got their first leadership break in their 20's, and by their 30's were running large teams. Yet when we look for leadership hires these same 20 and 30 year olds (as we once were) appear brash, uncultured and inexperienced compared to our peers. This plays into two traps: it reduces the likelihood of hiring the best talent (a supremely talented 30 year old passed over for a role today is probably running something far too large by 40 for you to get them back); and it means missing out on the well-documented fact that ambition and passion decline from middle-age onwards. Whilst a 50 year old is likely to know more than a 25 year old, they are unlikely to be prepared to throw themselves in with the ambition and passion required to drive transformational growth… particularly if they still report upwards to other executives!

3. **Distractions kill.** A year may elapse between when a portfolio company first approaches a broker to market their business, to when we finalise contracts and appoint a board. Sales and profits may become secondary to 'doing the deal'. Working with a board may also initially distract executives. Together this can cause revenue and profits to disappoint. Disappointment will continue unless (and until) the board once again makes driving profits the core focus of executives.

4. **Vendor remorse is normal but must be addressed head-on.** It is natural that after parting with part of their baby, founders and executives will wonder if they made the right decision. If there is more than one senior executive, one may feel regret more keenly, causing internal friction. Boards should address this head-on by discussing the issue and immediately working on creating a companywide Noble Purpose, Mission, Vision and Big Hairy Audacious Goal. By setting these as a team early, passion can be harnessed to drive results and overcome fear about the new structure. A clear path to "growing our baby together" is the fastest and most effective way of motivating executives and overcoming any misgivings.
5. **Focus board time on delivering the Noble Purpose, not working on the day to day.** Executives working 'in the business' rarely have time to think in a visionary way 'outside the business'. Day-to-day issues keep them busy and are most likely to be reported to the board. Boards should not involve themselves in day-to-day business and instead should constantly work on focussing executives on the steps needed to achieve the company's Noble Purpose. Doing so will make meetings more productive and drive double digit growth. Discussions will focus on major opportunities, new moats and mitigating risks, not the daily grind. A board which finds itself involved in day-to-day decision making is doing a disservice.

2.5 Interacting with Executives

Learn what 'makes them tick': Before joining a board, directors should meet with the other board members and senior executives to learn 'what makes them tick'. It is easier to mentor and build profits with people we understand. Meeting in an informal setting allows a prospective board member to see what interests and cultural values they have in common with the executives (critical for mentoring and driving profit) and their prospective fellow directors (critical for defining long term goals and maintaining passion). You should also use this opportunity to find out more about the business, discuss moats and risks identified during the SMaRT and Due Diligence, and to find out what has already been done to strengthen moats and eliminate, mitigate or manage risks. With a good starting point a board member will add more value than coming in blind and learning on the job.

Understanding the business: It takes time to understand the Key Performance Indicators (KPIs) that drive profits. Executives with a history of profitable leadership in the business should already know what is most important to measure: even if they may not always communicate it clearly. The best way of getting to the crux of this is by asking lots of "Why" questions. "Why did we do X?", "Why do you consider Y worth measuring?", "Why do you think this is a good or bad idea?". Asking lots of Why questions (instead of What or How questions) is the fastest way to build an intuitive understanding of the key drivers of the business. Board members need intuitive understanding to better mentor the CEO and make fast decisions.

Noble Purpose and long-term goals: It is the responsibility of executives to deliver a profitable business every month. Providing they do so, the key responsibility of the board becomes mentoring and developing executives to achieve the Noble Purpose and long-term goals. Boards should spend most of their time with executives focussed on exploring how the company can strengthen moats, reduce risks and deliver the Noble Purpose.

Executive remuneration: Executive remuneration is set by TIP and follows our principles of handsomely rewarding performance whilst penalising failure. Board members should be aware that executives are typically remunerated with three components:

- A low base salary, of sufficient size to keep the lights on but small enough that a poor performing executive will quickly look for a job elsewhere;
- A monthly bonus paid for every month that is profitable, to incentivise executives to design and operate the business in such a way that it never loses money; and
- A share of the audited NPAT of the business, providing an out-sized reward for stellar performance.

Any changes in remuneration is therefore linked entirely to performance. Boards should take actions that encourage executives to achieve their monthly bonus every month (e.g. focussing on BESM), whilst ensuring a path to meaningful long term profit growth. In this way both the executive and TIP win together.

Succession planning: Risks associated with key management personnel are front-of-mind when the board interacts with management. This risk scores highly in every SMaRT. Boards should ameliorate this risk by encouraging executives to delegate and to develop an executive team. Within a few years of investment, the board and CEO should have identified an appropriate successor for an emergency - or should the CEO retire.

Growth planning: Boards add value when they assist in developing a team of talented reports who enjoy doing what the CEO enjoys least. This frees up the CEO for strategic thinking and growth, rather than being immersed in day-to-day management.

Focus on BESM: A powerful way of reducing risks is by increasing the gap between sales revenue and the break-even point. This increases the BESM (Break-Even Safety Margin). Replacing fixed costs with variable costs increases BESM and reduces risk. Focussing on increasing BESM is a key hallmark of a successful business.

Size of companies and expected volatility: Missteps by boards or management of SMEs can wipe out short-term profits, while good decisions can hugely lift short-term profits. Even when long-term profits are excellent, short-term profits may vary between disappointing and enthusing. Experience shows us that the most effective way to reduce volatility is by increasing BESM.

Trustworthiness: It is a pre-requisite that the executives who manage the business are trustworthy. If a board member is ever concerned about honesty, they should inform TIP immediately and in the strongest possible terms.

Frequency of board meetings: Board meetings should be held monthly. Meetings should be face-to-face with an option to join by teleconference. If board meetings are taking full days, chances are the board is becoming involved in issues best left to management. A week prior to the board meeting, each CEO should provide the monthly TIPBars financial report plus a short explanation on any issues on which they seek input.

Helping our portfolio companies grow: Boards should inspire, mentor, and act as a sounding board for executives. They should regularly ask themselves three questions: "What visionary ideas can we suggest to substantially grow profits?" and "How can we help make the CEO's role simpler?" and "How can we assist the CEO make faster and more profitable decisions?"

Mindful they have sold 'part of their baby': When they join TIP, founders have just sold 'part of their baby'. Nothing will demotivate them faster, and destroy the value of our investment quicker, than giving the impression 'the baby is ugly and needs cosmetic surgery'.

Financial terminology: Executives of SMEs can appear unsophisticated in the use of financial terminology or reporting procedures. Fortunately, financial terminology and detailed reporting are not pre-requisites for building a great niche business. However, they do become more important as the business grows. This is why we developed TIPBars. Using a common tool that focuses on the most important drivers of profit allows meetings to focus on "what can we do to build free cash and profits". Test your ideas in TIPTool.

Instructing management: The board as a whole may instruct executives. Individual board members should never do so.

2.6 Capital Management and Board Strategies

Dividends and cash buffers: The boards of our portfolio companies have a responsibility to return part of profits as free cash to TIP via periodic dividends. This is covered in detail in the Group Distribution Policy and is usually set at 50% of net profit after tax. Boards should be familiar with this policy, and in particular its focus on the mix between paying down debt, reinvesting for growth and paying dividends.

Bolt-on acquisitions or disposals of divisions: Each board should continually monitor their markets for a substantial increase of profitability via a bolt-on acquisition. Conversely, they may conclude that the business would be more profitable after the disposal of an unwanted division. Major capital allocation decisions should be referred to TIP for assistance.

More capital or debt: It is our philosophy that debt increases risk. Boards should avoid raising debt unless it is for highly profitable organic growth or accretive acquisitions. If debt is needed, it must first be approved by TIP.

Focus on high margin revenue: Market share is vanity, profits are sanity and free cash flow is reality! We acquire niche businesses that make higher profits and generate more cash from increasing margins, than from chasing market share. This can be quickly tested using TIPTool. Good strategy often involves turning away low-margin business. If a business is short of cash, the chances are the margins are too low. In niche businesses, it's often easier to increase value through increasing margins than increasing size.

Moats and outside circumstances: 'Circumstances beyond our control' are often blamed for a profit downturn. Boards should look beyond this and seek ways the company can increase profits even in a downturn. If profits disappoint, and board members can't immediately find a way to fix this, raise it with TIP quickly so we can brainstorm ways of benefiting from adversity – whether real or perceived. Outside influences can often be overcome by a concerted effort to strengthen moats.

Deal with causes not symptoms: Niche businesses may experience cash-flow challenges from time to time. Boards and executives must strengthen the businesses by dealing with the cause of cash-flow problems, rather than dealing with symptoms. TIPTool can be useful for this. Eliminating causes of cash-flow challenges can add huge value to any investment.

Leverage technology: Technology, data, online connectivity and AI are rapidly changing the world. Every business will be affected. Those that remain stuck in the past find competitors able to offer similar outcomes cheaper or faster, or superior products at the same prices. Those that embrace 'modernisation' benefit via higher margins. Boards should continually seek to modernise everything our companies do to stay ahead, and to improve margins against the competition. The outcomes of any costs and margin improvement can easily be checked in TIPTool.

Use our tools: TIPBars and TIPTool allow the board to model alternative paths for substantially increasing profits. TIPReps should frequently use TIPTool to strengthen the business by testing the likely increased profits from the choices of increased sales, decreased fixed or variable costs, and increased prices. No path is likely to be easy, but choosing the best path to profit is made easier using TIPTool.

2.7 Culture

Skills available: An incredible range of skills and experiences are available in the Group. Boards should regularly contact TIP to seek advice about any challenges they face.

We are all in it together: Boards of profitable businesses work as a non-hierarchical team. To maximise profits, board members should ensure a culture of open, frank and enjoyable cooperation between executives (who know the business very well), non-executives (who know business principles well) and TIP.

Serving while you add value: Directors should stay on a board while they remain enthusiastic about the business and feel they can help deliver excellent returns. When considering whether to serve another year on the same board, you should assess how you have added value to date, and how you can add further value in the coming year.

Comfort with executives: Boards and executives must get along well professionally to be successful. If a director doesn't have a strong working relationship with the executive they should inform TIP and seek to be replaced. If a director becomes uncomfortable with the conduct of an executive they should immediately inform TIP so that we can investigate.

Making improvements: Businesses are rarely able to implement more than one 'improvement' at a time. A board that successfully implements one substantial profit improvement in any half-year has provided excellent value. Asking a CEO to implement several 'improvements' simultaneously, risks overwhelming executives and almost certainly ensuring the 'improvements' won't happen.

Cash flow is king: The value of a business is in the cash it generates. If the business is paying attractive dividends to TIP, and earnings are growing, the board and executives are doing an excellent job. However, if this is not happening, then board and management are letting us down. If the board can't see a way to deliver attractive dividends, they should request help or request to be replaced.

2.8 Reporting to TIP

Division head: Portfolio company boards report to the relevant head of division. This senior TIP executive will meet with each board regularly to assess performance and provide advice.

Quarterly assessments: Each company is required to fill out a Quarterly Traction Report (focussed on performance towards Noble Purpose and growth targets) and conduct a Quarterly Employee Assessment of staff (focussed on adherence to culture, targets and providing opportunities to enhance capability).

Annual reports: Each company must prepare an annual report. Whilst annual reports are not widely distributed, they are an important strategic tool that disciplines each company to regularly set and track results. They are also invaluable should we one day decide to raise capital for, divest, or spin-out one of our portfolio companies.

Strategy days: Twice yearly, boards and executives are required to attend Strategy Days. Each company is expected to develop their plans for one or more of the four ways for delivering shareholder value: **1.** Maximising half-yearly dividends; **2.** Organic Growth or a new division using the current assets of the business; **3.** Bolt-on acquisitions or growth that may require additional capital at attractive returns; **4.** Working with another portfolio company to enhance the returns from each.

3. GUIDANCE FOR EXECUTIVES

3.1 The Role of Executives

Executives have four roles. These are:

1. Deliver monthly profits;
2. Manage the cash;
3. Develop a great culture; and
4. Increase BESM.

Monthly profits: Good businesses make monthly profits. Great businesses are designed such that they never make a loss. The primary role of an executive is to ensure that the business is designed and operated such that monthly profits are expected and delivered without fail.

Managing cash: Cash flow is the lifeblood of a business. Great executives not only grow profits but enhance cash flow. Building a healthy cash buffer ensures executives can sleep easy knowing that they are protected from unexpected headwinds. It also allows for healthy dividends which is the fastest way for executives to gain promotion or receive a pay rise. Executives that regularly "mine shareholders wallets" for cash will soon find themselves without a role.

Culture and mentoring: Just as it's the role of boards to mentor executives, it is the role of executives to mentor staff. Good executives look to constantly improve and educate their team: either by enhancing existing skills, or hiring high achievers. A focus on mentorship and the development of a high-performance culture is key to making the role of an executive less stressful, and it is the simplest long-term path to higher earnings.

Increasing BESM: The most effective way for executives to increase profits whilst reducing risk is by increasing BESM. Building a culture of understanding BESM allows younger managers to provide ideas to enhance the business. Those executives who regularly increase BESM are likely to be offered larger roles within TIP.

3.2 Our cultural values

Cultural values are the qualities we want reflected in the behaviour of our organisation. While each operating division will have cultural values unique to it, we expect all executives to also exhibit the values of the Group. Living our cultural values is the strongest lead indicator of achieving our Noble Purpose of compounding knowledge and wealth, and delivering enduring value for shareholders.

TIP's cultural values are:

- We believe being better investors makes us better business people; and being better business people makes us better investors.
- We understand "noise" contributes more to error than "bias"; and we seek to reduce both.
- Complex decisions are hard; simple decisions are easy. We make decisions easy for our staff, customers, executives and investors.
- Small improvements make a big difference when compounded. Doing nothing compounds nothing.
- In the long-run "factfullness" beats running with the herd. No matter how unpopular it makes us in the short-run.

3.3 Economic Moats are the Path to Higher Profits

Economic moats: Businesses generate attractive returns when they build and maintain economic moats. During the SMaRT and Due Diligence, we assessed and scored the promising economic moats of the business. This list won't be complete - some scores may not be accurate. Executives should discuss these moats with their board and make an accurate list at least every six months. Then they can continually seek ways to maintain and strengthen moats – and find ways to develop new ones.

Test for economic moats: Warren Buffett tells the CEOs of his many businesses to frequently ask themselves: "Would we have to call a prayer meeting before increasing prices to our customers?" Ask yourself the same question. If the answer is 'yes' then you have not yet built strong economic moats. If the answer is 'no' then you can increase prices and be proud of the strong moats you have built.

3.4 Capital Management

Capital allocation: A sure path to growing earnings is allocating capital to the most profitable parts of the business. Minimise costs in those parts of the business that generate low profits or don't directly generate income. For example, a good extra salesperson should generate more profit than cost, while larger premises often eat more profit than they generate. Property expense also adds risk since a mistake can be time consuming to undo. A mistake in hiring can be quickly reversed.

Growth capital: TIP can provide additional capital when you find opportunities to grow profit. When an opportunity offers outstanding returns (greater than 15% per annum), please inform us.

Dividends matter: To make cash available for the most profitable opportunities, TIP looks to receive funds from our investments via dividends. These funds are then allocated to those who can use them best. If you have a profitable opportunity that requires investment, you should write a succinct business case for us. In this way, opportunities can be compared across the group and funds allocated to those offering the best returns.

Fast action: The primary responsibility of a CEO is to look after cash and keep the business running profitably every month. Executives are expected to take immediate action should a portfolio company ever risk falling into a loss. Fast action to bring the business back to profit is always better than delaying for discussion.

Capital for turnarounds: We have an aversion to providing capital to help a business out of difficulty. Getting into financial distress is a symptom of executives failing to develop an appropriate BESM, being blindsided by changes in their market, or a significant error in judgement. Only where executives can demonstrate a clear path to returning a business to profitability, and agree to strict conditions around the use of cash, will funds be made available. Asking for cash to "save a business" is the largest indicator of an executive team that has failed. Whilst we understand everyone makes mistakes, the decision to invest Group money to save a once profitable business is perhaps the most serious decision we can make. It is asking those who have performed well to slow down their growth (and therefore personal earnings) to help cover for someone else's mistake.

3.5 Financial Reporting

Financial reporting and TIPBars: The best financial reports help executives make large improvements in profits with the least effort. Before we invest, most executives use financial reports designed for accountants and the tax office. These focus on the past, but rarely point the way to increasing profits. We have developed TIPBars to improve profits with the least amount of work, while highlighting dangerous risks. TIPBars is produced every month and shows where each business is working well financially, where hidden risks may be lurking, and where financial improvements should be made.

Break-even safety margin: TIPBars highlights the trend in Break-even Safety Margin ('BESM'): whether the business is becoming safer or riskier. Should the trend show increasing risk, act immediately to reduce fixed expenses or increase margins.

Easiest path to improve profits: TIPTool allows executives to quickly ascertain which levers can be pulled to most easily improve profits. When joining TIP, each business is required to provide general ledger data for the previous 12 months. This allows TIPBars and TIPTool to be implemented immediately. Used properly, TIPBars and TIPTool add considerably to profit.

Audits: Each portfolio company is required to participate in TIP's audits. Rather than seeing this as an imposition, executives should see it as a way of learning how to better improve systems and processes to enhance future returns. What seems like a frustration at first can add profound value if used to enhance systems.

3.6 Building a Stronger Executive Team

Stronger executive team: TIP can help executives develop a stronger team, producing bigger profits and dividends and allowing executives to be more relaxed.

The 'perfect' chief executive: It is virtually impossible to be the 'perfect' CEO. A perfect CEO would have expertise in leadership, production, general management, marketing, sales, finance, administration, accounting, people management and business management. In real life this doesn't exist. Instead surround the CEO with quality executives who can add missing strengths.

Why an executive team: CEOs of SMEs live in a gruelling combination of being the Chief 'Enthusiasm' Officer and the Chief 'Operating' Officer. As Enthusiasm Officer they must inspire their team to greatness and inspire their clients to provide a good margin for their wonderful work. As Operating Officer, they must ensure work is efficient, of the highest standard, and systems are scalable for doubling and tripling volume and profits. This is a gruelling task and limits the growth of the organisation.

To grow further without burnout, the CEO must either have an outstanding Operating Officer to take off their shoulders much of the thinking about day-to-day business or a quality 'Enthusiasm' Officer to reduce their role of thinking about inspiring staff and customers to maximise profits. In choosing which to delegate first, choose the role they find less enjoyable. Once the business becomes larger, the company may need one of each reporting to the CEO.

Functional executives: When a business grows at 20% per year, after 10 years it will be six times the size. To avoid working impossibly harder, the business eventually needs an executive (not simply a manager) to take responsibility for each functional area: production, marketing, sales, finance, administration and IT. Executives should act before they become overwhelmed: instead promote or recruit top talent to relieve some of the load and facilitate further expansion. Our aim should be to make the business more profitable and less stressful.

Develop or recruit: Businesses develop a superior culture when they develop internal candidates rather than recruiting externally. If the business has not had previous success with developing talent, or hiring top external talent, do not despair. TIP is available to help.

Replacing a successful CEO: If tempted to seek one person to take over from a successful CEO, including all the thinking they do about the business, ask two questions: "How easily will we find someone who can handle both roles of Chief Enthusiasm Officer and Chief Operating Officer?" and "If a candidate seems capable of handling everything superbly, why aren't they running their own business – one at least as big and profitable as ours?" It is likely that we will need several outstanding executives to replace a successful CEO: one to provide enthusiasm; and one or more responsible for operations. Provided the board does this while the successful CEO is still engaged, they will have time to mould their thinking and ensure a smooth transition.

3.7 Continuing Roles and Responsibilities

Continuing roles: As an executive, the role of profitably running the business remains largely unchanged after joining TIP. Executives gain access to our tools, balance sheet, people and network, but they are still responsible for results. We can help mentor and guide: but executives are still responsible for profitable operation and will be judged accordingly.

Reporting to a Board: Reporting to a board can be daunting for those not used to it. Executives should ask three questions before including anything in a report to their board: "Could input from the board be helpful?", "Could this be financially material?" and "Could this provide an opportunity to substantially increase profits?" If the answer is "yes" to any one of the questions, include it in the agenda. If not, omit it.

Continuous and immediate disclosure: A key principle of TIP, and the ASX, is continuous and immediate disclosure of all material information. If an executive becomes aware of anything that could have a material impact on the business they must immediately inform their board. If board agrees, they must immediately inform TIP who will determine if the item requires ASX disclosure.

3.8 Gaining Most Benefit from a Board

Using a board effectively: Executives derive most benefit from their board when they share half-formed ideas, major dilemmas and concerns, knowledge of their business and why they run it as they do. Well briefed board members can arrange a host of free contacts with expertise the business could not otherwise access.

Briefing the board: A week prior to the meeting, executives should provide a report which includes a short explanation of any issues on which they would like input, plus TIPBars and any other important items. If board meetings regularly take longer than half a day, executives have either not properly briefed the board or are involving them in matters best left to management.

Forward looking discussion: Boards add most value when executives use TIPBars to provide a helicopter view of the past month and then discuss forward looking key indicators. These include activity indicators driving sales or revenue in coming months; sales driving profits in coming months; and actions building moats to improve future margins. The board adds most value when focused on factors that improve leading indicators.

Questions at board meetings: Boards will ask challenging questions to identify where and how the company can generate higher cash profits. The better they understand the business, the more they can make valuable suggestions. If questions get into minutiae, say so: boards are best focused on big picture items that increase capital value.

Thinking in a visionary way: Focusing discussion on questions like: “How could the business make larger profits without doing more work?” or “How could this business expand into other business or geographic areas?” or “How could this business combine with another TIP company to increase profits for both?” is most likely to deliver significant value.

Governance: Governance is a powerful way to enhance performance. Good governance grows sustainable profits. To ensure good governance, work with TIP to develop a ‘governance checklist’. This should be discussed at the meeting following each calendar quarter.

3.9 Gaining most value from TIP

Responsibility: Executives and board are responsible to TIP and our shareholders. When considering major decision, you should ask: "Will this increase the regular dividends we pay TIP?" If the answer is 'no', ask: "Will this increase the capital value of the business?" If the answer is still 'no', ask: "Will this strengthen an economic moat or reduce a risk?" If the answer is still 'no' ask: "Why are we considering this?"

Quarterly reports: Each quarter, each portfolio company must conduct a Quarterly Traction Report and Quarterly Employee Assessment with the relevant head of division. Use this opportunity to ask for contacts or assistance with any challenges you are facing.

Strategy days: TIP holds half-yearly strategy days: one in February and the other after the conclusion of the financial year. Executives must attend the Strategy Days. During the day we will cover macro themes that can be used to increase profits, as well as ideas specific to your company.

Value from other portfolio companies: TIP invests in a wide variety of businesses – all of them run by talented people. Portfolio companies should work together to generate increased profits. This can include being suppliers to each other, quoting together where a wider range of skill sets is needed, sharing executive or staff expertise, pooling marketing ideas, or combining to create a larger company with more depth of management.

Economies of scale: Through TIP, each business has access to considerable buying power. This can save money on insurance, vehicle financing, accounting, legal costs and other services. If you are considering a merger, acquisition or divestment, TIP can help save substantial legal, accounting, secretarial, compliance and distribution costs.

Education and personal development: TIP creates premium financial education content which we sell to external participants via Teaminvest, our Round Table Series, and our Clime Direct joint venture. As important group members, TIP executives are invited to participate in these programs. We expect participation will enhance your business knowledge, improve your decision making, assist in personal development and provide networking opportunities.

3.10 Delivering value

Benchmark profitability: Portfolio companies should be among the most profitable businesses: they were founded by talented executives and have a shareholder that can provide access to expertise and capital. Over time, our Portfolio Companies should aim to achieve Net Profit Margins of 10% to 15% of revenue. Above 15% they should feel proud. Below 10% they are letting themselves down.

Focus on building moats: Building economic moats enables businesses to earn more profits than competitors. To test whether a business has developed economic moats the board should ask: "Can we increase prices faster than inflation without having to call a prayer meeting?" If the answer is 'yes', then they have built at least one strong economic moat. If the answer is 'no', think: "How can we build at least one economic moat to increase our profit percentage?"

Increasing margins or increasing sales: Niche businesses increase profits more via a small increase in margins than via a large increase in sales. Executives can use TIPTool to see the relative uplift in profits from increases in margins, increases in sales and reductions in costs. Test scenarios to find the fastest way to increase profits with the least additional work.

Fixed versus variable expenses: The best businesses should never record a loss. Reduce the risk of losses by building the business around a higher proportion of variable expenses (which go up or down as sales revenue goes up or down) and a lower proportion of fixed expenses. Fixed expenses increase the risk of losses while reducing flexibility for growth. For fastest growth with lowest risk, minimise fixed costs by converting them to variable expenses.

The world is changing fast: Technology, data, online connectivity and AI are changing the world. All businesses will be affected. Those stuck in the past will find competitors offering similar outcomes cheaper or faster, or superior products at the same prices. Those embracing 'modernisation' will thrive via higher margins. Modernise the business to stay ahead of the competition and improve margins. Use TIPTool to check the improved profit from higher margins after any planned 'costs of modernisation'.

Profiting from inflation: Inflation is both an opportunity and threat. Business inflation is generally above CPI. A business that doesn't develop and maintain economic moats is hurt as input and labour costs rise before the business can increase prices. Businesses without moats grow weaker still. Some go broke. Executives can ensure their business thrives by strengthening existing moats and building new moats. This enables the business to dominate its industry by increasing prices faster than inflation, building a war chest, and seizing opportunities to acquire competitors.

Profit growth matters: When profits are growing quickly, the best employees can see opportunities for advancement and higher income. This motivates them to produce better quality work. When profits cease growing, the best staff seek employment elsewhere, staff quality goes down and output suffers. This makes it imperative that executives continue growing their profits.

Sales team: To grow profits substantially, it is almost certain the business will need a dedicated sales team. Hire only those who are highly enthusiastic. Poor salespeople cost more than any profit they generate. The right salespeople generate far more profit than they cost.

3.11 Succession

Succession planning: Whether or not executives plan to continue leading a business for many years, a major responsibility of all senior executives is to develop a top-quality leadership team. A quality executive team helps a business grow faster and ensures it is preserved should anything happen to senior executives. To reduce risk, the board should identify an emergency successor and ensure that key staff are aware of the decision so they can act quickly and with reduced impact if anything untoward occurs.

Expertise available: By the nature of our business, TIP has more experience recruiting senior executives and managing succession than most. Utilise this expertise and experience by speaking to us and those who have been through the journey multiple times before. Whilst each business is unique, the challenge of a successful succession is not.

3.12 Reporting to TIP and the company board

Reporting to the company board: Each month, the company board will want to know:

- sales revenue for the period (month, quarter, year to date);
- profitability for the period;
- how this translated to free cash;
- how executives are building, maintaining or strengthening moats to improve margins;
- any OH&S issues - and that they have been dealt with appropriately; and
- the view of executives on how the business is tracking.

Quarterly reporting: Your relevant division head will want to know each quarter what the board and executives have done to:

- strengthen the profit-enabling moats of our business;
- reduce the likelihood or severity of any risks to the business;
- increase the net profit of our business;
- increase dividends; and
- make progress towards building a stronger executive team.

Bad news and good news: Material good and bad news should be reported to the board immediately. Good news so we can share the success, and bad news so that we can act quickly to solve the problem. When communicating bad news, a good executive team will also provide potential ways of addressing the problem. This is so the board may act quickly in advising the best path to mitigate damage and turn the bad news into a new opportunity.

Loss making quarter: Should the business report a loss for a calendar quarter, the company board must immediately arrange a meeting with TIP. The purpose of the meeting is to seek assistance and discuss what changes are necessary to get the business back to acceptable profit. We are happier with executives when they also inform us how they have already ensured the loss will not be repeated. If acceptable changes are not made, expect that executives and directors will be replaced.

Compliance and culture: Executives are expected to comply with all of TIP's corporate governance policies, and to instill a culture of acting entrepreneurially, ethically and responsibly.

Icon Metal

Corporate Directory

Directors

Malcolm Jones - Chair

Andrew Coleman

Howard Coleman

Ian Kadish

Regan Passlow

Company secretaries

Anand Sundaraj

Dean Robinson

Teaminvest Private Group Limited

ABN 74 629 045 736

Annual Report - 30 June 2024

Directors	Malcolm Jones - Chair Andrew Coleman Howard Coleman Ian Kadish Regan Passlow
Company secretary	Anand Sundaraj Dean Robinson
Registered office	Ground Floor Suite 2 23 Ryde Road Pymble NSW 2073 Tel: (02) 9955 9540
Share register	Computershare Investor Services Pty Ltd 452 Johnston Street Abbotsford VIC 3067 Tel: 1300 850 505
Auditor	BDO Audit Pty Ltd Level 11, 1 Margaret Street Sydney NSW 2000
Solicitors	Sundaraj & Ker Level 31, Australia Square 264 George Street Sydney NSW 2000
Banker	Australia and New Zealand Banking Group Limited Level 10 242 Pitt Street Sydney NSW 2000 Commonwealth Bank of Australia Level 8 108 Wakefield Street Adeliade SA 5000
Stock exchange listing	Teaminvest Private Group Limited shares are listed on the Australian Securities Exchange (ASX code: TIP)
Website	http://www.tipgroup.com.au

Corporate Governance Statement	The directors and management are committed to conducting the business of Teaminvest Private Group Limited in an ethical manner and in accordance with the highest standards of corporate governance. Teaminvest Private Group Limited has adopted and has substantially complied with the ASX Corporate Governance Principles and Recommendations ('Recommendations') to the extent appropriate to the size and nature of its operations. The Group's Corporate Governance Statement, which was approved by the Board of Directors at the same time as the Annual Report, sets out the corporate governance practices that were in operation during the financial period and identifies and explains any Recommendations that have not been followed. The Corporate Governance Statement for the year ended 30 June 2024 and the Group's corporate governance policies can be found on the Company's website at https://www.tipgroup.com.au/investor-centre.

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Teaminvest Private Group Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2024.

Directors

The following persons were directors of Teaminvest Private Group Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Malcolm Jones - Chair
- Andrew Coleman
- Howard Coleman
- Ian Kadish
- Regan Passlow

Principal activities

During the financial period the principal continuing activities of the Group consisted of investing in Australian privately-owned businesses.

Dividends

On 16 February 2024, the Company paid a dividend of 1.50 cents per share. On 22 August 2024, the Company declared a dividend of 1.50 cents per share for payment on 03 October 2024.

Review of operations

The profit after tax excluding discontinued operations, impairment, and amortisation of intangible assets of the Group for the year was $5,652,000 (30 June 2023: Profit of $7,522,000). The loss after tax from discontinued operations for the year was $970,000 (30 June 2023: $2,705,000), the impairment charge after tax for the year was $6,026,000 (30 June 2023: Nil), and the amortisation of intangibles after tax was $854,000 (30 June 2023: $816,000). The loss for the Group after providing for income tax amounted to $2,199,000 (30 June 2023: Profit of $4,001,000).

The strengthening of management teams throughout FY24 and the change in strategy for TIP Residential Group has led to the overall strengthening of the Operating Segments of the Group. EBITDA in Equity increased by 21.4% and Wealth increased by 121.7% with Education and Corporate Advisory remaining steady. The continual development in leadership has seen further enhancement of second level management teams. Increased management focus on high performing assets through expanded capacity and subsequent contracts at East Coast Traffic Controllers, GLT and Icon Metal has been undertaken in this financial year to enhance the growth of the Group over the coming years.

TIP Group has an investment in associate (Colour Capital 33% holding). Colour Capital's on-going dispute with Netdeen Pty Ltd (GJ Gardner Homes) has not been resolved. The current position is Netdeen has cancelled the Master Franchise Agreement of GJ Gardner Homes NSW/ACT and Western Australia as at 27 May 2024. This dispute is currently in litigation and as such there is no future revenue from Colour Capital Master Franchisee Agreement. We have therefore taken the approach to impair our carrying value of Colour Capital of $8.6m on the basis that the value is attributed to the Master Franchise Agreement and the findings of the litigation are in deliberation.

The Wealth division has continued to deliver in the Funds Under Management space with our flagship fund being the Conscious Investor Fund delivering after-fee returns to investors of 15.14% in the past year with a 5-year average of 12.61%. The continued development and growth in our Funds Under Management has contributed to the growth in the Wealth division by 121.7%.

Net tangible assets

	Reporting period Cents	Previous period Cents (Restated)*
Net tangible assets per ordinary security	161.55	179.72

Refer to the 'CEO report' for further details of operations and commentary on the results.

** The amount has been restated to reflect share consolidation. (Refer Note 21)*

Significant changes in the state of affairs

From 1 July 2023, the Group has restructured the reporting divisions. The group now consists of the following divisions:

- TIP Equity, consists of operating companies which are not financial services in nature;
- TIP Wealth, consists of entities which provide a range of financial services; and
- Education & Corporate, consists of one wholly-owned subsidiary of the Group: TeamInvest Pty Ltd and other investments made by the Group into listed and unlisted securities.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Loss of control over entities

During the year, a director at TIP Group UK Pty Ltd filed for winding up of the entity. Teaminvest Private Group Limited being the largest creditor of the entity has appointed the liquidators for TIP Group UK Pty Ltd.

Name of entities (or group of entities)	**TIP UK Pty Ltd**
Date control lost	**20 May 2024**
	$'000
Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities before income tax during the period (where material)	(1,386)
Profit/(loss) from ordinary activities before income tax of the controlled entity (or group of entities) whilst controlled during the whole of the previous period (where material)	(548)

There were no other significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

Refer to the 'CEO letter' for details of likely developments and expected results of operations.

Business Risks and Prospects

Key Risks	**Key Highlights**
Operational	Disruptions to administrative procedures or operational controls of the Group and/or one of the Portfolio Companies and/or their respective service providers may challenge the day to-day operations of the Group and/or one of the Portfolio Companies. Adverse impacts may arise internally through human error, technology or infrastructure changes, or through external events such as regulatory changes and many more practical factors. The Group's business is reliant upon the provision of services by its Board, the Company's executives, and Portfolio Company executives. Any change in the quality or quantity of these services, or an inability to attract and retain qualified and motivated personnel to innovate or provide these services, could affect the Group's business activities and financial performance. Further, an inability to attract quality sales and marketing personnel may adversely impact on the Group's growth plans.
Brand and reputation damage	The TIP brand name is a vital asset to the business, and its reputation and value could be negatively affected by several factors. These include failing to meet customer expectations for service quality, disputes or litigation involving employees

	or customers, or adverse media coverage. Significant erosion of the reputation of, or value associated with, the TIP brand name could have an adverse effect on the Group's future financial performance and financial position. There is also a risk that some incident beyond the control of the Group could occur which would have the effect of reducing consumer confidence or preferences for the brands used by the Group or brands utilised by the Portfolio Companies. The consequences of such an incident could be very significant for the Group, including reduced revenues, loss of consumer trust in the relevant brand or products, reduced desirability for the brand and reduced prominence of the relevant brand.
Cybersecurity and privacy risks	Cybersecurity and privacy risks pose threats to the Group and its Portfolio Companies. Unauthorised access to sensitive data, cyberattacks, data breaches, or other security incidents could lead to the exposure of confidential information, financial loss, and reputational damage. Such events may disrupt operations, lead to regulatory fines, and result in legal liabilities. The Group continuously invests in robust cybersecurity measures and privacy protocols to protect against these risks. This includes regular security assessments, employee training, implementing advanced security technologies, and establishing comprehensive incident response plans. Maintaining the integrity and confidentiality of data is critical to the Group's operations and trust with stakeholders. Any failure to effectively manage cybersecurity and privacy risks could adversely affect the Group's business activities and financial performance.
Investment strategies	The Group may, in its discretion, adopt the investment, trading and risk management strategies and methods it determines are most appropriate in the market circumstances. However, there can be no assurance that these strategies will be successful, and an investor may lose all or a substantial proportion of their investment in the Group. The Group may employ additional strategies or change investment strategies following an assessment of market and other conditions and investment opportunities available to the Group. In addition, the Group may find that it is not able to execute on its intended investment strategy due to lower than expected availability of opportunities.
Labour and personnel availability	The Group is reliant on its labour force and key management to drive the portfolio businesses and achieve future financial performance. Risks include loss of key personnel, retention of technical and qualified personnels, unavailability of suitable labour and upward pressure of wages. The risk is mitigated by investing in continuous training and development programs to equip employees with diverse skills. This not only enhances their capabilities but also prepares them to take on different roles within the organisation. Additionally creating systems for knowledge sharing, such as mentoring programs, documentation, and collaborative platforms, to ensure critical information is retained and accessible. The Group continuously assesses, and forecasts labour requirements based on the project pipeline and business growth projections. This proactive approach helps in identifying and addressing potential labour shortages.
Key customers and suppliers	The loss or impairment of a Portfolio Company's relationships with a key customer or supplier, or an inability to renew existing contractual arrangements with such parties or negotiate agreement with new parties on terms which are no less favourable, is likely to result in a reduction in revenue and could have an adverse effect on the relevant Portfolio Company's future financial performance and, if that adverse effect is sufficiently material, could have an adverse effect on the Group's future financial performance.
Unforeseen disruptions impacting product supply from offshore suppliers leading to	Effective management of the supply chain is crucial for the Group's operations. The Group's reliance on suppliers for essential components and materials introduces several risks that could impact production, costs, and overall business

reputational damage, lower sales and loss of market share.	performance. The Group has long-term supply partnerships with multiple proven onshore and offshore suppliers, many of whom have diverse capabilities and would be able to assist in the event of any disruption. Supply chain processes include dual-sourcing strategies and access to safety stock to mitigate the risk of supplier disruption. While the global supply chain landscape is stable, it continues to evolve because of changing market conditions and government policies, armed conflict and extreme weather events.
Workplace health and safety risks could potentially result in physical injury to employees, contractors or others, or damage to the Group's reputation.	Aligned with its Cultural values, the Group remains committed to continuous improvement in workplace health and safety performance. The Group has implemented comprehensive safety systems and processes, communications with and training of employees, and increased diligence in identifying and removing safety risks.
Prospects	TIP's forward order book across the entities for commercial projects remains solid and is growing with several major projects secured. In addition, TIP's corporate strategy incorporates opportunities for TIP to expand beyond current segments, categories and markets.

Climate Risk and Opportunity

As a conscientious and forward-looking organisation, we are dedicated to navigating the challenges posed by climate change. Acknowledging its role in amplifying the frequency and intensity of natural disasters, which profoundly impact our customers and communities, we are committed to taking action to mitigate both physical and transitional risks.

We believe Australia holds great potential as a renewable energy exporter and a supplier of critical minerals. Realising this potential requires substantial investments in new technologies, industries, and communities.

We commend the Australian Government's recent efforts to tackle climate change, particularly through the establishment of legislated emissions reduction targets. These targets provide valuable guidance to industries, banks, and investors, facilitating informed decisions on funding and investments.

However, we acknowledge that not all our businesses are presently equipped to adopt renewable energy solutions or energy-efficient practices. Thus, we welcome additional government funding aimed at enhancing energy efficiency. We advocate for sustained government incentives to bolster businesses in their endeavours towards climate action.

In our approach to managing climate-related risks, we are continuously refining our risk management tools and processes to ensure comprehensive and effective mitigation strategies.

Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Malcolm Jones
Title:	Independent Chair
Qualifications:	FCA
Experience and expertise:	Malcolm has experience in managing large organisations. He has held positions as a Member of the Group Management Board at Zurich Financial Services in Switzerland, CEO Zurich Financial Services Asia Pacific, CEO Zurich Financial Services Australia Ltd, CEO NRMA Ltd & NRMA Insurance Ltd and CEO State Government Insurance commission of South Australia Prior to these executive roles Malcolm was a Partner at Ernst & Young where he had worked for 18 years.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Strategy committee, Due Diligence committee, Risk & Compliance committee and Audit committee
Interest in shares:	509,894
Interest in options:	None
Contractual rights to shares:	None

Name:	Andrew Coleman
Title:	Managing Director and Chief Executive Officer ('CEO')
Qualifications:	B.Ec (Hons)
Experience and expertise	Andrew is a Co-Founder of Teaminvest Private and is responsible for sourcing, structuring and overseeing investments and general management. Prior to joining Teaminvest Private, Andrew worked in Sydney as an investment banker for Credit Suisse. Andrew advised and assisted clients on significant corporate deals in Australia and internationally with a specific focus on mergers and acquisitions and capital raising activity. He is also a co-author of 'Relative Performance Incentives and Price Bubbles in Experimental Asset Markets' published in the Southern Economic Journal.
Other current directorships:	Clime Investment Management Limited (ASX: CIW)
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Strategy committee and Due Diligence committee
Interest in shares:	1,373,893
Interest in options:	None
Contractual rights to shares:	None

Name:	Howard Coleman
Title:	Non-Executive Director
Qualifications:	BSc in Physics
Experience and expertise:	Howard has over 40 years' experience as a founder and CEO in the areas of sales, marketing, publishing, consumer finance, and language and mathematics education in Australia, South Africa and the UK. Howard has held Board positions in a number of private companies in several countries. His background and experience are invaluable for assessing the strengths and weaknesses of companies. This particularly applies to identifying their future risks, and the ability and strategies of the board and senior management to deal with them. He is a graduate of the Harvard Business School Owner/President Management Program and completed the Australian Institute of Company Directors' program for company directors. Howard has regularly appeared as a guest commentator on Sky Business and Ausbiz.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Strategy committee
Interest in shares:	4,316,264
Interest in options:	None
Contractual rights to shares:	None

Name:	Ian Kadish
Title:	Independent Non-Executive Director
Qualifications:	MBBCH MBA
Experience and expertise:	Ian has significant public company board and executive experience as CEO and Managing Director of ASX listed Integral Diagnostics Limited; CEO and Managing Director of ASX listed Pulse Health Group; CEO and Managing Director of private equity owned Healthcare Australia Limited and Executive Director of JSE listed Network Healthcare Holdings Limited. In addition to his public company experience, he has served as a senior executive and board member of large private businesses owned and operated by private equity and listed equity, including CEO of Laverty Pathology, Chief Operating Officer of Greencross Vets Limited, and Co-founder and Non-Executive Director of Digital Healthcare Solutions. Ian holds a Master's of Business Administration ('MBA') from the Wharton Business School at the University of Pennsylvania, United States of America, and a Bachelor of Medicine and Surgery from the University of Witwatersrand, South Africa. In addition to his executive career in the United States, South Africa and Australia, Ian has also worked as a consultant for McKinsey and as an advisor to boards on executing and integrating mergers and acquisitions.
Other current directorships:	Integral Diagnostics Limited (ASX: IDX)
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Audit committee and Chairman of the Strategy committee
Interest in shares:	89,044
Interest in options:	None
Contractual rights to shares:	None

Name:	Regan Passlow
Title:	Non-Executive Director
Qualifications:	MA, Mgmt
Experience and expertise	Regan has worked as an executive director for nearly 40 years for both national and multi-national companies. His focus has been primarily on strategic business development, administration and back-office systems. He has over 40 years' experience in senior management and governance roles in private organisations. He is the former co-founder of WebProfit.com.au, a business established in the 1990's to provide executives of small and medium-sized enterprises ('SMEs') with strategic advice on the use of the Internet and e-commerce. He is also the co-founder of retail lender EM Finance Corporation and a founding director of Teaminvest, Teaminvest Private and EM Commercial Finance. He has historically chaired the investment committee and has held directorships on five portfolio companies.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of the Risk and Compliance committee and member of the Strategy committee, Due Diligence committee and Audit committee
Interest in shares:	938,827
Interest in options:	None
Contractual rights to shares:	None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretaries

Anand Sundaraj is a corporate lawyer with over 20 years experience and is currently a principal at Sundaraj & Ker, a Sydney-based law firm. Anand specialises in advising on mergers and acquisitions, and capital raisings for both publicly listed and privately held entities. He also advises on funds management and general securities law matters including listing rule compliance and corporate governance.

Dean Robinson is the CFO, COO, Company Secretary and Chair of Due Diligence Committee. He is responsible for overseeing financial strategy and operations including sourcing, structuring and overseeing investments and general management. Dean worked as a Director of Mergers and Acquisitions with KPMG. In this role, he led the growth and development of the Greater Western Sydney team. Dean holds a Master's in Applied Finance from Macquarie University, Applied Finance Centre and a Senior Executive MBA from University of Melbourne.

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Full Board		Due Diligence Committee		Strategy Committee	
	Attended	Held	Attended	Held	Attended	Held
Malcolm Jones	11	11	-	-	-	-
Andrew Coleman	11	11	2	2	-	-
Howard Coleman	11	11	-	-	-	-
Ian Kadish	11	11	-	-	-	-
Regan Passlow	11	11	2	2	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Audit Committee

The Company has an Audit Committee which has three members, two of whom are independent (including an independent Chair):

- Dr Ian Kadish, independent chair of the committee;
- Mr Malcolm Jones, independent member of the committee; and
- Mr Regan Passlow, non-executive member of the committee.

Strategy Committee

The Company has a Strategy Committee which was dissolved during the year.

The number of meetings of the Audit Committee held during the year ended 30 June 2024, and the number of meetings attended by each director were:

	Audit Committee		Risk and Compliance Committee	
	Attended	Held	Attended	Held
Malcolm Jones	3	3	2	4
Ian Kadish	3	3	-	-
Regan Passlow	3	3	4	4

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

Risk and Compliance Committee

The Company has established a Risk and Compliance Committee which has eleven members comprising Mr Regan Passlow, the chair of the committee, and ten selected members. The Risk and Compliance Committee's function is to continuously review the risk, compliance framework and corporate governance policies of the Group's Portfolio Companies to inculcate and improve operations.

Nomination and Remuneration Committee

The Company has not constituted a Nomination and Remuneration Committee given the nature and scale of the Group's operations. The Board as a whole fulfils the functions normally delegated to a Nomination and Remuneration Committee.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria:

- clarity and transparency;
- performance linkage / alignment;
- acceptability to shareholders; and
- quantum.

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Group depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel. The Board determines its remuneration policies having regard to the Company's earnings and the consequences of the Company's performance on shareholder wealth.

The Board has structured an executive remuneration framework that it considers is complementary to the strategy of the Group.

The reward framework is designed to align executive reward to long term shareholders' interest by:

- having economic profit as the core component of plan design;
- focusing on long term growth in shareholder wealth, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value while decreasing risk; and
- attracting and retaining highly motivated executives.

Additionally, the reward framework seeks to enhance executives' interests by:

- rewarding capability and profit generation;
- reflecting reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning attractive rewards for performance.

The structure of non-executive director and executive director remuneration is separate.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The chair's fees are determined independently to the fees of other non-executive directors. The chair is not present at any discussions relating to the determination of their own remuneration. Non-executive directors do not receive bonuses or other incentives.

The annual non-executive directors' fees currently agreed to be paid by the Company are set out below:

Director	Director's fees
Malcolm Jones	$100,000 per annum (including superannuation).
Howard Coleman	$70,000 per annum (including superannuation).
Ian Kadish	$70,000 per annum (including superannuation).
Regan Passlow	$70,000 per annum (including superannuation).

At the Company's 2023 annual general meeting, each of the existing non-executive directors received approval from the Company's shareholders to be issued shares under the Company's non-executive director equity plan ('NED Plan'). Under the NED Plan, a non-executive director may elect to take up to 50% of their director fees for a financial year in share rights, being, rights which, upon vesting, can be converted into new fully paid ordinary shares in the Company either by issue (subject to shareholder approval) or by on-market purchase. It is noted that, for the financial year ended 30 June 2023, 80,388 shares were purchased on market at an average price of $1.96 and transferred to the non-executive directors to satisfy their accrued remuneration. In the event the Company appoints additional non-executive directors, the ability of those non-executive directors to be issued ordinary shares under the NED Plan will be subject to approval by the Company's shareholders. Where a non-executive director has received shareholder approval to be issued ordinary shares under the NED Plan, ordinary shares will not be issued to that director beyond a date that is 3 years after the date of the meeting in which the shareholder approval was granted unless a new shareholder approval has been obtained prior to the issue.

Australian Securities Exchange ('ASX') listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The maximum aggregate non-executive directors' remuneration was approved in 2019 by the Constitution at $500,000. Any changes to this amount will be approved by shareholders in the annual general meeting.

Executive remuneration
Fixed remuneration, consisting of base salary, superannuation non-monetary benefits and reward framework, are reviewed annually by the Board based on individual and business unit performance and the overall performance of the Group. The Fixed remuneration is set below comparable market remunerations. A greater percentage of total executive remuneration is available through short-term and long-term incentives based on performance.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits;
- short-term performance incentives;
- share-based payments; and
- other remuneration such as superannuation, annual leave and long service leave.

The combination of these comprises the executive's total remuneration.
Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Group and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved.

Consolidated entity performance and link to remuneration

The incentive to the executives is described below.

- FY24: An annual bonus equal to 2.5 – 3.5% of the Company's operating net profit after tax (before expensing the cost of the bonus comprising 100% to be paid in cash (Cash Component)

- FY23: An annual bonus equal to 3.5% of the Company's audited total comprehensive income per annum (before expensing the cost of the bonus) comprising 75% to be paid in cash (Cash Component) and 25% to be issued as shares in the Company (Share Component)

The bonus is to be determined twice each financial year, after the reviewed Half Year Result and after the audited Full Year Result.

Use of remuneration consultants
During the financial period ended 30 June 2024, the Group did not engage the use of remuneration consultants.

Details of remuneration

The key management personnel of the Group consisted of the following directors of Teaminvest Private Group Limited:

- Malcolm Jones - Independent Chair
- Howard Coleman - Non-Executive Director
- Ian Kadish - Independent Non-Executive Director
- Regan Passlow - Non-Executive Director
- Andrew Coleman - Managing Director and Chief Executive Officer ('CEO')

And the following person

- Dean Robinson - Chief Finance Officer ('CFO') and Chief Operating Officer ('COO')

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

	Short-term Benefits			Post-employment benefits	Long-term Benefits	Share-based payment*			
30 June 2024	Cash Salary and fees	Cash bonus	Annual Leave	Superannuation	Long service leave	Cash settled	Bonus Settled	Bonus Unsettled	Total
	$	$	$	$	$	$	$	$	$
Non-Executive Directors									
Malcolm Jones	45,045	-	-	9,910	-	45,045	-	-	**100,000**
Howard Coleman	31,532	-	-	6,937	-	31,531	-	-	**70,000**
Ian Kadish	31,532	-	-	6,937	-	31,531	-	-	**70,000**
Regan Passlow	31,532	-	-	6,937	-	31,531	-	-	**70,000**
Executive Directors									
Andrew Coleman	264,051	212,252	37,797	52,977	18,642	-	-	-	**585,719**
Other Key Management Personnel:									
Dean Robinson	287,613	183,600	36,241	52,281	31,907	-	-	-	**591,642**
	691,305	395,852	74,038	135,979	50,549	139,638	-	-	**1,487,361**

	Short-term benefits			Post-Employment benefits	Long-term benefits	Share-based payment*			
	Cash salary and fees	Cash bonus	Annual leave	Superannuation	Long service leave	Cash settled	Bonus settled	Bonus unsettled	Total
30 June 2023	$	$	$	$	$	$	$	$	$
Non-Executive Directors:									
Malcolm Jones	45,249	-	-	9,502	-	45,249	-	-	**100,000**
Howard Coleman	31,674	-	-	6,652	-	31,674	-	-	**70,000**
Ian Kadish	31,674	-	-	6,652	-	31,674	-	-	**70,000**
Regan Passlow	31,674	-	-	6,652	-	31,674	-	-	**70,000**
Executive Directors:									
Andrew Coleman	226,244	130,665	11,651	38,129	8,188	48,346	-	-	**463,223**
Other Key Management Personnel:									
Dean Robinson	226,244	130,665	19,839	38,129	-	48,346	-	-	**463,223**
	592,759	261,330	31,490	105,716	8,188	236,963	-	-	**1,236,446**

* share-based payments represent 50% of non-executive directors' remuneration and 25% of executive director and other key management personnel's bonuses, that have been accrued and not paid during the financial year. These payments are to be settled in shares subject to Board approval and shareholder vote at the AGM. If approval is not granted, these will be paid in cash.

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Malcolm Jones
Title:	Independent Chairperson
Agreement commenced:	13 December 2019
Term of agreement:	Ongoing
Details:	$100,000 per annum (including superannuation)

Name:	Howard Coleman
Title:	Non-Executive Director
Agreement commenced:	1 March 2019
Term of agreement:	Ongoing
Details:	$70,000 per annum (including superannuation)

Name:	Ian Kadish
Title:	Non-Executive Director
Agreement commenced:	26 February 2019
Term of agreement:	Ongoing
Details:	$70,000 per annum (including superannuation)

Name:	Regan Passlow
Title:	Non-Executive Director
Agreement commenced:	1 March 2019
Term of agreement:	Ongoing
Details:	$70,000 per annum (including superannuation)

Name:	Andrew Coleman
Title:	Managing Director and Chief Executive Officer
Agreement commenced:	26 February 2019
Term of agreement:	Ongoing
Details:	$300,000 per annum (plus superannuation) and bonus of 2.5% - 3.5% based on Company's operating net profit after tax. Employment notice is 3 months.

Name:	Dean Robinson
Title:	Chief Finance Officer & Chief Operating Officer
Agreement commenced:	1 November 2018
Term of agreement:	Ongoing
Details:	$350,000 per annum (plus superannuation) and bonus of 2.5% - 3.5% based on Company's operating net profit after tax. Employment notice is 3 months

Key management personnel have no entitlement to termination payments in the event of removal for misconduct. Leave entitlements are accrued on top of the annual salary.

Share-based compensation

Issue of shares
Details of shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2024 are set out below:

	Issue Date	Number of Shares	Issue Price	Total Value
30 June 2024				
Shares issued to KMP	23/11/2023	80,388	$1.745	140,271
30 June 2023				
Shares issued to KMP	18/10/2022	273,944	$0.514*	140,909

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Other*	Disposal	Balance at the end of the year
Ordinary shares						
Malcolm Jones	2,376,670	25,932	37,154	(1,929,862)	-	509,894
Howard Coleman	20,413,256	18,152	472,156	(16,587,300)	-	4,316,264
Ian Kadish	354,461	18,152	-	(283,569)	-	89,044
Regan Passlow	4,507,420	18,152	41,720	(3,627,845)	-	938,827
Andrew Coleman	6,871,465	-	-	(5,497,572)	-	1,373,893
Dean Robinson	1,395,616	-	14,271	(1,125,838)	-	284,049
	35,918,888	80,388	565,301	(29,051,586)	-	7,512,991

*The movement relates to consolidation of issued share capital of the Company on the basis that every five shares be consolidated into one share. Refer to note 21

This concludes the remuneration report, which has been audited.

Shares under option
There were no unissued ordinary shares of Teaminvest Private Group Limited under option outstanding at the date of this report.

Indemnity and insurance of officers
The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to ensure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 25 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 25 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Group, acting as advocate for the Group or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of BDO
There are no officers of the Company who are former partners of BDO, the auditor of the Group.

Rounding of amounts
The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor
BDO continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Andrew Coleman
Managing Director and Chief Executive Officer
22 August 2024
Sydney

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www.bdo.com.au

Level 11, 1 Margaret Street
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY RYAN POLLETT TO THE DIRECTORS OF TEAMINVEST PRIVATE GROUP LIMITED

As lead auditor of Teaminvest Private Group Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Teaminvest Private Group Limited and the entities it controlled during the period.

Ryan Pollett

Ryan Pollett

Director

BDO Audit Pty Ltd

Sydney

22 August 2024

TIP Group

Consolidated	Note	30 June 2024 $'000	30 June 2023 $'000
Revenue			
Revenue from continuing operations	5	106,083	108,894
Share of profits of associates accounted for using the equity method	12	1,898	2,471
Interest revenue calculated using the effective interest method		117	7
Expenses			
Raw materials and consumables used		(38,188)	(39,158)
Employee benefits expense		(49,846)	(49,549)
Depreciation/amortisation	6	(4,365)	(3,587)
Impairment of receivables		(7)	(1,345)
Impairment of investment	12	(8,609)	-
Net (loss)/gain on disposal of property, plant and equipment		(54)	414
Occupancy expense		(833)	(568)
Other expenses		(8,305)	(9,613)
Finance costs	6	(479)	(172)
(Loss)/profit before income tax expense from continuing operations		(2,588)	7,794
Income tax benefit/(expense)	7	1,359	(1,088)
(Loss)/profit after income tax expense from continuing operations		(1,229)	6,706
(Loss)/profit after income tax expense from discontinued operations	29	(970)	(2,705)
(Loss)/profit after income tax expense for the year		(2,199)	4,001
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Unrealised gains on financial assets at fair value through other comprehensive income, net of tax	13	141	-
Other comprehensive income for the year, net of tax		141	-
Total comprehensive income for the year		(2,058)	4,001
(Loss)/profit for the year is attributable to:			
Owners of Teaminvest Private Group Limited		(2,213)	4,064
Non-controlling interest		14	(63)
		(2,199)	4,001

Total comprehensive income for the year is attributable to:			
Continuing operations		(1,243)	6,769
Discontinued operations	29	(970)	(2,705)
Owners of Teaminvest Private Limited		(2,213)	4,064
Continuing operations		14	14
Discontinued operations		-	(77)
Non-controlling interest		14	(63)

	Note	Cents 30 June 2024	Cents 30 June 2023 (Restated)*
Earnings per share for (loss)/profit from continuing operations attributable to the owners of Teaminvest Private Group Limited			
Basic earnings per share		(4.59)	25.38
Diluted earnings per share		(4.59)	25.38
Earnings per share for (loss)/profit from discontinued operations attributable to the owners of Teaminvest Private Group Limited			
Basic earnings per share		(3.58)	(10.14)
Diluted earnings per share		(3.58)	(10.14)
Earnings per share for (loss)/profit attributable to the owners of Teaminvest Private Group Limited			
Basic earnings per share	32	(8.17)	15.24
Diluted earnings per share	32	(8.17)	15.24

**Refer Note 32 Earnings per share & Note 29 – Discontinued Operations*

Teaminvest Private Group Limited
Consolidated statement of financial position
For the year ended 30 June 2024

Consolidated	Note	30 June 2024 $'000	30 June 2023 $'000
Assets			
Current assets			
Cash and cash equivalents	8	6,400	7,867
Trade and other receivables	9	11,874	10,661
Contract assets	10	12,890	10,294
Inventories	11	8,514	11,980
Income tax		-	384
Prepayments and other deposits		880	916
Held for sale		-	980
Total current assets		**40,558**	**43,082**
Non-current assets			
Investments accounted for using the equity method	12	19,266	28,394
Other financial assets	13	3,795	753
Property, plant and equipment	14	6,494	5,353
Right-of-use assets	15	21,003	2,134
Intangibles	16	42,864	43,955
Total non-current assets		**93,422**	**80,589**
Total assets		**133,980**	**123,671**
Liabilities			
Current liabilities			
Trade and other payables	17	13,588	13,560
Income Tax	7	87	-
Contract liabilities	18	9,620	12,375
Borrowings		410	529
Lease liabilities	19	2,417	1,438
Employee benefits	20	2,122	2,233
Provisions		145	495
Total current liabilities		**28,389**	**30,630**
Non-current liabilities			
Lease liabilities	19	19,051	974
Deferred taxes	7	2,285	4,781
Employee benefits	20	391	465
Total non-current liabilities		**21,727**	**6,220**
Total liabilities		**50,116**	**36,850**
Net assets		**83,864**	**86,821**
Equity			
Issued capital	21	90,287	90,372
(Accumulated losses)/retained profits		(6,655)	(3,769)
Capital contribution		229	229
Total equity attributable to the equity holders of the Parent		83,861	86,832
Non-controlling interest		3	(11)
Total equity		**83,864**	**86,821**

The above statement of financial position should be read in conjunction with the accompanying notes

Teaminvest Private Group Limited
Consolidated statement of changes in equity
For the year ended 30 June 2023

TIP Group

Consolidated		**Issued capital $'000**	**Accumulated losses $'000**	**Capital Contribution $'000**	**Total equity $'000**	**Non-controlling interests $'000**	**Total equity $'000**
Balance at 1 July 2022	21	88,301	(7,069)	229	81,461	52	81,513
Profit/(loss) after income tax for the year		-	4,064	-	4,064	(63)	4,001
Total comprehensive income for the year		-	4,064	-	4,064	(63)	4,001
Issue of ordinary shares under Dividend Reinvestment Plan		102	-	-	102	-	102
Issue of ordinary shares related to acquisition		1,969	-	-	1,969	-	1,969
Dividends Paid		-	(764)		(764)		(764)
		2,071	3,300	-	5,371	(63)	5,308
Balance at 30 June 2023		**90,372**	**(3,769)**	**229**	**86,832**	**(11)**	**86,821**

Consolidated		**Issued capital $'000**	**Accumulated losses $'000**	**Capital Contribution $'000**	**Total equity $'000**	**Non-controlling interests $'000**	**Total equity $'000**
Balance at 1 July 2023	21	90,372	(3,769)	229	86,832	(11)	86,821
Loss after income tax for the year		-	(2,213)	-	(2,213)	14	(2,199)
Other comprehensive income for the year, net of tax		-	141	-	141	-	141
Total comprehensive income for the year		-	(2,072)	-	(2,072)	14	(2,058)
Buy Back of Shares	21	(85)	-	-	(85)	-	(85)
Dividends paid		-	(814)	-	(814)	-	(814)
		(85)	(2,886)	-	(2,971)	14	(2,957)
Balance at 30 June 2024		**90,287**	**(6,655)**	**229**	**83,861**	**3**	**83,864**

The above statement of changes in equity should be read in conjunction with the accompanying notes

TIP Group

Consolidated	Note	Consolidated 30 June 2024 $'000	30 June 2023 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		113,128	125,222
Payments to suppliers and employees (inclusive of GST)		(108,424)	(117,979)
Dividends received		2,417	750
Interest received		117	7
Interest and other finance costs paid		(479)	(172)
Income taxes paid		(776)	(946)
Net cash from operating activities	31	5,983	6,882
Cash flows from investing activities			
Payments for other financial assets		(2,450)	-
Payments for investment in associates		-	(1,782)
Payments for property, plant and equipment	14	(2,717)	(1,486)
Payments for intangibles	16	(129)	(104)
Proceeds from disposal of property, plant and equipment		402	575
Net cash used in investing activities		(4,894)	(2,797)
Cash flows from financing activities			
Repayments from borrowings		(120)	(57)
Repayment of lease liabilities		(1,537)	(1,826)
Loans to related and other parties		-	(100)
Buy Back of Shares		(85)	-
Dividends paid		(814)	(661)
Net cash used in financing activities		(2,556)	(2,644)
Net (decrease)/increase in cash and cash equivalents		(1,467)	1,441
Cash and cash equivalents at the beginning of the financial year		7,867	6,426
Cash and cash equivalents at the end of the financial year		6,400	7,867
Represented by:			
Cash and cash equivalents	8	6,400	7,867
		6,400	7,867

Note 1. General information

The financial statements cover Teaminvest Private Group Limited as a Group consisting of Teaminvest Private Group Limited ('Company' or 'parent entity') and the entities it controlled at the end of, or during, the period (referred to in these financial statements as the 'Group'). The financial statements are presented in Australian dollars, which is Teaminvest Private Group Limited's functional and presentation currency.

Teaminvest Private Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Ground Floor Suite 2, 23 Ryde Road
Pymble, NSW 2073

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 22 August 2024. The directors have the power to amend and reissue the financial statements

TIP Group

Note 2. Material accounting policies information

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) New or amended Accounting Standards and Interpretations adopted

The group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(b) New Accounting Standards and Interpretations not yet mandatory or early adopted

.

The Group also adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of ‘material’, rather than ‘significant’, accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in Note 2 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments.

Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial statements have been prepared under the historical cost convention, unless otherwise stated.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 34.

Note 2. Material accounting policies information (continued)

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Teaminvest Private Group Limited as at 30 June 2024 and the results of all subsidiaries for the period then ended.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.
The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Reportable and operating segments

Reportable and operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Note 2. Material accounting policies information (continued)

Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the design, manufacture and installation of the products listed below is typically recognised at the point in time when the customer obtains control of the goods, which is generally at the time of installation or delivery.

- semi-trailers; and
- automation and remote monitoring products.

Rendering of services

Revenue from a contract to provide logistic support and traffic management services at a fixed price is recognised at a point in time when the services are rendered and items are delivered.

Revenue from the design, development and installation of electrical network extensions and upgrades work in exchange for a fixed fee is recognised over time.

Revenue from the design, development and installation of architectural metal work in exchange for a fixed fee is recognised over time. Due to the high degree of interdependence between the various elements of these projects, they are accounted for as a single performance obligation. The performance obligation is based on the 'output method', where progress is measured against internally predetermined project milestones, being the most faithful depiction of the transfer of goods and services to each customer based on industry knowledge. As the performance obligation is generally completed within 12 months, the Group has used the practical expedient not to adjust for the effects of financing.

Revenue from subscription and education services is recognised over time when the services are delivered.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Note 2. Material accounting policy information (continued)

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Teaminvest Private Group Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Note 2. Material accounting policy information (continued)

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Contract assets

Contract assets are recognised when the Group has transferred goods or services to the customer but where the Group has yet to issue an invoice. Contract assets are treated as financial assets for impairment purposes.

Inventories

Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Note 2. Material accounting policy information (continued)

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	over the term of the lease
Plant and equipment	1-10 years
Plant and equipment under lease	2-5 years
Motor vehicles	4-10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.
An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Confidential information
This is proprietary information developed within an acquired business and consists of know-how, internal financial information and equations supporting proprietary software. This is not amortised and is tested annually for impairment.

Note 2. Material accounting policy information (continued)

Brand
Brand is acquired as part of business combination and is the collective customer and market sentiment towards a business, as evidenced by the business's market share, price position, customer base, ongoing customer revenues and client loyalty. This is not amortised and is tested annually for impairment.

Patents and trademarks
Significant costs associated with patents and trademarks are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite useful life of 10 years.

Customer relationships
Customer relationships acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 and 15 years.

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite useful life of 5 years.

Technology based intangible assets
These consist of unpatented software, processes and accumulated data acquired in a business combination. They are amortised over the period of their expected benefit, being a useful life of 15 years.

Networks and relationships
Networks and relationships acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being 6 years.

Impairment of non-financial assets
Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Contract liabilities
Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is

Note 2. Material accounting policy information (continued)

Lease liabilities (continued)
remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs
Finance costs are expensed in the period in which they are incurred.

Employee benefits
Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 2. Material accounting policy information (continued)

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Teaminvest Private Group Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in this regard. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

Note 2. Material accounting policy information (continued)

Comparative information
Comparatives have been restated, where appropriate, to conform to changes in presentation in the current year and to enhance comparability. There was no net effect on the net asset position.

Rounding of amounts
The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Revenue recognition over time
For performance obligations satisfied over time, management uses judgement to select a method for measuring its progress towards complete satisfaction of that performance obligation. In exercising that judgement, management selects a method that depicts its performance in transferring control of goods or services to the customer. For the provision of architectural metal work, management has determined that progress should be measured by internally predetermined project milestones (an output method). Specifically, this method involves estimating the progress towards satisfying performance obligations within the contract and contract costs expected to be incurred to satisfy the performance obligations.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 9, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Estimation of useful lives of assets
The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of investments in associates
The Group assesses impairment of its investments in associates at each reporting date by evaluating conditions specific to the Group and to the particular investment that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. The recoverable amount is determined by a value-in-use calculation using a discounted cash flow model, which incorporate a number of key estimates and assumptions.

Goodwill
The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Indefinite useful lives of assets
The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether the asset has suffered any impairment, in accordance with the accounting policy stated in note 2. Management regularly assesses the useful life of these assets based on an analysis of all of the relevant factors. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Control of Enva Group
During the last period (30 June 2023) the Group agreed to acquire 100% of the shares in Enva Group. The acquisition of the shares is subject to the finalisation of a legal matter. The Group has exercised judgement that control has not

passed to the Group until the conclusion of the legal matter as well as the consideration of power, exposure to variable returns and the ability to use power to affect returns in accordance with AASB 10 Consolidated Financial Statements.

Income tax
The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the Group considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Incremental borrowing rate
Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Note 4. Operating segments

Identification of reportable and operating segments
The Group is organised into two statutory operating segments. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors who are identified as the Chief Operating Decision Makers ('CODM') in assessing performance and in determining the allocation of resources. Further details are as follows:

From 1 July 2023, the Group has restructured its reporting divisions to better align operations within each division under the responsibility of their respective Heads. The Group now comprises the following divisions:

- TIP Equity, consists of operating companies which are not financial services in nature;
- TIP Wealth, consists of entities which provide a range of advice, trustee, custodial, and administrative functions; and
- Education & Corporate, responsible for generating actionable intelligence that we can apply across our broader portfolio.

Segment name	Description
Equity Segment	The Equity segment includes five wholly owned subsidiaries of the Group: Lusty TIP Trailers Pty Ltd, Icon Metal Pty Ltd, East Coast Traffic Controllers Pty Ltd, Teaminvest Private Residential Group Pty Ltd, and Automation Group Investments Pty Ltd.
Wealth segment	The Wealth segment includes four wholly owned subsidiaries of the Group: TIP Trustees, TIP Wealth RE no1 Ltd, Teaminvest Private Financial Services Pty Ltd, TIP Group Corporate Advisory Services Pty Ltd; one 70% owned subsidiary, Diversified Growth Management Pty Ltd.
Education & Corporate	The Education & Corporate segment includes one wholly owned subsidiary: Teaminvest Pty Ltd and other investments in listed and unlisted securities.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis and presents continuing and discounting operations together.

Intersegment transactions
There were no material intersegment transactions.

Intersegment receivables, payables and loans
There were no intersegment receivables, payables and loans.

Major customers
During the period ended 30 June 2024, the Group had sales to a construction customer that amounted to $5,530,105 (2023: $15,571,000).

Note 4. Operating segments (continued)

Consolidated - 30 June 2024	Equity	Wealth	Education & Corporate	Total
	$'000	$'000	$'000	$'000
Revenue				
Sales to customers	97,771	3,035	4,233	105,039
Other revenue	1,044	-	-	1,044
Total	98,815	3,035	4,233	106,083
EBITDA	10,927	68	1,675	12,670
Depreciation and amortisation expense				(4,365)
Interest revenue				117
Other income				(54)
Finance costs				(479)
Impairment on investment				(8,609)
Corporate overheads				(2,838)
Loss before income tax				(3,558)
Income tax benefit				1,359
Loss after income tax				(2,199)
Assets				
Segment assets	89,137	2,742	19,528	111,407
Unallocated assets:				
Income tax receivable				-
Corporate assets				3,307
Investment in Associates				19,266
Total assets				133,980
Liabilities				
Segment liabilities	40,510	469	2,391	43,370
Unallocated liabilities:				
Deferred tax liability				2,285
Corporate liabilities				4,461
Total liabilities				50,116

TIP Group

Note 4. Operating segments (continued)

Consolidated - 30 June 2023	Equity $'000	Wealth $'000	Education & Corporate $'000	Total $'000
Revenue				
Sales to customers	104,758	1,752	4,067	110,577
Other revenue	756	22		778
Total	105,514	1,774	4,067	111,355
EBITDA	8,998	(312)	1,756	10,442
Depreciation and amortisation expense				(3,587)
Interest revenue				7
Other income				416
Finance costs				(172)
Corporate overheads				(2,398)
Profit before income tax				4,708
Income tax expense				(707)
Profit after income tax				4,001
Assets				
Segment assets	72,454	3,356	17,001	92,811
Unallocated assets:				
Deferred tax asset				-
Income tax receivable				384
Corporate assets				2,082
Investment in Associates				28,394
Total assets				123,671
Liabilities				
Segment liabilities	27,936	651	1,540	30,127
Unallocated liabilities:				
Provision for income tax				-
Deferred tax liability				4,781
Corporate liabilities				1,942
Total liabilities				36,850

Note 5. Revenue from contracts with customers

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Revenue from contracts with customers		
Sale of goods	44,201	44,840
Rendering of services	60,838	63,276
	105,039	108,116
Other revenue		
Other sales revenue	1,044	778
Revenue	106,083	108,894

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

Consolidated - 30 June 2024	Equity $'000	Wealth $'000	Education & Corporate $'000	Total $'000
Geographical Regions				
Australia	97,771	3,035	4,233	105,039
Timing of Revenue recognition				
Goods transferred at a point in time	44,201	-	-	44,201
Services transferred at a point in time	3,339	2,002	-	5,341
Services transferred over time	50,231	1,033	4,233	55,497
	97,771	3,035	4,233	105,039

Consolidated - 30 June 2023	Equity $'000	Wealth $'000	Education & Corporate $'000	Total $'000
Geographical Regions				
Australia	102,296	1,753	4,067	108,116
Timing of Revenue recognition				
Goods transferred at a point in time	47,001	-	-	47,001
Services transferred at a point in time	12,848	193	-	13,041
Services transferred over time	42,447	1,560	4,067	48,074
	102,296	1,753	4,067	108,116

TIP Group

Note 6. Expenses

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Loss before income tax includes the following specific expenses:		
Depreciation		
Leasehold improvements	35	46
Plant and equipment	961	698
Motor vehicles	424	449
Buildings right-of-use assets	1,725	1,228
Total depreciation	3,145	2,421
Amortisation		
Patents and trademarks	47	47
Customer contracts	224	262
Technology based intangible assets	447	447
Network & relationships	361	361
Other intangible assets	141	49
Total amortisation	1,220	1,166
Total depreciation and amortisation	4,365	3,587

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Finance costs		
Interest paid on borrowings	46	32
Interest paid on lease liabilities	433	140
Finance costs expensed	479	172

Note 7. Income tax

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Income tax expense/(benefit)		
Current tax	723	960
Deferred tax - origination and reversal of temporary differences	(2,498)	377
Adjustment recognised for prior periods	-	(630)
Aggregate income tax (benefit)/expense	(1,775)	707
Income tax (benefit)/expense is attributable to:		
Profit from continuing operations	(1,359)	1,088
Loss from discontinued operations	(416)	(380)
Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate		
Profit/(Loss) before income tax expense/(benefit)	(2,588)	7,795
(Loss)/Profit before income tax (benefit)/expense	(1,386)	(3,085)
Tax at statutory rate of 30%	(1,192)	1,413
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Other taxable income	-	313
Other non-taxable income	-	86
Other deductible expenses	(39)	(61)
Share of profits - associates	(582)	(765)
Non-deductible expenses	38	351
	(1,775)	1,337
Adjustment recognised for prior periods	-	(630)
Income tax (benefit)/expense	(1,775)	707

Note 7. Income tax (continued)

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Deferred tax		
Deferred tax liability comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Tax losses	109	343
Allowance for expected credit losses	36	206
Lease liabilities	6,440	724
Impairment on investment	2,583	-
Contract liabilities	1,773	-
Employee benefits	844	917
Provision for warranties and claims	27	86
Accrued expenses	136	346
Retention receivable	(827)	(571)
Prepayments	(192)	(118)
Rights-of-use assets	(6,301)	(640)
Contract assets	(2,099)	(990)
Inventories	(11)	(11)
Intangible assets	(4,674)	(4,997)
Property, plant, equipment	(129)	(120)
Other	-	44
Deferred tax asset/(liability) recognised in profit or loss	(2,285)	(4,781)
Movements:		
Opening balance	(4,781)	(5,005)
Credited/(charged) to profit or loss	2,498	(377)
Additions through business combinations	-	-
Other adjustments	(2)	601
Closing balance	(2,285)	(4,781)

Note 8. Cash and cash equivalents

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Cash on hand	1	15
Cash at bank	6,399	7,651
Cash on deposit	-	201
	6,400	7,867

Reconciliation to cash and cash equivalents at the end of the financial year
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balances above	6,400	7,867
Bank overdraft	-	-
Balance as per statement of cash flows	6,400	7,867

Note 9. Trade and other receivables

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Trade receivables	10,910	9,890
Allowance for expected credit losses	(121)	(157)
	10,789	9,733
Receivable from related parties	261	1,292
Allowance for expected credit losses	-	(700)
	261	592
Loan receivable	439	258
Other receivables	385	78
	11,874	10,661

Note 9. Trade and other receivables (continued)

Allowance for expected credit losses
The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

Consolidated	Expected credit loss rate	Expected credit loss rate	Carrying Amount		Allowance for expected credit losses	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	%	%	$'000	$'000	$'000	$'000
Not overdue (less than 1 month)	0.17%	-	8,201	8,203	14	-
Between 1 to 3 months	0.13%	3.14%	1,488	1,527	2	48
Between 3 to 6 months	3.44%	54.46%	1,135	112	39	61
Over 6 months	76.74%	100.00%	86	48	66	48
			10,910	9,890	121	157

Movements in the allowance for expected credit losses are as follows:

	30 June 2024 $'000	30 June 2023 $'000
Opening balance	157	93
Additional provisions recognised	1,393	1,345
Receivables written off during the year as uncollectable	(29)	(95)
Unused amounts reversed	(1,400)	(1,186)
Closing balance	121	157

The ageing of the receivable from related parties and allowance for expected credit losses provided for above are as follows:

Consolidated	Expected credit loss rate	Expected credit loss rate	Carrying Amount		Allowance for expected credit losses	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	%	%	$'000	$'000	$'000	$'000
Not overdue (less than 1 month)	-	-	-	-	-	-
Between 1 to 3 months	-	54.18%	261	1,292	-	700
Between 3 to 6 months	-	-	-	-	-	-
Over 6 months	-	-	-	-	-	-
			261	1,292	-	700

Note 10. Contract assets

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Contract assets	12,890	10,294

Opening balance	10,294	10,545
Additions	23,945	23,089
Transfer to trade receivables	(21,349)	(23,340)
Closing balance	12,890	10,294

Note 11. Inventories

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Raw materials - at cost	4,349	5,815
Work in progress - at cost	1,852	2,538
Finished goods - at cost	2,313	3,627
	8,514	11,980

Note 12. Investments accounted for using the equity method

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Investment in associates	19,266	28,394

Reconciliation
Reconciliation of the Group's carrying amounts at the beginning and end of the current and previous financial year are set out below:

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Opening carrying amount	28,394	23,804
Profit after income tax	1,898	2,471
Additions	-	3,850
Asset held for sale	-	(980)
Dividends received	(2,417)	(751)
Impairment of investment	(8,609)	-
Closing carrying amount	19,266	28,394

Colour Capital's on-going dispute with Netdeen Pty Ltd (GJ Gardner Homes) has not been resolved. The current position is Netdeen has cancelled the Master Franchise Agreement of GJ Gardner Homes NSW/ACT and Western Australia as at 27 May 2024. This dispute is currently in litigation and as such there is no future revenue from Colour Capital Master Franchisee Agreement. We have therefore taken the approach to impair our carrying value of Colour Capital of $8.6m on the basis that the value is attributed to the Master Franchise Agreement and the findings of the litigation are in deliberation.

The management have considered and assessed reasonable possible changes due to the loss of future revenue from termination of the Master Franchise Agreement using the discounted cashflow model. It was ascertained that due to this reasonably possible change in the key assumptions, it would trigger impairment. It was decided to write off the investment in Colour Capital in full.

Note 12. Investments accounted for using the equity method (continued)

		Ownership interest	
Name	Principal place of business/Country of incorporation	30 Jun 2024 %	30 Jun 2023 %
Colour Capital Pty Ltd	Australia	33%	33%
Multimedia Technology Pty Ltd	Australia	30%	30%
Teaminvest Private Insurance Services Pty Ltd	Australia	50%	50%
Wood & Lee Pty Ltd	Australia	-	50%
Enhanced Trading Solutions Pty Ltd	United Kingdom	-	16%
Conscious Capital Ltd	Australia	50%	50%
Decoglaze Pty Ltd	Australia	48%	48%

Note 12. Investments accounted for using the equity method (continued)

Detailed Reconciliation:
A detailed reconciliation of the Group's carrying amounts at the beginning and end of the current and previous financial year are set out below:

	Colour Capital		Multimedia Technology		Teaminvest Private Insurance		Conscious Capital		Decoglaze		Wood & Lee*		Enhanced Trading Solutions*	
	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000
Reconciliation of the Group's carrying amount														
Beginning balance	9,074	8,542	14,506	14,196	87	86	4,705	-	22	-	-	216	-	764
Acquisition price	-	-	-	-	-	-	-	3,750	-	100	-	-	-	-
Share of profit/(loss) after income tax	35	832	770	761	44	1	1,071	955	(22)	(78)	-	-	-	-
Transferred to assets held for sale	-	-	-	-	-	-	-	-	-	-	-	(216)	-	(764)
Share of dividends received	(500)	(300)	(750)	(451)	(10)	-	(1,125)	-	-	-	-	-	-	-
Impairment of investment	(8,609)	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing carrying amount	-	9,074	14,526	14,506	121	87	4,651	4,705	-	22	-	-	-	-

*The Group disposed of Wood & Lee at their carrying value. Additionally, TIP UK Pty Ltd went into liquidation, which had an investment in Enhanced Trading Solutions. As a result, the Group lost control over this entity during the financial year.

Note 12. Investments accounted for using the equity method (continued)

Summarised statement of financial position of the current and previous financial year are set out below:

	Colour Capital		Multimedia Technology		Teaminvest Private Insurance		Conscious Capital		Decoglaze	
	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000
Summarised statement of financial position										
Current assets	3,618	4,860	39,455	41,978	310	60	2,853	3,016	401	327
Non-current assets	18,190	18,479	2,276	2,641	203	172	-	-	200	-
Total assets	21,808	23,339	41,731	44,619	513	232	2,853	3,016	601	327
Current liabilities	1,040	1,728	12,402	14,515	176	138	726	107	783	513
Non-current liabilities	292	-	1,767	2,217	148	-	-	-	118	-
Total liabilities	1,332	1,728	14,169	16,732	324	138	726	107	901	513
Net assets/(liabilities)	20,476	21,611	27,562	27,887	189	94	2,127	2,909	(300)	(186)

Note 12. Investments accounted for using the equity method (continued)

Summarised statement of profit or loss and other comprehensive income are set out below:

	Colour Capital		Multimedia Technology		Teaminvest Private Insurance		Conscious Capital		Decoglaze	
	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000
Summarised statement of profit or loss and other comprehensive income										
Revenue	15,577	21,519	145,242	137,634	167	86	3,464	3,144	2,148	373
Expenses	(15,043)	(18,260)	(142,312)	(134,006)	(109)	(83)	(403)	(407)	(2,408)	(608)
Profit/(loss) before income tax	534	3,259	2,930	3,628	58	3	3,061	2,737	(260)	(235)
Income tax (expense)/benefit	(430)	(764)	(512)	(1,088)	(14)	(1)	(918)	(821)	78	70
Profit/(loss) after income tax	104	2,495	2,418	2,540	44	2	2,142	1,916	(182)	(165)
Other comprehensive income/(loss)	-	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss)	104	2,495	2,418	2,540	44	2	2,142	1,916	(182)	(165)

Note 13. Other financial assets

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Other financial assets	3,795	753

Set out below are the carrying amounts of other financial assets at fair value and the movements during the period:

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Opening balance	753	411
Additions	2,901	342
Revaluation gain	141	-
Closing balance	3,795	753

Note 14. Property, plant and equipment

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Leasehold improvements - at cost	452	517
Less: Accumulated depreciation	(94)	(163)
	358	354
Plant and equipment - at cost	6,982	5,611
Less: Accumulated depreciation	(2,338)	(1,816)
	4,644	3,795
Motor vehicles - at cost	2,502	2,119
Less: Accumulated depreciation	(1,010)	(915)
	1,492	1,204
	6,494	5,353

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Leasehold Improvements $'000	Plant and Equipment $'000	Motor Vehicles $'000	Total $'000
Balance at 30 June 2022	397	3,271	2,026	5,694
Additions	3	1,326	157	1,486
Disposals	-	(104)	(530)	(634)
Depreciation expense	(46)	(698)	(449)	(1,193)
Balance at 30 June 2023	354	3,795	1,204	5,353
Additions	39	2,202	1,069	3,310
Disposals	-	(392)	(357)	(749)
Depreciation expense	(35)	(961)	(424)	(1,420)
Balance at 30 June 2024	358	4,644	1,492	6,494

Note 15. Right-of-use assets

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Land & Buildings - right-of-use - at cost	22,887	5,689
Accumulated depreciation and impairment	(1,884)	(3,555)
	21,003	2,134

GLT has entered into a new lease and relocated to new premises, commencing from 1 April 2024. Additions to the right-of-use assets during the period related to this lease amounted to $20,560,000. The lease has an incremental borrowing rate of 6.9% and a term of 11.5 years, with an option to extend for an additional five (5) years. Management has not exercised this option as it is considered too early to make a decision.

The Group leases land and buildings for its offices, warehouses and retail outlets under agreements of between 1 to 12 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Set out below are the carrying amounts of right-of-use assets and the movements during the period:

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Opening balance	2,134	2,956
New leases entered into during the year	20,594	664
Disposal	-	(54)
Depreciation for the period	(1,725)	(1,432)
Closing balance	21,003	2,134

Note 16. Intangibles

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Goodwill at cost less impairment	26,236	26,236
Patents and trademarks - at cost	561	561
less: accumulated amortisation	(236)	(189)
	325	372
Customer Contracts - at cost	3,420	3,420
less: accumulated amortisation	(1,654)	(1,430)
	1,766	1,990
Brand explicit period at cost	1,756	1,756
Confidential Information & Know How - at cost	5,926	5,926
Technology - Website - at cost	6,702	6,702
less: accumulated amortisation	(1,341)	(894)
	5,361	5,808
Network & Relationships	2,166	2,166
less: accumulated amortisation	(1,083)	(722)
	1,083	1,444
Other intangibles	723	592
less: accumulated amortisation	(312)	(169)
	411	423
	42,864	43,955

Note 16. Intangibles (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Goodwill	Patents and Trademarks	Customer Relationships	Confidential Information & Know How	Technology - Website	Network & Relationships	Brand Explicit Period	Other Intangibles	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance as at 1 July 2022	26,086	419	2,252	5,926	6,255	1,805	1,756	369	44,868
Additions	150	-	-	-	-	-	-	103	253
Amortisation expense	-	(47)	(262)	-	(447)	(361)	-	(49)	(1,166)
Balance as at 30 June 2023	26,236	372	1,990	5,926	5,808	1,444	1,756	423	43,955
Additions	-	-	-	-	-	-	-	129	129
Amortisation expense	-	(47)	(224)	-	(447)	(361)	-	(141)	(1,220)
Net book value as at 30 June 2024	26,236	325	1,766	5,926	5,361	1,083	1,756	411	42,864

Note 16. Intangibles (continued)

Impairment testing
Goodwill and indefinite useful life assets have been allocated to the cash-generating units ('CGUs') as follows:

	30 June 2024 $'000	30 June 2023 $'000
Goodwill allocated to Equity segment:		
Icon Metal	8,595	8,595
GLT	10,462	10,462
East Coast Traffic Controllers	3,207	3,207
Automation Group Investments	3,689	3,689
Equity segment	25,953	25,953
Goodwill allocated to Wealth segment:		
Burman Investment Management Limited	119	119
Diversified Growth Management Pty Ltd	164	164
Wealth Segment	283	283
Indefinite useful life assets allocated to:		
Brand	1,756	1,756
Confidential Information & Know How	5,926	5,926
Teaminvest Pty Ltd	7,682	7,682

The recoverable amount of each CGU's goodwill and indefinite useful life assets has been determined by a value-in-use calculation using a discounted cash flow model, based on subsidiary Board approved budget for the year ended 30 June 2024 and the application of a growth rate for a 5 year projection period, together with a terminal value. The discount rate used in the value-in-use calculation is based on each CGU's weighted average cost of capital. This post tax discount rate is applied to post tax cash flows.

The key assumptions were used in the discounted cash flow models for the period subsequent to management's approved budget:

	2024	2024	2024	2023	2023	2023
	Revenue CAGR rate	Discount rate (post-tax)	Terminal growth rate	Revenue CAGR rate	Discount rate (post-tax)	Terminal growth rate
	%	%	%	%	%	%
Icon Metal	7.60%	13.27%	2.75%	8.10%	13.87%	2.75%
GLT	4.00%	14.34%	2.75%	6.40%	14.30%	2.75%
Automation Group Investments	6.00%	12.63%	2.00%	6.20%	12.66%	2.00%
East Coast Traffic Control	10.00%	13.09%	2.75%	8.00%	13.25%	2.75%
Teaminvest	4.40%	11.27%	3.00%	6.00%	12.84%	3.00%

Key assumption	*Approach used to determine values*
Revenue growth rate	Revenue projections are extracted from the most recent approved budget, strategic plans or forecasts that relate to the CGU. For each CGU, the CAGR for revenue over the forecast period has been determined based on expectations of future performance in the markets that the businesses operate in. These assumptions are based on expectations of market growth, demand and operational performance over the periods from FY25 – FY29.
Discount rate	The post-tax discount rate reflects management's estimate of the time value of money and the relevant CGU's weighted average cost of capital. A post-tax discount rate is used which is applied to post-tax cashflows.
Terminal growth rate	Management have estimated that the terminal growth rate will be in line with the Reserve Bank of Australia ('RBA') expected gross domestic products ('GDP') growth projection range.

Based on the above the recoverable amount exceeds the carrying amount and therefore, goodwill and indefinite useful life assets is not considered to be impaired.

Sensitivity
Should these key assumptions, judgements and estimates noted above change, the recoverable amount may decrease. Sensitivity analysis has been carried out on each of the below variable independently and the recoverable amount of the CGU would equal its carrying amount if the key assumptions were to change as follows:

Sensitivity Analysis on revenue	**2024**	**2023**
	Revenue CAGR decreases to %	**Revenue CAGR decreases to %**
Icon Metal	5.51%	7.54%
Automation Group Investments	3.18%	3.02%

Sensitivity Analysis on discount rate	**2024**	**2023**
	Discount rate increases to %	**Discount rate increases to %**
Icon Metal	16.92%	15.91%
Automation Group Investments	16.82%	18.61%

Management has considered and assessed reasonable possible changes for key assumptions for GLT, East Coast Traffic Controllers and Teaminvest Pty Ltd and have ascertained that no reasonably possible change in the key assumptions would trigger impairment.

Note 17. Trade and other payables

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Trade payables	8,780	8,162
Accrued expenses	1,326	1,433
GST payable	1,471	1,596
Other payables	2,011	2,369
	13,588	13,560

Refer to note 23 for further information on financial instruments.

Note 18. Contract liabilities

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Contract Liabilities	9,620	12,375
Opening balance	12,375	7,660
Payments received in advance	10,629	15,963
Transfer to revenue - from advance payments received during the period	(13,384)	(11,248)
Closing balance	9,620	12,375

Unsatisfied performance obligations
The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period was $9,620,000 as at 30 June 2024 (30 June 2023 $12,375,000) and is expected to be recognised as revenue in future periods as follows:

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Within 6 months	9,570	5,820
6 to 12 months	50	6,555
Total	9,620	12,375

Note 19. Lease liabilities

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Current		
Lease liabilities	2,417	1,438
	2,417	1,438
Non-current		
Lease liabilities	19,051	974
	19,051	974
Total Lease Liabilities	21,468	2,412

Refer to note 23 for further information on financial instruments.

Note 20. Employee benefits

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Current		
Annual leave	1,755	1,734
Long service leave	367	499
	2,122	2,233
Non-current		
Long service leave	391	465
	391	465
Total employee benefits	2,513	2,698

Note 21. Equity - issued capital

	30 June 2024 Shares	30 Jun 2023 Shares (restated)*	30 June 2024 $'000	30 Jun 2023 $'000
Ordinary shares - fully paid	27,085,410	27,147,252	90,287	90,372

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue Price**	**$'000**
Balance	01-Jul-22	26,346,180		88,301
Issue of ordinary shares for 50% acquisition of a business	30-Jan-23	755,178	2.61	1,969
Issue of ordinary shares under Dividend Reinvestment Plan	10-Mar-23	45,894	2.23	102
Balance	30-Jun-23	27,147,252		90,372
Issue of ordinary shares under Dividend Reinvestment Plan	03-Oct-23	77	1.62	0
Share Buy-back	09-Apr-24	(6,666)	1.50	(10)
Share Buy-back	17-Apr-24	(6,758)	1.48	(10)
Share Buy-back	26-Apr-24	(6,819)	1.47	(10)
Share Buy-back	03-May-24	(6,921)	1.44	(10)
Share Buy-back	10-May-24	(7,326)	1.37	(10)
Share Buy-back	21-May-24	(7,575)	1.32	(10)
Share Buy-back	29-May-24	(12,250)	1.22	(15)
Share Buy-back	25-Jun-24	(7,604)	1.32	(10)
Balance	**30-Jun-24**	**27,085,410**		**90,287**

Ordinary Shares
Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Group be wound up, in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Group does not have a limited amount authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share Consolidation
In the AGM held on 27 October 2023, shareholders approved the consolidation of issued share capital of the Group on the basis that every five shares be consolidated into one share (rounded to the nearest whole number of shares).
**The amount has been restated to reflect share consolidation.*

Share buy-back
The Group announced on 19th February 2024 to conduct on market buy-back. During the year, Group has bought back 61,919 number shares for a total value of $84,973. Refer to ASX announcements for further details.

Capital risk management
The Group’s objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.
Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Group Company's share price at the time of the investment. The Group is actively looking for accretive acquisitions to grow in alignment with the Groups investment mandate.
The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Note 22. Equity – dividends

Dividends
On 16 February 2024, the company declared an interim dividend of 1.50 cents per share.
On 22 August 2024, the company declared a final dividend of 1.50 cents per share for payment on 03 October 2024.

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Franking credits available for subsequent financial years based on a tax rate of 30%	4,309	3,333

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:
- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

TIP Group

Note 23. Financial instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') in conjunction with the Risk and Compliance committee ('RCC'). Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk
The Group is not exposed to any significant foreign currency risk.

Price risk
In the current year, the Group was exposed to price risk on the fixed price contracts within one of the operating subsidiaries. In light of the current inflationary environment, contracts are negotiated to include provisions to vary prices.

Interest rate risk
The Group is not exposed to any significant interest rate risk.

As at the reporting date, the Group had the following variable rate borrowings outstanding:

Consolidated	30 June 2024 Weighted average interest rate %	30 June 2024 Balance $'000	30 June 2023 Weighted average interest rate %	30 June 2023 Balance $'000
Bank overdraft and bank loans	0.00%	-	0.00%	-

An analysis by remaining contractual maturities in shown in 'liquidity risk' below.

For the Group, the bank overdraft and loans outstanding, totalling $Nil (2023: $Nil), are principal and interest payment loans. An official increase/decrease in interest rates of 100 (2023:100) basis points would have an adverse/favourable effect on profit before tax of $Nil (2023: $Nil) per annum. The percentage change is based on the expected volatility of interest rates using market data and analysts' forecasts.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any expected credit losses of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available. Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than one year.

Note 23. Financial instruments (continued)

Liquidity risk
Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements
Unused borrowing facilities at the reporting date:

	30 June 2024 $'000	30 June 2023 $'000
Bank overdraft	5,000	5,000
	5,000	5,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time.

Remaining contractual maturities
The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

The cash flows in the maturity analysis below are not expected to occur significantly earlier than contractually disclosed above.

30 June 2024	Weighted average interest rate %	Carrying amount $'000	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives							
Non-interest bearing							
Trade payables		8,780	8,780	-	-	-	8,870
Other payables		4,808	4,808	-	-	-	4,808
Interest-bearing - variable							
Lease Liability (AASB16)	6.84%	2,417	2,417	2,429	4,430	12,192	21,468
Total non-derivatives		16,005	16,005	2,429	4,430	12,192	35,055

Note 23. Financial instruments (continued)

30 June 2023	Weighted average interest rate %	Carrying amount $'000	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives							
Non-interest bearing							
Trade payables		8,162	8,162	-	-	-	8,162
Other payables		5,398	5,398	-	-	-	5,398
Interest-bearing - variable							
Lease liability (AASB 16)	4.60%	1,438	1,438	588	386	-	2,412
Total non-derivatives		14,998	14,998	588	386	-	15,972

Note 24. Fair value measurement

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO, the auditor of the Company:

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Audit Services - BDO	263,500	270,000
Audit or review of financial statements		
	263,500	270,000
Other services		
Other audit services - BDO	40,000	45,000
	40,000	45,000
	303,500	315,000

Note 26. Contingent liabilities

The Group has provided bank guarantees totalling $5,545,309 as of 30 June 2024, allocated as follows: $1,851,124 for office premises and $3,694,185 for various clients (2023: $3,320,517).

Of these guarantees, $3,981,663 is attributed to Icon Metal, $1,457,996 to GLT, and the remaining $105,649 to the parent entity. The Group would be subject to these guarantees, provided the subsidiaries are unable to complete the scope of work related to these bank guarantee items.

Note 27. Related party transactions

Parent entity
Teaminvest Private Group Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 30.

Associates
Interests in associates are set out in note 12.

Key management personnel
Disclosures relating to key management personnel are set out in note 28 and the remuneration report included in the directors' report.

Transactions with related parties
The company secretary, Sundaraj and Ker, where Anand Sundaraj is a partner, received payments from the company to the total of $104,044 (30 June 2023: $156,307) for the services they performed.

During the year, Howard Coleman, Non-Executive Director for the Group, received reimbursement for the expenses in relation for facilitating Teaminvest meetings outside Sydney to the total of $37,500 (30 June 2023: $38,500).

Payable to related parties

	30 June 2024 $	30 June 2023 $
Current payables:		
Payables to other related parties	409,453	529,408
Loans to/(from) related parties	260,575	1,291,679

The loan was made to associates on commercial terms with an interest rate of 12% per annum and for various periods between one and five years.

Note 28. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

Consolidated	30 June 2024 $	30 June 2023 $
Short-term employee benefits	1,161,194	885,579
Post employment benefits	135,979	105,716
Long-term benefits	50,549	8,188
Share based payments	139,638	236,963
	1,487,360	1,236,446

Note 29. Discontinued operations

During the year, the Group lost control over TIP Group UK Pty Ltd following the filing for winding up by one of its directors. TIP Group UK Pty Ltd has an investment and receivable from Enhanced Trading Solutions (ETS). This amount has been written off during the year and presented as discontinued operations.

Financial performance information

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Sale of goods	-	2,461
Interest received	-	-
Total revenue	-	2,461
Changes in inventories	-	-
Raw materials and consumables used	-	(1,073)
Employee benefits expense	-	(2,970)
Depreciation and amortisation expense	-	(205)
Impairment of receivables	(1,386)	-
Other expenses	-	(1,377)
Total expenses	(1,386)	(5,625)
Loss before income tax	(1,386)	(3,164)
Income tax benefit	416	392
Loss after income tax	(970)	(2,772)
Gain on disposal before income tax	-	79
Income tax expense	-	(12)
Gain on disposal after income tax	-	67
Loss after income tax from discontinued operations	(970)	(2,705)

Cash flow information

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Net cash from operating activities	-	(2,959)
Net decrease in cash and cash equivalents from discontinued operations	-	(2,958)

Carrying amounts of assets and liabilities disposed

Consolidated	**30 June 2024 $'000**	**30 June 2023 $'000**
Cash and cash equivalents	-	1
Trade and other receivables	-	255
Inventories	-	163
Other current assets	-	71
Property, plant and equipment	-	80
Total assets	-	570
Trade and other payables	-	335
Provisions	-	-
Total liabilities	-	335
Net assets	-	235

Details of the disposal

Consolidated	**30 June 2024 $'000**	**30 June 2023 $'000**
Total sale consideration	-	450
Carrying amount of net assets disposed	-	(235)
Disposal costs	-	(136)
Gain on disposal before income tax	-	79
Gain on disposal after income tax	-	67

TIP Group

Note 30. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities, and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business Country of incorporation	Ownership interest 30 June 2024 %	Ownership interest 30 June 2023 %
Teaminvest Private Financial Services Pty Ltd	Australia	100%	100%
TIP Group Corporate Advisory Pty Ltd	Australia	100%	100%
Coastal Energy Pty Ltd	Australia	-	100%
East Coast Traffic Controllers Pty Ltd	Australia	100%	100%
Icon Metal Pty Ltd	Australia	100%	100%
Lusty TIP Trailers Pty Ltd	Australia	100%	100%
TIP Trustees Limited	Australia	100%	100%
Teaminvest Private Residential Group Pty Ltd	Australia	100%	100%
Automation Group	Australia	100%	100%
Automation Group Investments Pty Ltd	Australia	100%	100%
Automation Group Limited	New Zealand	100%	100%
Radtel Engineering Pty Ltd	Australia	100%	100%
Teaminvest Pty Ltd	Australia	100%	100%
Teaminvest Australia Pty Ltd	Australia	100%	100%
Diversified Growth Management Pty Ltd	Australia	70%	70%
Conscious Investor	Australia	100%	100%
Teaminvest Limited (NZ)	New Zealand	100%	100%
TIP Group (UK) Pty Ltd	United Kingdom	-	80%
Burman Investment Management Limited	Australia	100%	100%
TIP Wealth Investment Management Pty Ltd	Australia	100%	100%
TIP Infrastructure Pty Ltd	Australia	100%	-

Note 31. Reconciliation of profit/(loss) after income tax to net cash from/(used in) operating activities

	30 June 2024 $'000	30 June 2023 $'000
(Loss)/profit after income tax expense for the period	(2,199)	4,001
Adjustment for:		
Depreciation & Amortisation	4,365	3,792
Impairment of investment	8,609	-
Net loss on disposal of property, plant and equipment	54	-
Share of profits from associates	(1,898)	(2,471)
Dividends received	2,417	750
Changes in operating assets & liabilities		
Changes in trade and other receivables	(459)	(2,130)
Changes in contract assets	(2,596)	108
Changes in inventories	3,466	(1,292)
Changes in prepayments	36	903
Changes in trade and other payables	28	(960)
Changes in contract liabilities	(2,755)	4,715
Changes in tax liabilities	(54)	(15)
Changes in deferred taxes	(2,496)	(224)
Changes in employee benefits	(185)	(238)
Changes in provisions	(350)	(57)
Net cash used in operating activities	(5,983)	6,882

Non-cash investing and financing activities

	30 June 2024 $'000	30 June 2023 $'000
Additions to the right-of-use assets	20,594	664
Leasehold improvements - lease make good	53	67
Shares issued for associates	-	1,969
	20,647	2,700

Note 32. Earnings per share

Consolidated	30 June 2024 $'000	30 June 2023 $'000
	$'000	$'000
Loss after income tax attributable to the owners of Teaminvest Private Group Limited	(2,213)	4,064

	Number	Number (Restated)*
Weighted average number of ordinary shares used in calculating basic earnings per share	27,085,410	26,672,679
Weighted average number of ordinary shares used in calculating diluted earnings per share	27,139,322	26,672,679

	Cents	Cents
Basic earnings per share (excluding one-off impairment)	14.08	15.24
Diluted earnings per share (excluding one-off impairment)	14.05	15.24
Basic earnings per share	(8.17)	15.24
Diluted earnings per share	(8.17)	15.24

**The number of shares for June-23 have been restated to reflect share consolidation for comparative purpose (Refer Note 21)*

Note 33. Share-based payments

Details of shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2024 and 30 June 2023 are set out below:

	Issue Date	Number of Shares	Price	Total Value
30 June 2024				
Shares issued to KMP	23/11/2023	80,388	$1.745	140,271
30 June 2023				
Shares issued to KMP	18/10/2022	273,944	$0.514*	140,909

*The movement relates to consolidation of issued share capital of the Company on the basis that every five shares be consolidated into one share. Refer to note 21

Note 34. Parent entity information

Set out below is the supplementary information about the parent entity (Group Costs).

Statement of profit or loss and other comprehensive income

Consolidated	30 June 2024 $'000	30 June 2023 $'000
Loss after income tax	(7,144)	(2,767)
Total comprehensive loss	(7,144)	(2,767)

Statement of financial position

	30 June 2024 $'000	30 June 2023 $'000
Total current assets	964	931
Total assets	60,277	67,028
Total current liabilities	4,398	3,768
Total liabilities	4,455	3,977
Net Assets	55,822	63,051
Equity		
Issued Capital	90,287	90,372
Retained earnings	(34,465)	(27,321)
Total Equity	55,822	63,051

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had guarantees of $5,545,309 in relation to the debts of its subsidiaries as at 30 June 2024 ($3,320,517 as at 30 June 2023).

Contingent liabilities
The parent entity had contingent liabilities of $105,649 as at 30 June 2024 ($105,649 as at 30 June 2023).

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

Material accounting policies
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, or fair value should a bargain purchase be acquired in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 35. Events after the reporting period

Apart from the dividend declared as disclosed in note 22, no other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Teaminvest Private Financial Services Pty Ltd	Body Corporate	Australia	100%	Australia*
TIP Group Corporate Advisory Pty Ltd	Body Corporate	Australia	100%	Australia*
East Coast Traffic Controllers Pty Ltd	Body Corporate	Australia	100%	Australia*
Icon Metal Pty Ltd	Body Corporate	Australia	100%	Australia*
Lusty TIP Trailers Pty Ltd	Body Corporate	Australia	100%	Australia*
TIP Trustees Limited	Body Corporate	Australia	100%	Australia
Teaminvest Private Residential Group Pty Ltd	Body Corporate	Australia	100%	Australia*
Automation Group	Body Corporate	Australia	100%	Australia*
Automation Group Investments Pty Ltd	Body Corporate	Australia	100%	Australia*
Automation Group Limited	Body Corporate	New Zealand	100%	New Zealand
Radtel Engineering Pty Ltd	Body Corporate	Australia	100%	Australia*
Teaminvest Pty Ltd	Body Corporate	Australia	100%	Australia*
Teaminvest Australia Pty Ltd	Body Corporate	Australia	100%	Australia
Diversified Growth Management Pty Ltd	Body Corporate	Australia	70%	Australia
Conscious Investor	Body Corporate	Australia	100%	Australia
Teaminvest Limited (NZ)	Body Corporate	New Zealand	100%	New Zealand
Burman Investment Management Limited	Body Corporate	Australia	100%	Australia*
TIP Wealth Investment Management Pty Ltd	Body Corporate	Australia	100%	Australia
TIP Infrastructure Pty Ltd	Body Corporate	Australia	100%	Australia

*Teaminvest Private Group Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

In the directors' opinion:

- the attached consolidated financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached consolidated financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached consolidated financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Andrew Coleman
Managing Director and Chief Executive Officer

22 August 2024
Sydney

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INDEPENDENT AUDITOR'S REPORT

To the members of Teaminvest Private Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Teaminvest Private Group Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

<table>
<tr><th>Key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>
Refer to note 5 of the financial report.

Recognition of revenue is a key audit matter due to:

• The significance of revenue to the financial report. For the year ended 30 June 2024 the Group recognised $106.1m (2023: $108.9m) revenue from continuing operations; and

• The Group has a wide range of contracts, across businesses operating in different industries, providing a range of products and services for a large number of customers with various contractual terms and numerous different performance measurement events.

This results in Group management being required to exercise a level of judgment to determine the appropriate revenue recognition policy to be applied, defining the performance obligations and determining the stage of completion of and period over which “over time” revenue is recognised. Significant audit effort is therefore required to assess the appropriateness of revenue recognition and gather sufficient audit evidence.
</td><td>
Our procedures included:

• Understanding and documenting the processes and controls used by the group for each material revenue stream, and identifying the revenue streams recognising revenue for rendering of services (over time) and sale of goods (at point in time);

• Evaluating the Group’s revenue recognition accounting policies for revenue recognition for each significant revenue stream against the requirements of AASB 15 Revenue from contracts with customers and our understanding of the business. In particular for those products and services where revenue is recognised based on the percentage of completion;

• We tested, on a sample basis, over time revenue transactions to progress claim certifications, management’s assessment of progress against project plans or the time elapsed for service agreements. We obtained signed contracts and checked the performance milestones met to date against the service revenue recognised. We also tested that related contract assets and liabilities were appropriately recognised in accordance with Australian Accounting Standards;

• We tested, on a sample basis, transactions recognising revenue at a point in time to purchase orders, sale invoices and delivery dockets;

• Performing cut-off procedures to ensure that revenue transactions around the year end, or for contracts spanning the year end, that revenue has been recorded in the correct period; and

• Assessment of the disclosures in the financial report against the requirements of the accounting standard and using the understanding obtained from our testing.
</td></tr>
</table>

Impairment of goodwill, indefinite useful-lived intangible assets

<table>
<tr><th>Key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>
Refer to note 16 of the financial report.
Impairment of goodwill and indefinite useful-lived intangible assets is a key audit matter due to:

The significance of intangible assets to the financial report. For the year ended 30 June 2024 the Group’s carrying value of intangible assets is $42.9m (2023: $44.0m); and
There have been a number of historic business acquisitions which result in goodwill being recognised, and multiple trading CGUs require impairment assessments annually under AASB Impairment of Assets.

This results in Group management being required to exercise a level of judgment to determine the "Value in Use" of each cash generating unit (CGU) and whether or not an impairment charge is necessary. This involves critical judgement by management about the future growth rates of the business in each CGU, discount rates applied to future cash flow forecasts for each CGU and sensitivities of inputs and assumptions used in the cash flow models.
Significant audit effort is therefore required to assess the appropriateness of critical judgements being made in relation to forecast future revenue and costs, discount rates, and terminal growth, and gather sufficient audit evidence.
</td><td>
Our procedures included:

Evaluating the Group's assessment of CGU’s and consideration as to whether useful lives applied for intangible assets remained appropriate, including those determined to have an indefinite useful life such as the Confidential Information & Know How;
Considering the appropriateness of the ‘Value in Use’ models used by the Group and critically evaluating management's methodologies and their documented basis for key assumptions which are described in Note 16 of the financial report;
Challenging key assumptions, including forecast growth rates by comparing them to historical results, business trends, economic and industry forecasts;
Independently assessing the range of revenue growth and discount rate assumptions that might reasonably be expected to occur based on external market data and recalculating the model using these assumptions;
Using our valuation specialists to recalculate management’s discount rates based on external data where available;
Corroborating the assumptions for the key inputs in the value in use model for the forecast revenue, costs, discount rates and terminal growth rates by comparing forecasts to historical actuals, market indications and management’s plans for the business;
Performing a sensitivity analysis on the key financial assumptions in the models. These included revenue forecasts, revenue multipliers used in the terminal year of cash flows, and the discount rates applied;

</td></tr>
</table>

	• Testing actual impaired amounts to ensure the approach taken and rationale is in accordance with accounting standard requirements; and • Assessing the disclosures in the financial report against the requirements of the accounting standard and using our understanding obtained from our testing.

Impairment of investment in associates

Key audit matter	How the matter was addressed in our audit
Refer to note 12 of the financial report. Impairment of investment in associates is a key audit matter due to: • The significance of investment in associates to the financial report. For the year ended 30 June 2024 the Group's carrying value of investment in associates is $19.3m (2023: $28.4m); and • There is an on-going dispute in Colour Capital Pty Ltd which has resulted in no future revenue from the Colour Capital Master Franchisee Agreement. This has resulted in a significant impairment in the Investment in Colour Capital of $8.6m (2023: $nil). This results in Group management being required to exercise a level of judgment to determine whether or not an impairment charge is necessary. This involves critical judgement by management about the future cash flow forecasts from investments where indicators of impairment have been identified. Significant audit effort is therefore required to assess the appropriateness of critical judgements being made in relation to forecast cash flows and whether an impairment is required.	Our procedures included: • Review of board minutes, ASX announcements and financial information to identify any indicators of impairment; • Discussions with management on the future cash flows of investments considered to have impairment indicators, and obtaining supporting documentation where available; • Testing actual impaired amounts to assess why investments in associates have been impaired; and • Verifying that related disclosures are complete and accurate in accordance with Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 17 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Teaminvest Private Group Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO
Ryan Pollett

Ryan Pollett
Director

Sydney, 22 August 2024

The shareholder information below was applicable as at 16 August 2024.

Distribution of equitable securities
Analysis of equitable security holders by size of holding:

	Number of ordinary shareholders	Number of ordinary shares	Percentage
1 to 1000	141	69,039	0.26
1,001 – 5,000	140	395,295	1.46
5,001 – 10,000	68	524,235	1.94
10,001 – 100,000	186	6,286,767	23.25
100,001 and over	51	19,762,992	73.09
	586	**27,038,328**	**100.00%**

Holding less than a marketable parcel	Nil	Nil

Equity security holders

Name	Ordinary Shares Number Held	Ordinary Shares % of total shares issued
ELECTRONIC MARKETING PTY LTD <COLFAM A/C>	3,633,838	13.44
MR ANDREW COLEMAN	1,373,893	5.08
G & E PROPERTIES PTY LTD <KOPP SUPER FUND A/C>	1,354,942	5.01
TIP WEALTH RE NO 1 LTD <TEAMINVEST ACCESS S/F A/C>	1,139,806	4.22
MR GREGORY NORMAN KOPP	1,134,069	4.19
CROOKS PTY LTD	872,610	3.23
PRICE VALUE PTY LIMITED <PRICE VALUE A/C>	640,469	2.37
REGAN GEORGE PASSLOW	572,579	2.12
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	488,676	1.81
PASSLOW SUPER PTY LTD <PASSLOW SUPER FUND A/C>	365,214	1.35
LE GRAND PTY LTD	326,679	1.21
MR EDWARD WILLIAM OWEN	322,000	1.19
MRS ELIZABETH THOMPSON	317,749	1.18
BAXTERO PTY LIMITED <CARMICHAEL SUPERFUND A/C>	306,203	1.13
MR MALCOLM MURRAY JONES + MRS LYNNETTE ANNE JONES <RELM A/C>	294,238	1.09
SUTTON WOODS PTY LTD <SUTTON WOODS A/C>	291,498	1.08
NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	289,165	1.07
OCEAN FREE PTY LIMITED <THE FULLAGAR SUPER FUND A/C>	287,426	1.06
DR ROBERT BREIT	276,126	1.02
PENMARK SUPER PTY LTD <PENMARK SUPER FUND A/C>	263,709	0.98
	14,550,889	**53.82%**

Substantial shareholders

	Ordinary Shares	
	Number Held	% of total shares issued
HOWARD COLEMAN	4,316,264	15.93%
GREGORY NORMAN KOPP	2,432,922	8.99%
ANDREW COLEMAN	1,373,893	5.07%

Securities subject to escrow

Type of escrow	Escrow period	Number of shares
Nil	Nil	Nil

Voting rights

The voting rights attached to equity securities are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

TIP Group

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