

# TIP Financial Services Opportunities Fund

Factsheet | September 2024





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Research by the Productivity Commission highlights the **\$3.5 trillion intergenerational wealth transfer by 2050** of property, unspent super and other investment assets bequeathed to family beneficiaries.

Indicating **growth in excess of \$50 billion for the wealth management sector** across advice, investment administration and management.

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**TIP Financial Services Opportunities Fund** aims to leverage our existing set of curated assets to micro-target the most attractive investment sectors benefiting from these dynamics, while delivering income, capital growth and portfolio diversification benefits.

 Fund's Mission	 Market Opportunity	 TIP's Unfair Advantage	 Investment Focus
<ul style="list-style-type: none"> <li>Leverage TIP's ASX-grade financial services ecosystem (team, scale, infrastructure and strategic investments) to invest in the most promising financial services businesses</li> <li>Achieve outstanding returns by structuring investments as debt with equity kicker to deliver income and capital growth through the cycle</li> <li><b>Fund anchored by TIP and seeded with \$5m</b></li> </ul>	<ul style="list-style-type: none"> <li>Multi-trillion dollar intergenerational wealth transfer, requiring trusted advice and wealth solutions</li> <li>Wealth advisory and funds management industry is challenged by scale, regulatory compliance and succession</li> <li>Privately owned SMEs uniquely positioned to achieve strong, above-market, growth and value uplift with access to smart capital</li> </ul>	<ul style="list-style-type: none"> <li>TIP's ecosystem offers access to proprietary deal flow, strategic acquisition platform and value add</li> <li>Seasoned investment team with domain expertise and track record</li> <li><b>Investment Committee, chaired by Andrew Rutherford</b> (Koda Capital, NAB-MLC and Goldman Sachs), underscores investment nous and discipline</li> </ul>	<ul style="list-style-type: none"> <li>SMEs in wealth advisory, funds management and financial services infrastructure</li> <li>Invest to empower younger talent to buy-out retiring owners or establish own boutique</li> <li>Debt-led investment structure to preserve the independence, culture and control of the portfolio assets</li> <li>Resources and infrastructure made available on an opt-in basis for value add</li> </ul>

## Key Fund Information

Fund & Manager	TIP Financial Services Opportunities Fund managed by TIP Wealth Investment Management
Target Fund Size	\$35 million (including \$5 million seeded by TIP)
Target Return	>20% p.a. IRR over the Fund life (via distributions and capital growth)
Eligible Investors	Sophisticated/wholesale investors investing a minimum of \$250,000 (lower at the Manager's discretion)
Fund Term	Targeting a term of 6-8 years to allow recycling of capital
Fees	2% p.a. (plus GST) Management Fee and 20% Performance fee (subject to 8% IRR return hurdle)

We are better investors because we run real businesses...

...and better business people because we are investors.

TIP Group (TIP.ASX) is an investment house with over \$1.8 billion under advice/management. Established in 2012, we have successfully invested in 14 SMEs to facilitate ownership succession, while achieving strong business growth, earnings and strategic value to deliver a combined return on investment of >2x MOIC.

What sets us apart is that we're actively involved in real businesses that today generate over \$150 million in annual revenue and \$15 million EBITDA, and employ more than 600 Australians.

When we look at investing in financial services businesses, we leverage the knowledge and experience from building our own businesses in wealth education and advisory, funds management and corporate trustee services. When we consider manufacturing, we draw insights from our own experience creating high-quality heavy B-double tipping trailers. For service-based companies, we consider the challenges faced by our dedicated traffic controllers overseeing work sites. We manage the coordination of over 280 contractors and personnel each day, ensuring their safe return to their families. Similar thinking applies to IT and technology companies as we understand the daily challenges of our automation technology and IT service supply ventures.

In short, we stand out because we're not just talking about companies or looking at spreadsheets. We're running businesses right here in Australia. We're focused on nurturing these businesses, not just buying and dissecting them. Our investment approach is straight forward and consistent. We look for companies with backable people, good profits compared to their peers and services that we expect to be needed well into the future.

We're transparent. Investors looking to manage their own portfolio can join our education business with more than 600 TeamInvest members to become better investors. Here, likeminded peers investigate companies, share ideas, and manage their portfolios.

Our business is different, our investment skill gives our group companies an unfair advantage. Our business experience and national network create opportunities for our funds.

**Our senior team has substantial financial services experience across entrepreneurship, business operations & growth and investments at senior executive and Board levels. Complemented by the Investment Committee that is chaired by Andrew Rutherford.**



**Andrew Coleman**  
Co-founder & CEO  
Co-Manager



**Greg Wang**  
Head of Alt. Investments  
Co-Manager



**Andrew Rutherford**  
Independent Chair  
of Investment Committee



**Dean Robinson**  
CFO & COO



**Sanjee Narendran**  
Head of Funds  
Management



### Simple Rules

Rule No 1 - Don't lose money.  
Rule No. 2 - Never Forget Rule Number 1.



### Wisdom of Crowds

Our team, network of self-directed analysts and mentors help find and review opportunities.



### SMART

We look for investments with strong Moats, low Risk and where we can trust management.



### Due Diligence

It's far better to buy a wonderful company at a fair price, than a fair company at a wonderful price.



### Proprietary Tools

We leverage our Conscious Investor® software to deliver market leading returns for 20+ years.



### Patience

We are patient, long-term investors.