Teaminvest Private Group Limited

ABN 74 629 045 736

(Proposed ASX listing code: TIP)

Prospectus

For the Offer of New Shares at an Offer Price of $1.00 per New Share to raise up to $2.3 million.

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay. The Offer Shares offered under this Prospectus should be considered highly speculative.

Investigating accountant	**Legal adviser**
HLB MANN JUDD ADVISORY AND ACCOUNTING	Sundaraj & Ker

Important notices

The Offer

This Prospectus is issued by the Company for the purposes of Chapter 6D of the *Corporations Act 2001* (Cth) (**Corporations Act**). The Offer contained in this Prospectus is an initial public offering to acquire fully paid ordinary shares in the Company. For further information on the Offer see Section 7.

Lodgement and listing

This replacement prospectus is dated 11 March 2019 (**Prospectus Date**) and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date.

The Company applied to the Australian Securities Exchange (**ASX**) on 28 February 2019, for admission of the Company to the Official List and quotation of its Shares on ASX. None of ASIC, ASX or any of their respective officers takes any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

Expiry Date

This Prospectus expires on the date which is 13 months after the Prospectus Date (**Expiry Date**). No Offer Shares will be issued on the basis of this Prospectus after the Expiry Date.

Note to Applicants

The information contained in this Prospectus is not investment or financial product advice and has been prepared as general information only, without consideration for your particular investment objectives, financial situation or particular needs.

It is important that you read this Prospectus carefully and in full before deciding whether to invest in the Company.

In particular, you should consider the assumptions underlying the Pro Forma Historical Financial Information (see Section 4) and the risk factors that could affect the business, financial condition and financial performance of the Company. You should carefully consider these risks in light of your investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest in Offer Shares. Some of the key risk factors that should be considered by prospective investors are set out in Section 5 of the Prospectus. There may be risk factors in addition to these that should be considered in light of your personal circumstances.

Except as required by law, and only to the extent required, no person named in this Prospectus, nor any other person, warrants or guarantees the performance of the Company, the repayment of capital by the Company or any return on investment in Offer Shares made pursuant to this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company, the Directors or any other person in connection with the Offer. You should rely only on information in this Prospectus.

Exposure Period

The Corporations Act prohibits the Company from processing Applications in the seven day period after the date of lodgement of the Original Prospectus (**Exposure Period**). ASIC extended the Exposure Period by a further seven days. The purpose of the Exposure Period is to enable this Prospectus to be examined by market participants prior to the raising of funds. Applications received during the Exposure Period will not be processed until after the expiry of the Exposure Period. No preference will be conferred on Applications received during the Exposure Period.

No cooling-off rights

Cooling-off rights do not apply to an investment in Offer Shares issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Obtaining a copy of this Prospectus

During the Exposure Period, an electronic version of this Prospectus (without an Application Form) will be available at tipoffer.com.au (the **Offer Website**) to persons who are Australian residents only. Application Forms will not be made available until after the Exposure Period has expired.

During the Offer Period, this Prospectus is available in electronic form at the Offer Website. The Offer constituted by this Prospectus in electronic form at the Offer Website is available only to persons within Australia. The Prospectus is not available to persons in other jurisdictions (including the United States) in which it may not be lawful to make such an invitation or offer. If you access the electronic version of this Prospectus, you should ensure that you download and read the Prospectus in its entirety.

You may, before the Offer Period expires, obtain a paper copy of this Prospectus (free of charge) by telephoning the Share Registry on 1300 346 819 (within Australia) from 8:30am to 5:00pm (Sydney Time), Monday to Friday. If you are eligible to participate in the Offer and are calling from outside Australia, you should call +61 3 9415 4163 from 8:30am to 5:00pm (Sydney Time), Monday to Friday.

Applications for New Shares may only be made during the Offer Period on an Application Form attached to or accompanying this Prospectus.

The Corporations Act prohibits any person from passing the Application Form on to another person unless it is attached to a paper copy of the Prospectus or the complete and unaltered electronic version of this Prospectus. Refer to Section 7 for further information.

Statements of past performance

This Prospectus includes information regarding the past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Financial Information

Section 4 sets out in detail the Financial Information referred to in this Prospectus and the basis of preparation of that Financial Information.

All references to FY17 and FY18 appearing in this Prospectus are to the financial years ended 30 June 2017 and 30 June 2018, respectively.

The Historical Financial Information is presented on both a statutory and pro forma basis (as described in Section 4) and has been prepared and presented in accordance with the recognition and measurement principles of Australian Accounting Standards (**AAS**) (including the Australian Accounting Interpretations) issued by the Australian Accounting Standards Board (**AASB**), which are consistent with International Financial Reporting Standards (**IFRS**) and interpretations issued by the International Accounting Standards Board (**IASB**).

Investors should note that certain financial data included in the Prospectus is not recognised under the Australian Accounting Standards and is classified as 'non-IFRS financial information' under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC. The Company believes that this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of the Company. The non-IFRS financial measures do not have standardised meanings under the Australian Accounting Standards, and therefore may not be comparable with similarly titled measures presented by other entities, nor should these be interpreted as an alternative to other financial measures determined in accordance with the Australian Accounting Standards. Investors are cautioned not to place undue reliance on any non-IFRS financial information, ratios and metrics included in this Prospectus.

The Financial Information should be read in conjunction with, and qualified by reference to, the information contained in Section 4.

All financial amounts contained in this Prospectus are expressed in Australian dollars, unless otherwise stated. Any discrepancies between totals and sums of components in tables, figures and components contained in this Prospectus are due to rounding.

Investigating Accountant's Report on Financial Information and financial services guide

The provider of the Investigating Accountant's Report on Financial Information is required to provide Australian retail clients with a financial services guide in relation to the review under the Corporations Act. The Investigating Accountant's Report and accompanying financial services guide are provided in Section 8.

Forward looking statements

This Prospectus contains forward looking statements, which may be identified by words such as "anticipates", "may", "should", "could", "likely", "believes", "estimates", "expects", "targets", "predicts", "projects", "forecasts", "intends", "guidance", "plan" and other similar words that involve risks and uncertainties.

These forward-looking statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, at the date of the Prospectus, are expected to take place. The Company does not undertake to, and does not intend to, update or revise any forward-looking statements, or publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

Any forward-looking statements are subject to various risks that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. Forward looking statements should be read in conjunction with, and are qualified by reference to, the risk factors as set out in Section 5, and other information in this Prospectus. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside the control of the Company, the Directors and the Company's management. The Company, the Directors and Management cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward looking statements.

Industry and market data

This Prospectus, including the industry overview in Section 2 and the company overview in Section 3, contains statistics, data and other information (including forecasts and projections) relating to markets, market sizes, market shares, market segments, market positions and other industry data pertaining to the Company's business and markets. The Company has obtained significant portions of this information from market research prepared by third parties.

Investors should note that market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. There is no assurance that any of the forecasts or projections in the surveys, reports and surveys of any third-party that are referred to in this Prospectus will be achieved. The Company has not independently verified, and cannot give any assurances to the accuracy or completeness of, this market and industry data or the underlying assumptions used in generating this market and industry data.

Estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed in the risk factors set out in Section 5.

Selling restrictions

This Prospectus does not constitute an offer or invitation to apply for Offer Shares in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Offer Shares or the Offer, or to otherwise permit a public offering of Offer Shares, in any jurisdiction outside Australia. The distribution of this Prospectus outside Australia (including electronically) may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus may not be distributed to, or relied upon by, persons in the United States. Offer Shares have not been, and will not be, registered under the United States Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold, pledged or transferred directly or indirectly, in the United States unless the Offer Shares have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act and any other applicable US state securities laws is available.

See Section 7 for more detail on selling restrictions that apply to the Offer in jurisdictions outside Australia.

Defined terms and time

Defined terms and abbreviations used in this Prospectus have the meanings defined in the Glossary or are defined in the context in which they appear.

Unless otherwise stated or implied, references to times in this Prospectus are to Sydney Time. Unless otherwise stated or implied, references to dates or years are calendar year references.

Privacy

By completing an Application Form to apply for New Shares, you are providing personal information to the Company through the Share Registry, which is contracted by the Company to manage Applications. The Company and the Share Registry on behalf of the Company, may collect, hold and use that personal information in order to process your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration. Some of this personal information is collected as required or authorised by certain laws including the *Income Tax Assessment Act 1997* (Cth) and the Corporations Act.

If you do not provide the information requested in the Application Form, the Company and the Share Registry may not be able to process or accept your Application.

Your personal information may also be used from time to time to inform you about other products and services offered by the Company, which it considers may be of interest to you.

Your personal information may also be provided to the Company's members, agents and service providers on the basis that they deal with such information in accordance with the Company's Privacy Policy and applicable laws. The members, agents and service providers of the Company may be located outside Australia, where your personal information may not receive the same level of protection as that afforded under Australian law. The types of agents and service providers that may be provided with your personal information and the circumstances in which your personal information may be shared are:

the Share Registry for ongoing administration of the Shareholder register;

printers and other companies for the purpose of preparation and distribution of statements and for handling mail;

market research companies for the purpose of analysing the Shareholder base and for product development and planning; and

legal and accounting firms, auditors, contractors, consultants and other advisers for the purpose of administering, and advising on, the Offer Shares and for associated actions.

If an Applicant becomes a Shareholder, the Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public Shareholder register.

The information contained in the Shareholder register must remain there even if that person ceases to be a Shareholder. Information contained in the Shareholder register is also used to facilitate dividend payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its Shareholders) and compliance by the Company with legal and regulatory requirements. An Applicant has a right to gain access to the information that the Company and the Share Registry hold about that person, subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing or by telephone call to the Company's registered office or the Share Registry's office, details of which are disclosed in the Corporate Directory on the inside back cover of this Prospectus. Applicants can obtain a copy of the Company's Privacy Policy by visiting the Company's website.

You may request access to your personal information held by or on behalf of the Company and you may correct the personal information held by or on behalf of the Company about you. You may be required to pay a reasonable charge to the Share Registry in order to access your personal information. You can request access to your personal information by contacting the Share Registry.

Photographs and diagrams

Photographs and diagrams used in this Prospectus that do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in them endorses this Prospectus or its contents or that the assets shown in them are owned by the Company. Diagrams and maps used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the Prospectus Date.

Company website

Any references to documents included on the Company's website at www.teaminvestprivate.com.au are for convenience only, and none of the documents or other information available on the Company's website is incorporated into this Prospectus by reference.

Disclaimer

Except as required by law, and only to the extent so required, none of the Company, the Directors, Management or any other person warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

As set out in Section 7, it is expected that the Shares will be quoted on ASX initially on a conditional and deferred settlement basis. The Company and the Share Registry disclaim all liability, whether in negligence or otherwise, to persons who trade Shares before receiving a holding statement, even if such person received confirmation of allocation from the Share Registry or confirmed their firm allocation.

Questions

If you have any questions about how to apply for New Shares, call the Offer Information Line on 1300 346 819 between 8:30am and 5:00pm (Sydney Time), Monday to Friday. Instructions on how to apply for New Shares are set out in Section 7 of this Prospectus and on the back of the Application Form.

If you have any questions about whether to invest in the Company, you should seek professional advice from your accountant, financial adviser, stockbroker, lawyer or other professional adviser before deciding whether to invest in Shares.

This document is important and should be read in its entirety.

Use of trademarks

This Prospectus includes the Company's registered and unregistered trademarks. All other trademarks, trade names and service marks appearing in this Prospectus are the property of their respective owners.

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Key dates

Prospectus Date	11 March 2019
Opening Date	13 March 2019
Closing Date	10 April 2019
Settlement Date	17 April 2019
Allotment Date for Offer Shares	24 April 2019
Dispatch of holding statements	26 April 2019
Expected commencement of trading on ASX	29 April 2019

These dates and times are indicative only and may change. The Company reserves the right to vary the dates and times of the Offer without prior notice (including, subject to the ASX Listing Rules and the Corporations Act, to close the Offer early, to extend the Offer Period relating to any component of the Offer, or to accept late Applications, either generally or in particular cases, or to cancel or withdraw the Offer before the Settlement Date, in each case without notifying any recipient of this Prospectus or Applicants). If the Offer is cancelled or withdrawn before the allocation of Offer Securities, then all Application Monies will be refunded in full (without interest) as soon as possible in accordance with the requirements of the Corporations Act. Investors are encouraged to submit their Applications as soon as possible after the Opening Date.

Key offer statistics

Offer Price per New Share	$1.00
Maximum number of New Shares offered under this Prospectus[1]	2,300,000
Minimum number of New Shares offered under this Prospectus	500,000
Maximum gross proceeds[2] to be raised by the issue of New Shares	$2,300,000
Minimum gross proceeds[3] to be raised by the issue of New Shares	$500,000
Number of Shares currently on issue	107,076,943
Total number of Shares on issue at Listing[4]	109,376,943
Market capitalisation at the Offer Price[5]	$109,376,943

Notes:

1. See Section 7 for details regarding the structure of the Offer and information on the capital structure of the Company following Completion.
2. Maximum gross proceeds of the Offer assumes the issue of the maximum number of New Shares available under the Offer multiplied by the Offer Price.
3. Minimum gross proceeds of the Offer assumes the issue of the minimum number of New Shares under the Offer multiplied by the Offer Price.
4. Assuming the issue of the maximum number of New Shares available under the Offer.
5. Assuming the issue of the maximum number of New Shares available under the Offer. Investors should note that Shares may not trade at the Offer Price after Listing.

How to invest

Applications for New Shares can only be made by completing and lodging an Application Form. Instructions on how to apply for New Shares are set out in Section 7 and on the back of the Application Form.

Questions

Please call the Offer Information Line at 1300 346 819 (within Australia) or +61 3 9415 4163 (outside Australia) from 8:30am until 5:00pm (AEST) Monday to Friday. If you are unclear in relation to any matter or are uncertain as to whether this is a suitable investment for you, you should seek advice from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before deciding whether to invest in the Company.

Chairperson's letter

11 March 2019

Dear investor,

On behalf of the Board of Directors, I am delighted to present this Prospectus to you and offer you the opportunity to become a Shareholder of Teaminvest Private Group Limited (**Company**).

The Company is a specialist private equity firm that seeks to:

1. assist successful business owners grow their business and enhance their legacy;
2. mentor the next generation of Australian business leaders; and
3. support Australian business by filling a missing piece in the funding landscape.

Since being spun-out of the Teaminvest group in 2012, we have provided 51 directors and $39m of capital to help great Australian small and medium sized enterprises grow.

We exist because we believe that three fundamental challenges exist in the Australian SME landscape:

- access to capital;
- access to strategic advice; and
- how successful business leaders can continue to add value in retirement.

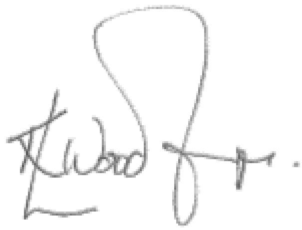
These are covered in more detail later in the prospectus, and we encourage you to read this document and consider ways in which you could participate in our mission of transferring knowledge between generations.

As Warren Buffett so succinctly said:

"Someone is sitting in the shade today because someone planted a tree a long time ago"

Our job is to identify great Australian businesses who wish to turn their saplings into strong and lasting oak trees. We do this with our own proprietary method, and we invite you to consider participating. We are confident you will find it as rewarding as we do.

Yours sincerely,



Dr Katherine Woodthorpe AO

Independent Chairperson

1. INVESTMENT OVERVIEW

1.1 Introduction to the Company and its business model

Topic	Summary	Further Information
Who is the Company?	The Company is a specialist private equity firm that seeks to: 1. assist successful business owners grow their business and enhance their legacy; 2. mentor the next generation of Australian business leaders; and 3. support Australia by providing a missing piece in the Australian business landscape.	Section 3.6
What is the Company's business?	The Company acquires, manages and ultimately may divest ownership of privately-owned businesses. A privately-owned business is a business where there are a limited number of shareholders, and the shares in that business are not listed on a stock exchange.	Section 3.6
What is the Company's history?	Teaminvest Private Pty Limited (**TIP**) was founded as a private equity firm in 2012 by Teaminvest Pty Limited (**Teaminvest**). Teaminvest is a private membership organisation for investors seeking to educate themselves to manage their own wealth rather than engaging external advisers to do it for them. Teaminvest's members are predominantly high and ultra-high net worth individuals with significant business expertise. TIP was founded as the private equity arm of Teaminvest. TIP and its members have invested in a number of private Australian businesses (each a **Portfolio Company**). TIP identifies suitable Portfolio Companies for investment and raises capital from its members to invest in those businesses. Since 2012, TIP's members have invested $39m of capital and provided 51 directors to help Australian small and medium-sized enterprises (**SMEs**) grow. Historically, the investments made by TIP investors in each Portfolio Company were made through separate trusts. The interests in each trust were held by the particular TIP investors who had invested indirectly in the relevant Portfolio Company. Prior to	Section 3.3

	lodgement of this Prospectus, TIP, its investors, the Founders and the Portfolio Companies commenced a restructure which will be completed prior to Listing, pursuant to which TIP and the Portfolio Companies became controlled subsidiaries of the Company as result of the following transactions: ▪ TIP investors and Founders exchanged their interests (direct and indirect) in Portfolio Companies for Shares; and ▪ the founders of TIP (being Teaminvest and Andrew Coleman) exchanged their direct interests in TIP for Shares, (the **Restructure**). On Listing, the Group will comprise: ▪ 100% of TIP; ▪ 100% of six Portfolio Companies: - DecoGlaze; - Graham Lusty Trailers; - Icon Metal; - Coastal Energy; - East Coast Traffic Control; and - Kitome; and ▪ interests in two Portfolio Companies: - 33.3% of Colour Capital; and - 30% of Multimedia Technology. TIP manages the investments made by TIP's investors in three other private equity investments that the Company does not have a direct interest in (being Whites Diesels, Automation Group and Found Beverages) (**Managed Investments**).	
Where does the Company operate?	The Company predominantly operates and invests in Australia. The Company's licenses its intellectual property to an affiliate in South Africa, Teaminvest Private (SA) (**TIP RSA**). The Company does not own any interest in TIP RSA.	Section 3.7
How does the Company generate income?	The Company generates income in three ways: 1. from its direct private equity investments in Portfolio Companies; 2. from performance fees earned on Managed	Section 3.6

	Investments; and 3. from intellectual property licensing fees paid by its affiliate in South Africa. The Company is primarily a private equity firm and investment in Australian privately-owned businesses is the Company's core business. Investors in the Company gain an indirect exposure to the Portfolio Companies in which the Company has invested. Investors should note that the Portfolio Companies owned by the Company will change over time. A core component of the Company's business model is to opportunistically acquire and divest interests in private businesses.	
What is the Company's business plan and growth strategy after Listing?	The Company intends to largely continue TIP's business model after Listing. The Company's direct investment in Portfolio Companies provides cash flow via the payment of dividends. The company also earns: ▪ performance fees on Managed Investments; and ▪ intellectual property licensing fees paid by its affiliate in South Africa. Revenue earned from performance fees on Managed Investments and intellectual property license fees is variable and irregular. Investors should not expect the Group to earn regular income from these two sources. Cash generated by operations will be used by the Company to either re-invest in existing Portfolio Companies, to acquire new Portfolio Companies or to pay Shareholders a dividend. The Board will make decisions on the allocation of cash on a half yearly basis after taking into account available investment opportunities. The Company intends to continue making acquisitions that are accretive and deliver long-term value to shareholders. Management estimates that they will spend approximately 50% of their time looking at ways to improve existing portfolio companies, and the other 50% examining and making new acquisitions either directly, or through a Managed Investment structure as the case may be.	Section 3.6

Are opportunities available for investors to participate as more than just a passive Shareholders?	Yes. One of the unique features of the Company's business model is that Shareholders may apply to become Selected Shareholders. Selected Shareholders participate in the many stages of the Company's investment process from analysing a potential investment to helping mentor and grow a business once acquired. Selected Shareholders may also apply to the Company to be appointed as a TIPRep (a nominee director of on the board of a Portfolio Company). The decision to apply to become a Selected Shareholder should not be taken lightly as it comes with significant legal, regulatory and ethical responsibilities. There is also no guarantee that your application to participate will be accepted, as there is a rigorous selection process.	Section 3.4 and Appendix B
Why is the Offer being conducted?	The Offer is being conducted to gain admission to the ASX. The benefits of listing are expected to include: ▪ access to capital markets to improve financial flexibility for growth; ▪ increased liquidity for all investors when compared to the current structure; ▪ an increased profile as a listed entity which is anticipated to provide improved access to new investments; ▪ increased exposure to professional and institutional investors; and ▪ additional benefits of enhanced corporate governance.	Section 7.4

1.2 Overview of the industry in which the Company operates

Topic	Summary	Further Information
What industry does the Company operate in?	The Company is a private equity firm which invests in Australian privately-owned business. The Company invests in businesses from a variety of industries. Despite the varied industry backgrounds, our acquisitions all have a desire for mentoring and growth at the core of their investment thesis. Currently, the Company has investments in business that operate in the general industrials sector:	Sections 2, 3.6 and 3.7

	▪ the Company's Engineering Division has investments in four wholly owned businesses: Coastal Energy, DecoGlaze, Graham Lusty Trailers and Icon Metals (see section 3.7.2 for further information); and ▪ the Company's Services Division has investments in two wholly owned businesses: Kitome and East Coast Traffic Control; and two partially owned businesses: Colour Capital and Multimedia Technology (see section 3.7.8). The Company also has a third division, the Corporate and Managed Investments Division, whose activities include: ▪ the management and licensing of TIP's intellectual property; and ▪ managing Managed Investments (being private equity investments not directly owned by the Company). For the 99% of Australian businesses with less than 200 employees, accessing capital and mentorship to enable growth is difficult. This is driven by a few key factors: 1. Difficulty in accessing debt funding; 2. Difficult in accessing equity capital markets or alternative structures; 3. Demographic dynamics driven by the retiring baby boomer generation; and 4. A confidence gap due to poor institutional support for mentorship and development of entrepreneurs. These are explained in more detail in the Market Overview section.	
Who are the market participants?	As a specialist private equity firm that focuses on SMEs, the Company sees very little impact from competition from other providers of capital to the SME market. This is because the size of the SME market is huge (encompassing 99% of all Australian businesses) and the services the Company offers are limited by its financial capital and access to mentors, rather than the scale of market.	Section 2

	The Australian financial sector already has numerous firms that provide components of the services delivered by the Company. However most of these firms are focussed on a specific piece of the puzzle for delivery to a wide number of clients, rather than a wholistic solution delivered to a limited number. Where firms do attempt to deliver the same wholistic approach as the Company, they do so with different philosophies. Examples of other participants in the market include: ▪ Debt funding: e.g. banks and financial institutions; ▪ Equity funding: e.g. venture capital, private equity, public equity (such as the ASX) and hybrid models; ▪ Business advice: e.g. accountants, lawyers and business advisers; and ▪ Education: e.g. universities and business mentoring firms.	

1.3 Key strengths

Topic	Summary	Further Information
What are the key strengths of the Company?	▪ A track record of investments in Australian privately-owned businesses. ▪ Access to a wide network of mentors. ▪ Existing, cash flow positive, portfolio of assets that delivers further funds for growth and investment. ▪ Refined philosophy towards investing and business management. ▪ A reputation for successfully partnering with businesses in the SME market.	Section 3

1.4 Key risks

Set out below are a number of key business risks that the Company is exposed to. Further business and investment risks associated with an investment in the Company are outlined in Section 5.

Topic	Summary	Further Information
What are the key risks to the Company?	The board and management believe that Company faces five key risks. 1. General investment risk 2. Failure of investment strategies 3. Failure of a Portfolio Company 4. Reliance on Selected Shareholders 5. Risks associated with acquiring businesses These risks are explained in detail in Section 5.	Section 5
What are the other material risks to the Company?	The other material risks identified by the Company are as follows: ▪ Risks related to Portfolio Companies ▪ Market risks ▪ Business risks ▪ Structural risk ▪ Legal, regulatory and compliance risk ▪ Taxation risk ▪ Interest rate risk ▪ Litigation risk ▪ Credit risk ▪ Supervision of management risk ▪ Permits and license risk ▪ Reliance on key personnel ▪ Force majeure risk ▪ Risks related to the Restructure ▪ Intellectual Property risk ▪ Technology and software risk ▪ Data loss, theft or corruption risk ▪ Brand and reputation risk ▪ Key customer or supplier risk ▪ Reduction in customer number risk ▪ Counterparty risk	Section 5

	▪ Risks associated with shares held by Pre-Listing Shareholders ▪ Release from Escrow risk ▪ Liquidity risk ▪ Dividend risk	
Are the Portfolio Companies exposed to other risks?	Each of the Portfolio Companies is exposed to risks that are unique to its operations. The key risks for each Portfolio Company are explained in Section 3. The Company does not believe that the Portfolio Company risks are material to the Group as a whole, except where they may result in the total failure of a Portfolio Company. This is explained further in Section 5.	Section 3 and Section 5

1.5 Key financial metrics

Topic	Summary	Further Information
What is the Company's pro forma historical financial performance?	The Company's pro forma total comprehensive income (after tax) was: ▪ $0.007m for the year ended 30 June 2017; and ▪ $6.030m for the year ended 30 June 2018.	Section 4
How will the Company fund its objectives?	The Company intends to fund its activities from a combination of existing working capital, funds from the IPO and cash flow from the portfolio of assets (both owned and managed). The company does not see a current need to raise capital to meet its objectives for organic growth. However, as we are in the business of acquiring assets, we may decide to raise future capital in the form of debt or equity to make future acquisitions on a case by case basis.	Section 7.5
What is the Company's dividend policy?	The Company does not have a fixed dividend policy. Rather, the Board will consider the Company's cash position in light of investment opportunities on a half-yearly basis. At the time of Listing, the Board believes that the Company will have sufficient working capital to carry out its stated objectives. It is important to note that cash will first be used to finance the growth of the Company or to make new	Section 4.6.12

	acquisitions. This is because, as a private equity investor, the Company is in the business of acquiring and growing private businesses. Dividends will be declared and paid on an ad-hoc basis only when we do not have a use for cash to fund growth or acquisitions.	
What will the Company's capital structure be on Listing?	On Listing the Company will have: - 109,376,943 Shares outstanding; - \$8.402m of cash; and - \$4.170m of debt.	Section 4 and Section 7.10
Does the Company currently have any debt facilities?	The Company does not have any direct debt facilities. However, the Portfolio Companies have their own finance facilities and these are reflected on our aggregated balance sheet in accordance with Australian accounting standards.	Section 4
What is the aggregated net cash of the group?	The aggregated pro forma net cash of the Group at Listing will be \$4.232m, calculated as cash of \$8.402m less \$4.170m of debt	Section 4
What is the implied enterprise value?	Assuming the Offer is fully subscribed, the enterprise value of the Company will be \$105.1m, comprising the sum of the Company's implied market capitalisation (at the Offer Price), plus debt, less expected cash at Listing.	Section 4

1.6 Board and management

Topic	Summary	Further Information
Who are the Directors?	- Dr Katherine Woodthorpe AO, Independent Chairperson - Ian Kadish, Independent Non-Executive Director - Regan Passlow, Non-Executive Director - Howard Coleman, Non-Executive Director - Andrew Coleman, Chief Executive Officer and Executive Director	Section 6.1
Who are the senior management?	- Andrew Coleman, Chief Executive Officer and Executive Director - Dean Robinson, Chief Financial Officer	Section 6.3

1.7 Significant interests of key people and related party transactions

Topic	Summary	Further Information
Who are the significant existing Shareholders and what will be their interest on Listing?	On Listing, the following shareholders will own 5% or more of the Shares: ▪ Teaminvest Pty Ltd (11.52%), the company that founded TIP ▪ Pluto Mining Pty Ltd (6.15%), an entity associated with Graham Lusty, the founder of Graham Lusty Trailers ▪ Kitome Pastoral Pty Ltd (5.12%), an entity associated with Dean Neville, the founder of Kitome No other shareholders are expected to own more than 5% of the Company on Listing.	Section 7
What interests will Directors have upon Listing?	On Listing, the Directors will have the following holdings: ▪ Dr Katherine Woodthorpe: nil Shares ▪ Dr Ian Kadish: 37,500 Shares ▪ Mr Howard Coleman: 14,843,221 Shares ▪ Mr Regan Passlow: 1,030,438 Shares ▪ Mr Andrew Coleman: 5,425,000 Shares and, if approved by Shareholders, the performance rights described in Section 6.5.2.	Section 6.5
What significant benefits are payable to Directors and management?	▪ Dr Katherine Woodthorpe: directors fees of $100,000 per annum (including Superannuation) ▪ Dr Ian Kadish: directors fees of $70,000 per annum (including Superannuation) ▪ Mr Howard Coleman: directors fees of $70,000 per annum (including Superannuation) ▪ Mr Regan Passlow: directors fees of $70,000 per annum (including Superannuation) ▪ Mr Andrew Coleman: under the terms of his employment agreement, a short-term cash incentive of $50,000 will be payable on Listing	Sections 6.5.1 and 6.5.2

	▪ Mr Dean Robinson: under the terms of his employment agreement, a short-term cash incentive of $50,000 will be payable on Listing Each non-executive director has agreed that half of their remuneration will be accrued but not paid during each financial year. If Shareholder approval is received at the annual general meeting following the end of each financial year, this accrued remuneration will be issued as new Shares. If shareholder approval is not received, the accrued remuneration will be paid as cash.	
Are there any related party transactions in connection with the Restructure?	As part of the Restructure: ▪ Andrew Coleman entered into a sale-and-purchase agreement to dispose of all of his shares in TIP to the Company. Under this agreement Andrew Coleman will receive Shares (but no cash) in exchange for his shares in TIP; and ▪ Howard Coleman and Regan Passlow are two of the Directors of Teaminvest, the major shareholder of TIP. Teaminvest entered into a sale-and-purchase agreement to dispose of all of its shares in TIP which are held either directly or through their interests in companies and trusts to the Company. Under this agreement Teaminvest will receive Shares (but no cash) in exchange for its shares in TIP.	Section 6.9
Will any Shares be subject to restrictions on disposal following Listing?	The founders of TIP and the Founders of each Portfolio Company have agreed to the following Escrow arrangements: ▪ half of their Shares will be voluntarily escrowed for a period of 12 months from Listing; ▪ the remaining half of their Shares will be voluntarily escrowed for a period of 24 months from Listing.	Section 7.9

1.8 Key Offer terms

Topic	Summary	Further Information
Who is the issuer of this Prospectus?	Teaminvest Private Group Limited, ABN 76 629 045 736	Section 7.1

What is the Offer?	The Offer comprises an offer of 2,300,000 New Shares at an Offer Price of $1.00 per New Share to raise $2.3 million.	Section 7.1
Are there any conditions to Completion?	This Offer is contingent on the Company obtaining applications to subscribe for 500,000 New Shares under the Offer.	Section 7.2
How will the Company use the funds raised from the issue of the New Shares?	The proceeds received from the issue of New Shares under the Offer will be used for: ▪ general operating costs; ▪ transaction costs related to the Offer; and ▪ future acquisitions.	Sections 7.4 and 7.5
What will be the Company's ASX code?	The Company will apply for admission to the Official List on the ASX and quotation of Shares on the ASX under the code "TIP".	Section 7.1
How can I apply for New Shares?	Applicants may apply for New Shares under the Offer by completing and lodging the online Application Form that accompanies the electronic form of this Prospectus in accordance with the instructions set out on that online form.	Section 7.7
What is the allocation policy?	The allocation of New Shares will be determined by the Company, having regard to the allocation policies.	Section 7.6
What is the minimum Application size?	$2,000 worth of New Shares.	Section 7.6
Are there any brokerage, commission or stamp duty considerations?	No brokerage, commission or stamp duty costs are payable by Applicants on acquisition of New Shares under the Offer.	Section 7.13
Are there tax implications?	Investors may be subject to Australian income tax or withholding tax on any future dividends paid. The tax consequences of an investment in New Shares will depend on your particular circumstances, particularly for non-resident shareholders. Applicants should obtain their own tax advice prior to deciding whether to invest.	Section 7.16

2. INDUSTRY OVERVIEW

2.1 Market Overview – The Funding Gap

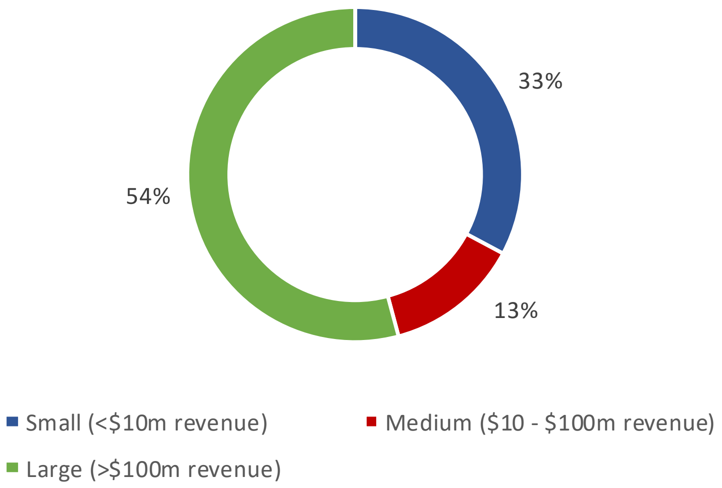
2.1.1 The importance of SMEs to the Australian economy

Small and medium-sized enterprises (**SMEs**) are critical to the Australian economy.

The Australian Bureau of Statistics (**ABS**) defines an SME as an actively trading business with less than 200 employees. At the Company, we focus on medium sized businesses, defined by the ABS as an actively trading business with 20–199 employees.

According to the Australian Small Business and Family Enterprise Ombudsman's calculation based on ABS data, 99 percent of all businesses in Australia are SMEs. They contribute 57% of GDP and employ over 7 million Australians, 67% of all employment.

Percentage of Australian business revenue by business size



Source: IBIS World.

IBIS World estimates that SMEs contribute 46% of Australian business revenue, with 28% of them having annual revenues of above $10m. They are one of the key elements of the Australian economy yet experience significant hurdles to growth.

2.1.2 Funding difficulties

The Reserve Bank of Australia's (**RBA**) Deputy Governor Guy Debelle stated in 2017 "It's not the absence of entrepreneurial spirit, it's the absence of entrepreneurial finance that's been the main factor holding that part [SME] of the economy back".

The majority of Australian SMEs are not "start-ups". They are predominantly well-established niche businesses that have developed their own intellectual property and business models. According to the Australian Small Business and Family Enterprise Ombudsman, 50% of Australian SMEs have been in business for at least 10 years, and approximately 1 in 10 are actively seeking to expand at any time.

Given the age and stability of this sector, it is surprising how poor the SME funding landscape is in Australia.

2.1.3 Access to debt

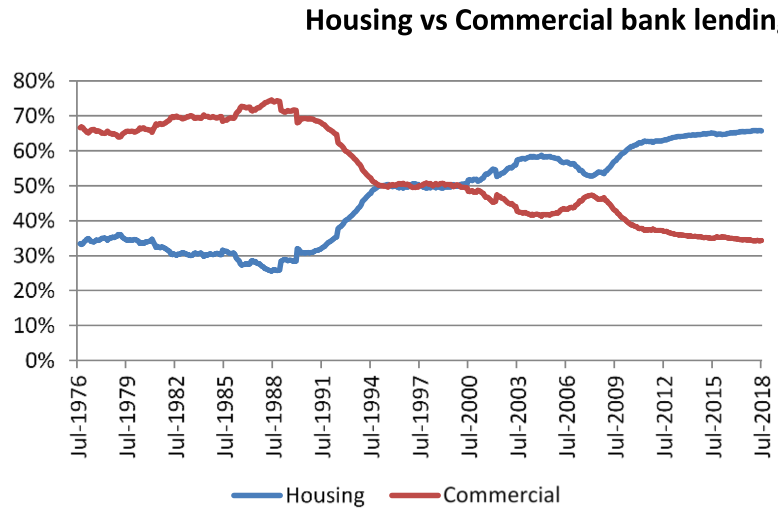
According to the Australian Small Business and Family Enterprise Ombudsman:

"In lending, banks look for real estate as security and a guarantee from the business owners. Some banks now offer unsecured business loans on the basis of taking a charge over the business assets and a personal guarantee from the directors. They commonly limit their exposure by capping the loan facility at $100,000. As business assets can deplete over time, banks also look for additional security through mortgages over real estate owned by the business, or the business owner, and will calculate the amount they will loan as a proportion of the value of the real estate. If the business owner does not own sufficient real estate, the loan is often declined."

"Alternative lenders have entered the market… who generally operate on a software platform and offer short term loans up to $250,000, though the average is less than $100,000. Loan applications are assessed on the owner's credit history and recent business performance, secured against the business assets. Those loans will be short term, in most cases for less than 18 months, and carry significantly higher interest rates."

The Productivity Commission, in their Draft Inquiry Report into Competition in the Australian Financial System (2018), went one step further in assessing the funding landscape for SMEs: "'APRA capital requirements … create an incentive for lenders to seek a residence as collateral (where available) and for SME borrowers to offer a residence as collateral to access the lowest price finance'."

These structural reasons have seen a dramatic shift in the composition of Australian credit since the early 2000's.



"Lenders have indicated that at least three-quarters of their small business lending is collateralised and that they have a limited appetite for unsecured lending"
- Reserve Bank of Australia, 2017

Source: Australian Bureau of Statistics and Australian Prudential Regulation Authority.

Where business lending used to contribute between 55 and 70% of total Australian credit in the 1970's through 1990's, banks have dramatically restructured their lending books in response to APRA requirements. Today, less than 35% of Australian credit is extended to businesses, and the majority is extended only with real estate or personal guarantee security.

It is estimated that only around 26% of Australian businesses have a business loan. The most commonly utilised sources of credit (excluding credit cards) are overdrafts (used by 24% of

SMEs), long term loans (15%) and property mortgages (14%).

The difficulty of accessing debt finance presents a substantial impediment to SME growth and acts as a drag on the Australian economy.

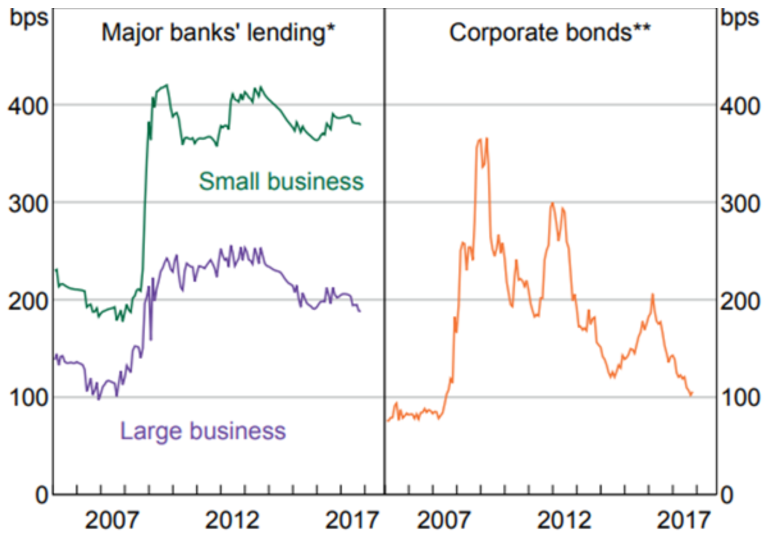
An ACCI survey in mid-2013 reported that 14.2% of small firms and 11% of medium-sized firms identified lack of finance as an obstacle to the growth and development of their business. The ABS has also found that access to finance is the most common barrier to innovation, with concerns reported by 20% of businesses (around 400,000 entities), and the third largest barrier to general business activity.

Limited appetite for business lending has manifested in:

- extremely complex, one-sided contracts that yield maximum power to banks to make unilateral changes whenever they like and without the agreement of borrowers;
- inadequate timeframes around key loan milestones that leave borrowers vulnerable;
- misleading and conflicting signals between bank sales staff and credit risk staff which leaves borrowers confused and vulnerable;
- lack of transparency and potential conflict of interest in dealings with third parties involved in impaired loan processes, such as valuers, investigative accountants and receivers; and
- significant gaps in access to justice with nowhere to go except the court system, where borrowers are at a disadvantage having limited resources compared to lenders.

The potential for regulatory capital requirements to adversely impact SME lenders was noted by the Financial Stability Board and the Basel Committee's Macroeconomic Assessment Group which stated in 2010 that, as a result of tighter regulatory standards, "bank-dependent small and medium-sized firms may find it disproportionately difficult to obtain financing."

Interest rate spreads on business debt



Source: Reserve Bank of Australia.
** Rates on outstanding lending; spread to cash rate*
*** Five-year secondary market non-resource corporate bond spreads over AGS*

In 2017, the RBA estimated that the cost of capital that SMEs pay (measured as the premium over the cash rate) is currently double compared to the premium that large businesses pay.

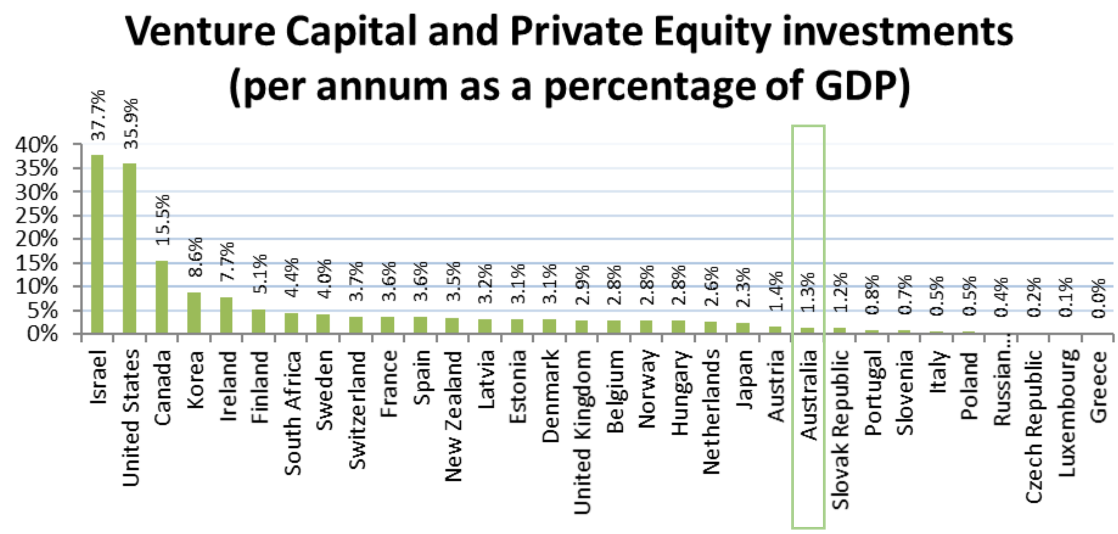
This substantially hampers SMEs’ ability to compete. Since the financial crisis in 2007, banks have significantly increased the cost of accessing finance for SMEs, whilst at the same time decreasing access to credit for the sector.

2.1.4 Access to equity

SMEs use loans from banks for most of their debt funding because it is often difficult and costly for them to raise funds directly from capital markets. They have limited access to listed equity markets, and while private equity financing is sometimes available, its supply to SMEs is limited in Australia, particularly when compared with global availability. Australian SMEs report that the cost of equity financing is high, and they are often reluctant to sell equity to professional investors, since this usually involves relinquishing significant control over their business.

For a country with highly conservative credit providers, declining access to this sector and yet such a large proportion of SMEs, one would expect that equity financiers such as private equity and venture capital would be highly developed to bridge the financing gap. However, the graph below highlights that Australia lags the world. Not only do SMEs find it difficult to access debt financing, but Australia’s venture capital and private equity funding (as a proportion of GDP) is about one third of the OECD median. In fact, our venture capital sector is so “underdeveloped” that we rank below almost every “developed” OECD nation, and on a par with the Slovak Republic.

Venture capital and private equity investments per country



Source: OECD.

2.2 **Market Overview – The Intergenerational Challenge**

2.2.1 Baby boomers

The 5.5 million baby boomers (born between 1946 and 1964) in Australia are approaching retirement and their lives are likely to be very different to those of their predecessors. Their life expectancy is considerably longer, and their ‘retirement’ will likely span well in excess of 20 years. Moreover, improvements in health science mean that baby boomers are generally healthy, and their retirement will involve a more active and meaningful life than previous generations have enjoyed.

More than half of all SME owner/operators are baby boomers or older. The baby boomer generation has been one of the most entrepreneurial in history. More than 1.4 million baby boomers own businesses. They employ over 7.9 million people and contribute almost $500 billion in GDP. They will soon look to retire.

However, despite being such a driving force of the Australian economy, and representing such a large portion of business ownership, Pitcher Partners found that only 15% of Australian baby boomer owners have completed their succession plans.

The impending retirement of such a large proportion of business owners raises two key questions:

- How will the Australian economy cope with the retirement of a large part of its entrepreneurial SME ownership?
- What will the highly entrepreneurial baby boomer generation do in a long and healthier retirement?

2.2.2 Retirement leaves a gap

In addition to more than 1.4 million baby boomer owners, there are a further estimated 2.6 million baby boomer employees who will retire in the next 10 to 20 years. This will be the largest ever loss of knowledge and skills in the Australian labour market. Baby boomers will be exiting the workforce with decades of corporate experience, leaving organisations with a huge task of retaining and transferring that knowledge.

In addition to the question of what will happen to baby boomer owned and run SMEs in their retirement, the next generation of younger managers may find it harder to find a hands-on day-to-day mentor as baby boomers leave the workforce.

2.2.3 Growing niche businesses – the confidence gap

With baby boomers the driving force behind a large proportion of existing SMEs, it is up to the next generation of young entrepreneurs to develop the niche businesses that will drive the Australian economy.

Today, GenX and Millennials operate 56% of Australian SMEs. With baby boomers retiring, these younger business managers and owners have the potential to grow and take advantage of opportunities, but they are limited by access to capital and strategic guidance. For many younger owners, growth means re-mortgaging the family home, or taking risky steps into an area in which they (and their peer group) have no prior experience.

3. GROUP OVERVIEW

3.1 Overview of Teaminvest Private

Teaminvest Private Pty Limited (**TIP**) is the key and central component of the Group. TIP is an established private equity firm with a history of investments. Its investors include current and former CEOs, CFOs and business owners; and its investment strategy has been to leverage the experience and wisdom of its investors.

The Company and Shareholders benefit from the model developed by TIP and the commitment of Selected Shareholders (described in section 3.4) who provide their time and experience to evaluate risk and guide the Company's investment decisions.

To achieve outstanding long-run returns, the Company's value-investment strategy has been developed by TIP based on the work of Benjamin Graham and Warren Buffett. The company looks to invest in private Australian SMEs with significant, long-lasting "moats", and quantifiable and manageable risks.

A **moat** is a characteristic that either provides a barrier to entry against competitors or enables the business to extract greater value from customers. We call these strengths "moats" to distinguish them from the more common investment term "sustainable competitive advantage" as often a moat is not unique to a single business. Just like in medieval times where many castles had moats to add to their defence, the simple presence of a moat is often not unique. Nor does it make a business invulnerable. But it protects its shareholders more than a business without a moat.

To implement its investment strategy, the Company has a five-stage investment process that draws on the collective model developed by TIP over many years. In the Board's view, this enables the Company to better 'sort the wheat from the chaff', and to ensure that once a great Portfolio Company is identified, the Company continues to add value in order to deliver outstanding investor returns. To date, TIP and the Company have had over 120 shareholders assist us with making, monitoring and mentoring our investments.

3.2 Investment philosophy

3.2.1 Patient capital

Unlike major banks or other financiers, the Company provides a mix of equity and debt investments that have a long-term investment horizon. The Company offers patient capital and strategic guidance. This means that the Company does not look for quick wins, but rather investments where we can help mentor management to grow the business successfully for many years.

It is this blend of strategic capital and mentorship that we believe is the key mix required to help SMEs solve the twin problems of capital access and mentorship.

3.2.2 Advice, wisdom and experience

After making an investment, the Company seeks to offer advice, wisdom and experience to the management of our Portfolio Companies.

We do this by providing a combination of board support, financial capacity and ongoing mentorship. Our investments are structured with a four to six member board, with approximately half appointed from our group of Selected Shareholders. Selected Shareholders appointed to the board of a Portfolio Company are called TIPReps. The role of a TIPRep is not only governance, but to mentor and grow the company and its management. In addition, TIPReps are responsible for protecting the capital of the Portfolio Company and looking for improvements that could substantially increase its value.

TIPReps are volunteers and are only paid an honorarium. They are encouraged to step down from their role once the value they can add has been achieved. In this way, each Portfolio Company can access a wider range of skill sets from Selected Shareholders.

In addition to TIPReps, each senior manager of a Portfolio Company is encouraged to develop personal relationships with mentors from within our group of Selected Shareholders. This facilitates personal development and provides a sounding board to discuss ideas prior to presenting to their TIPReps or the Company's Board and management.

This access to experience, wisdom and mentorship across multiple levels is a unique part of our business model and provides our Portfolio Companies with that key missing ingredient to help bridge the transfer of knowledge between generations and best position our companies for success.

More information about our philosophy and how we manage its operation can be found later in this section 3 and in Appendix B.

3.3 Corporate history

Teaminvest Pty Ltd (**Teaminvest**) was founded in 2007 as a membership organisation designed to educate high net worth investors in managing their personal investments in listed entities.

A number of Teaminvest's members expressed an interest in making more active investments in Australian privately-owned businesses. In response, TIP was established in 2012 as a new division of Teaminvest to be its private equity arm. TIP was established to not only provide financial capital to businesses but also to provide mentorship and guidance.

Although TIP was initially established as a new division of Teaminvest, TIP's management subsequently became shareholders in TIP (alongside Teaminvest). As part of the Restructure, TIP's shareholders (Teaminvest and Andrew Coleman) will be issued Shares in the Company prior to Listing.

Since 2012, TIP's investors have invested in 12 separate private Australian businesses, over 19 separate investment tranches. Historically, these investments were made through separate trusts, managed direct investments or via redeemable preference shares.

In anticipation of the Listing, Teaminvest Private Group Limited, originally named Teaminvest Private (2) Ltd, (**Company**) was incorporated in September 2018 as the holding company for the Group. As part of the Restructure, the Company will acquire TIP and investments in eight private companies (see Section 3.7 for further information about the Group's components).

3.4 Selected Shareholders

A unique feature of the Company's business model are "Selected Shareholders" who are appointed to participate in the Company's investment process including: initial screening, due diligence, ongoing governance and Portfolio Company mentorship.

Selected Shareholders help foster the transfer of knowledge between generations, provide a way for Shareholders to actively engage in the Group and remain mentally stimulated, and provide Portfolio Companies with access to strategic advisers and mentors that would otherwise be inaccessible. It helps us make better investment decisions, get better returns from our investments, and bridge the SME funding and knowledge gap to the betterment of Australia as whole.

To be appointed, a Selected Shareholder must be a person who, in the Board's view, possesses appropriate skills and acumen to conduct a thorough assessment of potential investments or to provide ongoing advice, guidance and mentoring.

Any Shareholder may apply to the Company to become a Selected Shareholder. We welcome your participation, but applications should not be made lightly. The Company's Board and management apply a rigorous selection process in determining whether a Shareholder is appropriate to be appointed a Selected Shareholder. This process includes reviewing the applicant's previous experience, interviewing the applicant to determine suitability, requiring the applicant to undergo training (where applicable) and the applicant agreeing to be bound by all Company policies including our investment philosophy, confidentiality obligations and the Company securities trading policy. In particular, Selected Shareholders will be subject to the same trading restrictions that apply to the Company's Board and management.

Acceptance of an application to become a Selected Shareholder is at the sole discretion of the Company. To ensure the integrity of our business model, preserve confidential and potentially price-sensitive information, and maintain compliance with applicable laws and the rules of the ASX, we vet each application and reserve the right to reject (or terminate) any application at any time. An investor seeking to become a Selected Shareholder should seek their own advice before applying to ensure they are familiar with all relevant legal and compliance obligations. Appendix B sets out further information on the role of Selected Shareholders.

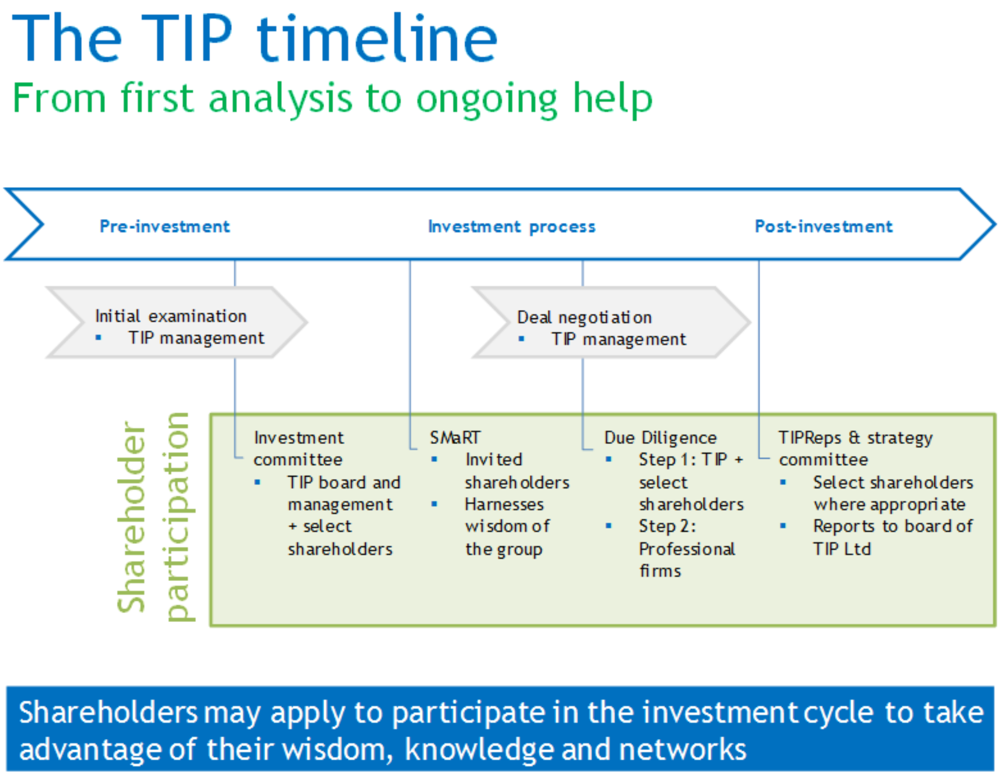
3.5 Investment Process

John West famously used the advertising slogan "it's the fish we reject that make us the best" and the Company seeks to emulate this principle by rejecting the vast majority of potential opportunities.

To facilitate its investment strategy, the Company has a five-stage investment process:

1. Initial analysis by the Company's management
2. Further analysis by the Investment Committee
3. The SMaRT meeting
4. Due diligence
5. Ongoing oversight post investment

Each of these stages is explained in detail below.



3.5.1 Initial analysis by the Company's management

Potential investments must meet the following qualification criteria:

- have a minimum four years of operating history;
- be profitable;
- have revenue greater than $2.5m per annum;
- show strong return on equity; and
- be willing to be mentored by Teaminvest Private.

The initial analysis of potential investments is conducted in-house by the Company's management. Initial analysis includes:

- investigating the financial performance of the potential investment;
- studying the business model of the potential investment and considering growth prospects; and
- interviewing senior management and shareholders.

Each year, the Company's management examines numerous potential investment opportunities. Only the most promising of these opportunities proceed to the Investment Committee stage.

3.5.2 Further analysis by the Investment Committee

The Investment Committee is a body constituted by the Board to examine potential investments. The Investment Committee comprises up to ten participants whose members are selected by the Board. The committee is expected to include:

- seven Selected Shareholders;
- one member of the Board; and
- the Chief Executive Officer and the Chief Financial Officer of the Company.

The Board delegates the following duties to the Investment Committee:

- examining and assessing the financial performance of a potential investment;
- investigating whether management appears to be a suitable partner for investment by the Group, including:
  - a review of the moats of the potential investment;
  - a review of key risks of the potential investment;
  - a review of key management personnel of the potential investment;
  - assessing the receptiveness of the potential investment to the Company's investment philosophy; and
  - an assessment of whether investment in the potential investment would meet the Company's investment goals;
- identifying industry or company specific headwinds or risks and whether these are acceptable given the potential returns offered by the potential investment; and
- assessing whether an investment by the Group is feasible.

Over the period 2012 to 2018, the Investment Committee examined 122 opportunities and passed 48 to a SMaRT meeting.

3.5.3 The SMaRT meeting

The SMaRT meeting is a full day opportunity for Selected Shareholders to discuss the potential investment and meet management. The day runs for approximately 6 hours and includes two question and answer sessions with management along with detailed round-table discussions among Selected Shareholders. In particular, the SMaRT meeting focuses on:

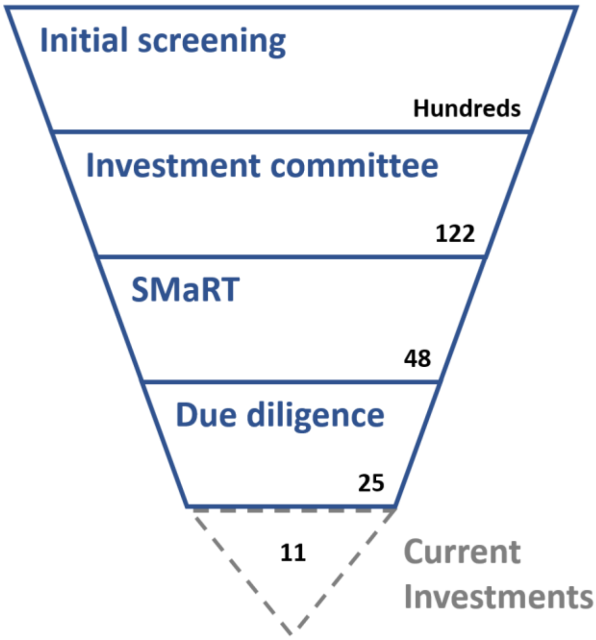
- understanding the strategy of the potential investment;
- identifying and scoring the moats of the potential investment;
- identifying and scoring the risks relevant to the potential investment; and
- assessing if the potential investment's management is a suitable partner for investment by the Group.

In addition, the SMaRT meeting also examines where and how it would be possible for the Group to add value to the business should we proceed with an investment.

Since 2012, 48 businesses have been examined in SMaRT meetings and 25 have progressed to the next stage – due diligence.

The SMaRT meeting adds a further level of rigour to the deliberations of the Company's management and the Investment Committee by incorporating the views of Selected Shareholders with significant business experience.

3.5.4 Due diligence



The due diligence process involves a two stage approach managed by the Investment Committee.

The first stage involves **commercial due diligence** undertaken by the Investment Committee and any Selected Shareholders they believe are appropriate on a case by case basis. The commercial due diligence committee is delegated the responsibility of verifying the existence of the moats identified in the SMaRT meeting, that the risks identified are no worse than identified in the SMaRT meeting, that no significant risks have been overlooked and that management of the potential investment are capable of adequately participating in an intensive due diligence process.

These factors are critical for the success of any investment:

- without moats a business cannot preserve its competitive advantage;
- misunderstood or significant risks have the potential to damage the performance of an investment; and
- if the potential investment's management are incapable of constructively completing the due diligence process, they are unlikely to be suitable partners for investment by the Company.

If commercial due diligence is successfully concluded, a potential investment will proceed to the second stage, **traditional due diligence**. Traditional due diligence involves detailed legal, accounting and (where applicable) tax due diligence. The second stage is conducted by external legal, accounting and tax advisers reporting to the Investment Committee. The Company believes it is important to conduct a detailed review of all legal, accounting and (where applicable) tax matters prior to committing to make an investment in a business. Traditional due diligence is conducted after commercial due diligence because the Company must first determine that commercial benefits and value exist in the potential investment before incurring the expense of engaging external advisers.

Of the 25 due diligence processes conducted since 2012, 13 have progressed to the final investment stage and 12 current investments are in place. Of these 12 investments, 11 are in Australia, 1 is in South Africa, and 8 are Portfolio Companies. The four businesses that are not

Portfolio Companies form part of the Corporate and Managed Investments division. Of the 13 companies that proceeded to final investment, only one is no longer associated with the Company, TIP or the Group. That investment is not a Portfolio Company or Managed Investment.

3.5.5 Ongoing management

Successfully managing the Group's investment in a Portfolio Company is as important as making the decision to invest.

The ongoing management of our investments is handled:

- on a day to day basis, in respect of business operations, by the management team of the Portfolio Company;
- at an individual Portfolio Company level, in respect of capital oversight and strategic planning level, by the board of the Portfolio Company; and
- at a strategic Group level, by the Strategy Committee in conjunction with the Company's Board and management.

The Group usually invests in companies where the existing management intends to remain in place and the daily operations will not change substantially post investment. This ensures that the already successful business practices are continued.

It is at the Portfolio Company's board and strategic level that the Group seeks to add value. All Portfolio Companies have a board that includes both representatives of the founder/management, and directors nominated by the Company who are Selected Shareholders (**TIPReps**). It is noted that the board composition of each Portfolio Company may differ due to specific company factors.

TIPReps are selected by the Board of the Company and are sourced from Selected Shareholders. TIPReps are responsible for acting as directors of a Portfolio Company, providing mentorship to Portfolio Company management and representing the interests of the Group. TIPReps are paid an honorarium and are encouraged to step down from their board role with a Portfolio Company once the value they can add has been achieved. In this way, each Portfolio Company can access a wide range of skill sets from the Company's Selected Shareholders.

The Strategy Committee is the final formal management structure outside of the Company's management and Board. The Strategy Committee reports directly to the Board of the Company and comprises seven members:

- one member of the Board (who will act as chair);
- the Chief Executive Officer and the Chief Financial Officer of the Company; and
- four Selected Shareholders.

The scope of the Strategy Committee's mandate is to:

- monitor the performance of board members appointed to Portfolio Companies;
- recommend the appointment or removal of board members of Portfolio Companies;
- develop (in conjunction with executives) divisional strategy goals; and

- work with the Board and Company management to achieve growth.

The Strategy Committee has been delegated the following powers by the Board:

- to create and adopt divisional strategy for the Group;
- to direct Portfolio Company boards and CEOs in respect of divisional strategy; and
- to recommend to the Board the appointment or removal of any Portfolio Company board member or CEO.

3.6 Generation of Income

The Group generates income in three ways:

1. from its direct private equity investments in Portfolio Companies;
2. from performance fees earned on Managed Investments; and
3. from intellectual property licensing fees paid by its affiliate in South Africa.

3.6.1 Business model

The Company is primarily a private equity firm and investment in Australian privately-owned businesses is the Company's core business. Investors in the Company gain an indirect exposure to the Portfolio Companies that the Company has invested in.

Investors should note that the Portfolio Companies owned by the Company will change over time. A core component of the Company's business model is to opportunistically acquire and divest interests in private businesses.

In contrast to revenue earned by Portfolio Companies, revenue earned from performance fees for Managed Investments and intellectual property license fees is variable and irregular. Investors should not expect the Company to earn regular income from these two sources. This is because the Company receives performance fees when Managed Investments pay dividends or undertake a profitable exit. Accordingly, the payment of performance fees represents irregular contributions to profit, rather than a steady income stream. These same conditions apply to intellectual property licensing fees which are based on a proportion of performance fees earned by affiliated entities.

No revenue from performance fees or intellectual property fees are included in the Company's historical financials.

3.6.2 Direct investments prior to Restructure

Historically, TIP managed investments in 12 private businesses through a third-party trustee structure. TIP managed interests in each private business were held through a trust in respect of which a third-party acted as trustee and TIP as manager. In addition, TIP also helped private businesses (who already had a trust as a shareholder) issue direct equity investments, debt and hybrid structures.

The interests in each trust (and associated structures) were held by wholesale investors. TIP earned income in two ways:

- TIP had the potential to earn a performance fee on the payment of dividends by, or the profitable exit of, the investment held by each group of investors; and

- TIP charged a fixed annual fee to potential investors who had expressed an interest in making investments via the TIP structure.

The remainder of each private business that was not managed by TIP were directly owned by the Founders and management of the private business.

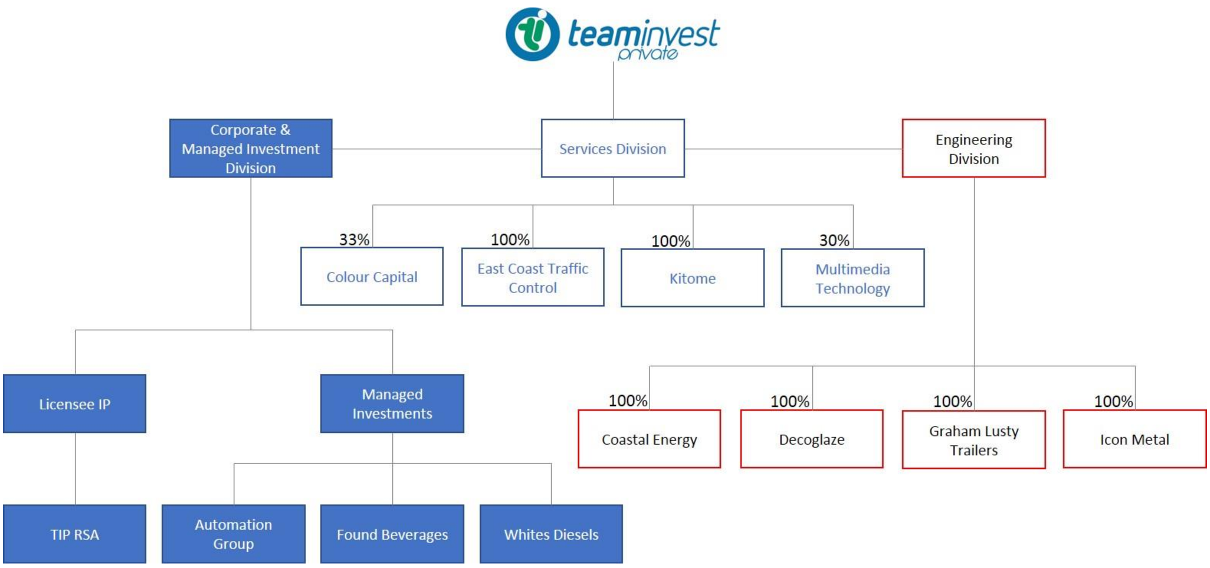
The Company, certain TIP managed trusts, TIP and the Founders of the Portfolio Companies are currently undertaking the Restructure which will be completed prior to Listing. Under the Restructure:

- Investors in select TIP managed businesses and the Founders exchanged their interests (direct and indirect) in Portfolio Companies for Shares; and
- TIP will be acquired by the Group for Shares.

3.6.3 Direct investments on Listing

On Listing, the Group will own:

- 100% of TIP (including entitlements to performance fees on Managed Investments and intellectual property fees);
- 100% of six Portfolio Companies; and substantial minority interests in two Portfolio Companies.



3.6.4 Financial reporting

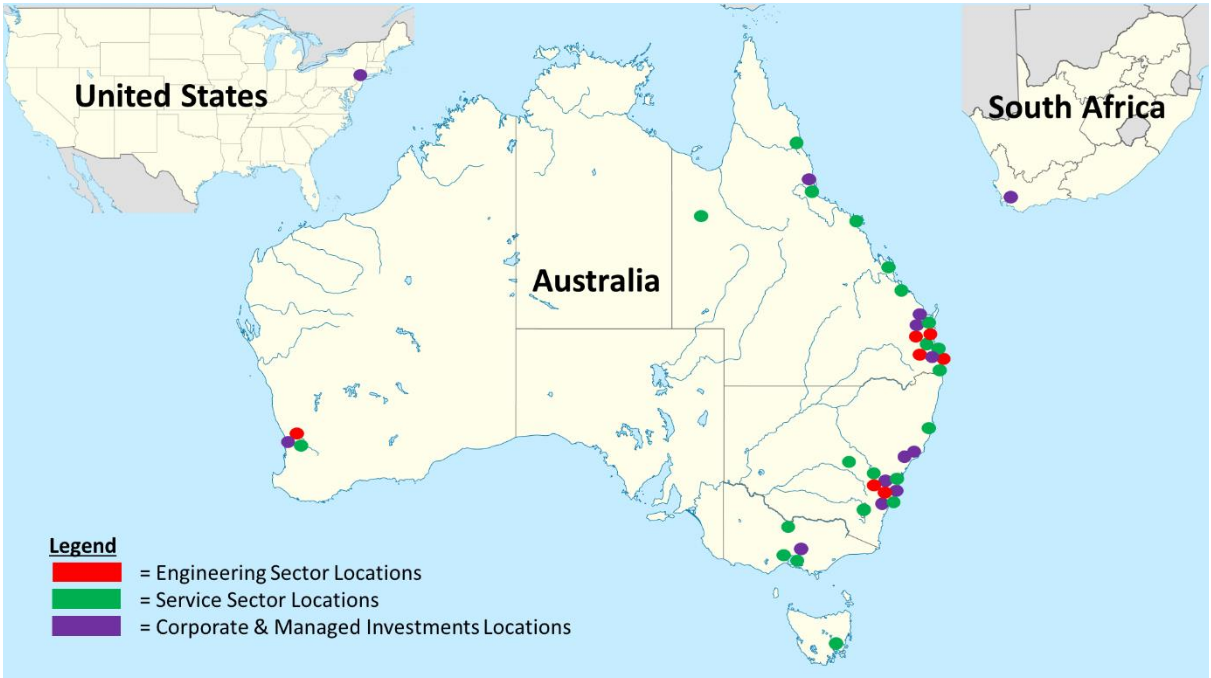
The pro-forma aggregate financials included in this Prospectus only includes revenue from investments in Portfolio Companies. The aggregated financials have been prepared on a pro-forma historical basis. As described further in Section 4, the Company did not own interests in the Portfolio Companies until the Restructure. The Restructure is currently being undertaken and will be completed prior to Listing.

When reading our financial results, it is important to remember that the Company is, first and foremost, a private equity firm that acquires, grows and exits investments in SMEs. Although we have sought to provide investors with a description of the Group's divisions and a brief description of each Portfolio Company (see Sections 3.7.2 to 3.7.9), we have not sought to provide detailed descriptions of the operations or performance of our Portfolio Companies. This is because we anticipate that our underlying investments will change from time to time and, as such, it may be misleading to provide prominence to the operations of individual Portfolio Companies. The Group is not a conglomerate, nor an operating business in a specific manufacturing or services industry. The businesses and assets owned by the Group will change over time and no single Portfolio Company represents the business of the Group.

3.7 Company divisions

The Company divides its operations into three divisions, with operating locations in three countries.

The map below sets out the geographic operating locations of each division, and the accompanying table sets out the overall revenue earned by operations in each division, along with the revenue attributable to the Company from those operations. The difference between these two figures is due to the ownership of the underlying entities (in the case of the Engineering and Services divisions), or the performance fee arrangements in the Corporate & Managed Services division.



Division	Revenue of underlying operations (FY18)	Revenue attributable to Company (FY18)
Corporate & Managed Investments	$35.1m *	Nil
Engineering	$61.6m	$61.6m
Services	$161.5m	$64.1m

**Note:* *Includes TIP RSA investments based on calendar year to December 2018 to match reporting period.*

Revenue of underlying operations refers to the revenue earned by the businesses in which the Company (or its affiliate in South Africa) owns an interest. In the Board's opinion, this is the best measure for seeing the scale of the companies in which the Company directly or indirectly has an interest.

Revenue attributable to the Company is the proportion of that total revenue which is attributable to the Company based on its underlying ownership of each Portfolio Company or Affiliate. This is the best measure for understanding what share of total revenue the Company controls.

3.7.1 Corporate & Managed Investments

The Corporate & Managed Investments division includes:

- the management and licensing of the Company's intellectual property; and
- managing Managed Investments (being private equity investments not directly owned by the Company). The Company receives performance fees when Managed Investments pay dividends or undertake a profitable exit.

As noted above, revenue earned from performance fees for Managed Investments and intellectual property license fees is variable and irregular. Investors should not expect the Group to earn regular income from these two sources. No revenue from this division appears in the aggregate financials included in this prospectus. However, we do expect to receive revenue in future periods as performance fees are paid on future earnings.

Licensing of Intellectual Property

The Company licenses its name, intellectual property and operating model to an affiliate in South Africa called 'Teaminvest Private (SA)' (**TIP RSA**). In return for licensing our intellectual property, the Company is entitled to a portion of the performance fees earned by TIP RSA upon reaching certain hurdles. The Company does not own any interest in TIP RSA.

To date, TIP RSA has made one private equity investment. We are delighted at the progress of TIP RSA, but as the venture is in its early stages no performance fees have yet been earned by the Company from TIP RSA.

It is the Company's intention to license our operating model to affiliates around the world who have a similar philosophy. This costs us very little in direct costs or management time and broadens the ability for our Portfolio Companies to access global markets and expertise. It also helps to develop a network of similar minded investment firms which can collaborate on future acquisitions and may provide a pipeline for further investments. In time, licensing our operating model may also become a substantial source of revenue, although at this stage it is immaterial to our financial results.

Managed Investments

The Company currently manages investments in three other private equity investments in which the Company does not have a direct interest in (being Whites Diesels, Automation Group and Found Beverages) (**Managed Investments**).

The Company provides the Managed Investments with services including assistance with capital raisings, investor management, providing TIPReps or advice, and providing financial expertise.

The Company is entitled to earn performance fees when Managed Investments pay dividends or undertake a profitable exit as follows:

1. 20% of any dividends paid by the Managed Investment; and
2. 20% of the sale value of the Managed Investment in excess of the initial capital invested by TIP's members.

Anticipated revenue from Corporate & Managed Investments

Revenue earned from performance fees for Managed Investments and intellectual property license fees is variable and irregular. Investors should not expect the Group to earn regular income from these two sources.

Revenue from these two sources have not been included in the pro-forma historical aggregate financials in this Prospectus.

Managed Investments tend to be of a smaller scale, and in either a start-up or turn-around lifecycle. Start-ups and turn-arounds provide great potential upside in the form of performance fees and future investment opportunity, but they come with risks to capital that the Company usually prefers to avoid on a direct ownership basis.

We do not believe that ad-hoc revenue from performance fees will be a substantial driver of our long-term results, but the ability to manage investments provides a valuable flexibility in potential deal structures when examining new opportunities and engaging with other participants in the market.

The table below sets out the current list of managed investments. It is the Company's intention to continue to manage certain select investments as a means of developing further revenue streams and providing a pipeline of potential new investment opportunities.

Managed Investment	Description
Found Beverages	The TIP Found Trust and affiliates owns approximately 28% of Found Beverages, the owner of the "Found" brand of infused sparkling water products. The Company is entitled to earn performance fees (if the necessary threshold has been met) on this Managed Investment.
Whites Diesels Australia	The TIP WDA Trust, TIP WDA 2 Trust, and affiliates own approximately 88%[1] of Whites Diesels Australia, a truck and bus spare parts distributor. The Company is entitled to earn performance fees (if the necessary threshold has been met) on this Managed Investment.
Automation Group	The TIP AG Trust owns approximately 80% of Automation Group, an importer and distributor of automation and telemetry products with industrial applications. The Company is entitled to earn performance fees (if the necessary threshold has been met) on this Managed Investment.

[1] Upon the completion of the current capital raising undertaken by that company.

3.7.2 Engineering Division overview

The engineering division includes four wholly owned subsidiaries of the Group.

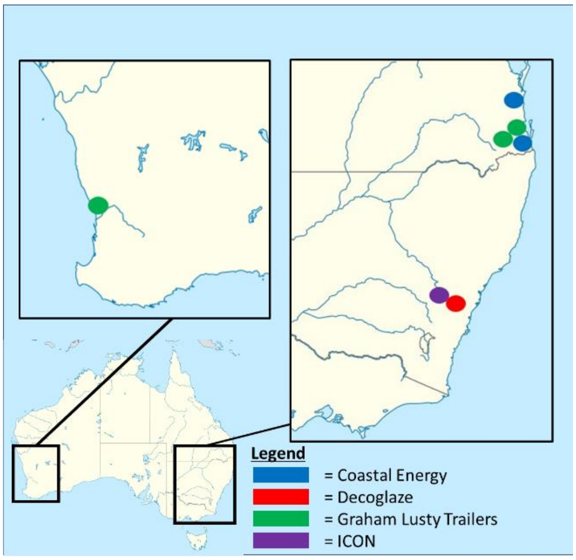
In aggregate the engineering division delivered $61.5m in revenue in FY18, up from $57.7m in FY17.

Engineering operations are predominantly located in New South Wales and Queensland, with further geographical expansion targeted for the future.

Key metrics

($m)	FY17	FY18
Revenue	$57.7m	$61.6m
EBITDA	($0.7)m	$4.6m
Net Assets	$11.7m	$14.6m

Locations



3.7.3 Engineering Division portfolio companies

3.7.4 Coastal Energy

Key metrics

($m)	FY17	FY18
Revenue	$17.5m	$16.9m
EBITDA	($0.2)m	$0.7m
Net Assets	$1.2m	$1.5m

Coastal Energy designs and installs underground and overhead electrical network extensions and upgrades for major government and corporate clients (including property developers) in South East Queensland.

Key competitive advantages

The key competitive advantages (or ‘moats’) of Coastal Energy are:

- A management team with significant experience in electrical network construction;
- Deep relationships with key customers who provide repeat business;

- A reputation amongst its customers and in the industry for high quality work; and
- An 'A' rating with major electricity retailers (being the highest quality rating possible). Electricity retailers provide electrical construction companies with quality ratings. Retailers use this rating to determine work allocation, pricing, and the quality assurance processes needed before commissioning work.

Key risks

The key risks for the business and operations of Coastal Energy are:

- The loss of a key customer may have a material adverse impact on Coastal Energy's financial performance;
- A serious accident on a project being managed or constructed by Coastal Energy could result in liability or a material adverse impact on Coastal Energy's financial performance or reputation;
- Loss of Coastal Energy's 'A' rating with electricity retailers could result in lost work, reduced margins, or increased time to construct, all of which could have a negative impact on financial performance; and
- In accordance with usual industry practice, Coastal Energy undertakes major construction works and incurs costs relating to labour and consumables prior to receiving payment. As a result, failure to pay or late payment from a major customer may have a material adverse impact on Coastal Energy's financial performance.

3.7.5 DecoGlaze

DecoGlaze
www.decoglaze.com
Glass Splashbacks

Key metrics

($m)	FY17	FY18
Revenue	$6.1m	$6.7m
EBITDA	$0.3m	$0.9m
Net Assets	$1.9m	$2.3m

DecoGlaze is a premier manufacturer and installer of glass splashbacks, glass bathroom walls and toughened mirrors. DecoGlaze supplies and installs its products to customers throughout New South Wales and Victoria.

Key competitive advantages

The key competitive advantages (or 'moats') of DecoGlaze are:

- A reputation among its customers and in the industry for high quality work;
- Highly automated, market leading processes and controls to ensure quality and low lead times;
- Industry leading water-based glass paints; and
- Industry leading digital printing direct to glass.

Key risks

The key risks for the business and operations of DecoGlaze are:

- The use of glass in homes and offices is subject to the risk that fashion and consumer tastes change. Accordingly, order volumes may decline if other materials are purchased in preference to the products sold by DecoGlaze; and
- DecoGlaze sells products that are used in new construction and renovation. Accordingly, DecoGlaze's financial performance varies in line with new construction and renovation volumes. A sustained downturn in construction may affect DecoGlaze's revenues and profitability.

3.7.6 Graham Lusty Trailers

Key metrics

($m)	FY17	FY18
Revenue	$25.0m	$29.3m
EBITDA	$0.7m	$1.5m
Net Assets	$5.2m	$6.3m

Graham Lusty Trailers (GLT) designs and manufactures aluminium semi-trailers including tippers, fracking tankers, Performance Based Standards (PBS) body and dogs, bottom dumps, belly tankers, flat tops, dollies, racing car transporters and horizontal discharge trailers. GLT trailers are recognised as the bench mark for aluminium built trailers in both longevity and resale value.

In addition to aluminium semi-trailers, GLT operates its own brand of imported low-loaders. This division is relatively new but is expected to contribute to future growth.

Key competitive advantages

The key competitive advantages (or 'moats') of Graham Lusty Trailers are:

- The ability to manufacture custom and bespoke high-end solutions;
- A reputation in the industry as a quality brand name that manufactures high quality products;
- Experienced management with a leading industry reputation; and
- GLT spends a significant portion of annual revenue on research and development of new components and designs to meet potential client needs. Once a product has been designed, GLT can incorporate it into future products, giving GLT a competitive advantage in the marketplace. Examples of intellectual property owned and developed by GLT include patents, drawings, know-how and PBS certifications.

Key risks

The key risks for the business and operations of Graham Lusty Trailers are:

- The risk of reputational damage due to faulty work or a catastrophic accident may have a material adverse impact on GLT's financial performance;
- GLT is reliant on skilled staff to design and manufacture its products. A shortage of skilled staff could constrain growth and may result in a material adverse impact on GLT's financial performance;

- GLT currently operates from facilities with limited production capacity. Due to the growth of the business there are currently large lead times for GLT designed and manufactured products. As a result, customers may choose to acquire products from GLT's competitors if they are able to supply their products more quickly. Such lost orders affect GLT's revenues and profitability;
- GLT provides a warranty for the products it designs and manufactures. Unexpectedly high volumes of warranty claims may adversely impact GLT's costs and may have a material adverse impact on GLT's financial performance; and
- GLT sells products primarily to the bulk-haulage and logistics sector. A related sector downturn (in particular, bulk-haulage related to mining or agriculture) may result in lower order volumes and, accordingly, have a material adverse impact on GLT's financial performance.

3.7.7 Icon Metal

Key metrics

($m)	FY17	FY18
Revenue	$9.1m	$8.6m
EBITDA	($1.3)m	$1.5m
Net Assets	$3.5m	$4.5m

Icon Metal designs, engineers, fabricates and installs architectural metalwork, miscellaneous metalwork, balustrades and structural metal features and glass for Tier 1 clients in New South Wales. Icon Metal has been involved in a number of recent high-profile projects including, most recently, the Northwest Rail Project.

Key competitive advantages

The key competitive advantages (or 'moats') of Icon Metal are:

- Relationships with major national construction customers resulting in repeat business;
- Operational systems and processes that enable Icon Metal to undertake bespoke engineering work that competitors cannot, or do not want to, do;
- An experienced management team with significant experience in the bespoke engineering and architectural metalwork industry;
- A reputation in the industry and a track record of delivering high-quality and high-value projects; and
- Icon Metal prides itself on being able to design, execute and problem solve bespoke work on behalf of major clients. This places Icon Metal as a preferred contractor on high-margin, high-difficulty architectural metalwork.

Key risks

The key risks for the business and operations of Icon Metal are:

- Icon Metal's performance is influenced by the performance of the construction industry. Accordingly, a sustained downturn in construction may materially adversely affect Icon Metal's revenues and profitability;
- Icon Metal's performance is influenced by infrastructure spending and new projects by the NSW State Government. Accordingly, a reduction in state spending, cancelled projects or a lack of new projects may affect Icon Metal's revenues and profitability;
- Icon Metal may suffer financial and reputational damage if it fails to deliver projects on time and on budget. Any adverse impacts to Icon Metal's reputation may have a material adverse impact on Icon Metal's financial performance;
- In accordance with usual industry practice, Icon Metal typically undertakes major construction works and incurs costs relating to labour and consumables prior to receiving payment. As a result, failure to pay or late payment from, or insolvency of, a major customer may have a material adverse impact on Icon Metal's financial performance;
- Icon Metal is currently undertaking an expansion of the geographic territories in which it operates, and the products that it engineers for clients. Icon Metal may not be able to replicate its success in those new territories. In addition, any mismanagement of expansion may have a material adverse impact on Icon Metal's financial performance; and
- Icon Metal is often required to provide fixed quotes for its major project work. If a major project is mispriced, it is likely to have a material adverse impact on Icon Metal's financial performance.

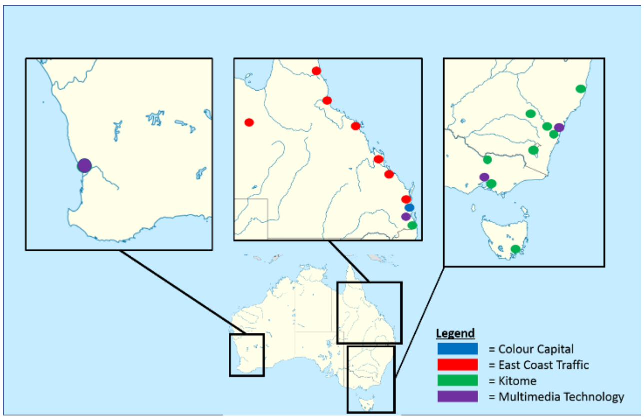
3.7.8 Services Division overview

The Services division includes four subsidiaries. Two (Kitome and East Coast Traffic Control) will become wholly owned by the Company as part of the Restructure, while the other two (Colour Capital and Multimedia Technology) are partly owned and equity accounted. In aggregate the Services division delivered $57.3m in revenue in FY18, down from $59.1m in FY17. However improved operational efficiency across the division saw EBITDA rise over the year. Physical operations are located on the eastern seaboard of Australia, although several companies in the division provide services nationwide.

Key metrics

($m)	FY17	FY18
Revenue	$59.6m	$64.1m
EBITDA	$1.5m	$3.8m
Net Assets	$5.1m	$7.8m

Locations



3.7.9 Services Division Portfolio Companies

3.7.10 Colour Capital

Key metrics

($m)	FY17	FY18
Revenue	$9.4m	$10.3m
EBITDA	$2.4m	$2.9m
Net Assets	$1.8m	$2.9m

Colour Capital is a franchise management business. With headquarters in Queensland, Colour Capital operates as franchisor of the Raw Energy Café brand, and master franchisor of leading homebuilder GJ Gardner Homes (NSW & ACT) and GJ Gardner Homes (Western Australia). Colour Capital's main source of income are franchise fees paid by franchisees.

The Company owns 33.33% of Colour Capital.

Key competitive advantages

The key competitive advantages (or 'moats') of Colour Capital are:

- Experienced management team with significant franchising experience;
- GJ Gardner provides industry leading construction and business management software that provides a framework for franchise recruitment and success;
- GJ Gardner's unique processes enable building franchises to construct homes faster and to a better quality than they could do on their own;
- Colour Capital has the exclusive Master Franchise arrangements in NSW, ACT and Western Australia for GJ Gardner. This provides Colour Capital with a geographic monopoly for this brand;
- GJ Gardner has a large base of profitable franchisees in NSW and Western Australia; and
- Relative to other homebuilding franchises, GJ Gardner offers a low capital costs for franchisees.

Key risks

The key risks for the business and operations of Colour Capital are:

- Colour Capital's revenues are largely dependent on its contractual rights to exclusively operate the GJ Gardner Master Franchise in NSW, ACT and Western Australia. This contract may be terminated for material breach or not renewed at the end of the term. Termination or non-renewal would have a materially adverse effect on Colour Capital's financial performance;
- GJ Gardner's performance is exposed to the residential construction industry in NSW, ACT and Western Australia. A sustained downturn in construction may materially adversely affect Colour Capital's revenues and profitability;
- As a franchising management business, Colour Capital may be materially adversely affected by changes to franchising regulations;

- Colour Capital operates multiple franchise brands and, in the future, may acquire additional brands. Mismanagement of current brands or mismanaged expansion into new brands may materially adversely affect Colour Capital's revenues and profitability; and
- Growing franchisee numbers is dependent on maintaining the reputation of individual brands managed by Colour Capital. Any material damage to an individual brand may materially adversely affect Colour Capital's revenues and profitability.

3.7.11 East Coast Traffic Control

Key metrics

($m)	FY17	FY18
Revenue	$7.9m	$8.1m
EBITDA	($0.2)m	$0.6m
Net Assets	$1.8m	$3.8m

East Coast Traffic Control (ECT) provides traffic management services to government, local council and corporate clients in Queensland. ECT is a wholly owned subsidiary of the Company.

Key competitive advantages

The key competitive advantages (or 'moats') of ECT are:

- One of the largest providers of traffic management services in the North Queensland traffic control market;
- Reputation among the industry, councils and constructors for on-site and on-time performance;
- Early adoption of new technological advances in traffic control which gives ECT a competitive advantage over its competitors who have been slower to adopt such technologies; and
- The requirement to meet quality assurance standards and state licensing requirements provide a barrier to entry and competition.

Key risks

The key risks for the business and operations of ECT are:

- ECT may suffer reputational damage due to failed performance or a serious accident. Such an incident may materially adversely affect ECT's revenues and profitability;
- The traffic management industry is exposed to technological change. There is a risk that ECT does not adopt appropriate technological advances or that it is late in adopting critical technology. This may materially adversely affect ECT's revenues and profitability; and
- The traffic management industry is exposed to government regulation. Compliance with such regulation or material changes to regulation may increase costs which may materially adversely affect ECT's revenues and profitability.

3.7.12 Kitome

Key metrics

($m)	FY17	FY18
Revenue	$11.1m	$13.8m
EBITDA	$0.0m	$0.9m
Net Assets	($0.6)m	$0.0m

Kitome is a provider of logistics support to owner builders and rural and regional building firms across Australia. Although Kitome does not build homes itself, Kitome designs, quotes and supplies all of the materials required to build a customised home. Kitome is a wholly owned subsidiary of the Company.

Kitome is focused on operating in regional areas and, as a result, faces less competition from larger home-building companies that operate in major metropolitan areas. Although this provides opportunities, there are also risks including the resilience of regional economies and the impact the severe weather conditions (such as droughts). To counter this risk, Kitome has a broad geographic footprint.

Key competitive advantages

The key competitive advantages (or 'moats') of Kitome are:

- Experts in helping owners and rural builders manage their home build from plans, through approval and to ultimate construction;
- Flexibility in product and style offerings as Kitome does not design or manufacture building material products;
- Reputation for quality service and on time delivery;
- Proprietary quoting system that enables full design flexibility, with the ability to change existing designs, or even start from scratch;
- Ability to source products better than smaller competitors e.g. regional builders;
- An experienced management team with extensive experience in building design, materials procurement and construction logistics;
- A unique model that has been successful in regional areas;
- A dual customer base comprising a network of rural builders and direct customers;
- Ability to refer builders and home owners to approved finance partners; and
- The lengthy sales cycle from sign up until delivery creates a barrier to entry for potential competitors.

Key risks

The key risks for the business and operations of Kitome are:

- A downturn in rural industries may result in lower home developments which may materially adversely affect Kitome's revenues and profitability;

- Lower development in rural areas because of urbanisation may reduce home developments which may materially adversely affect Kitome's revenues and profitability;
- Kitome is a logistics support provider and any systemic logistics failure may result in late delivery and/or damage to its reputation. Sustained late deliveries or reputational damage may materially adversely affect Kitome's revenues and profitability;
- Poor performance of the sales team and sales agents may materially adversely affect Kitome's revenues and profitability;
- A dramatic rise in interest rates may impact customer's ability to finance dwellings. This may materially adversely affect Kitome's revenues and profitability;
- Although Kitome is only the supplier of products, systemic faulty products or poor quality construction may damage Kitome's reputation by way of association. This may materially adversely affect Kitome's revenues and profitability;
- Kitome's performance is tied to the fortunes of the residential construction industry in rural Australia. A sustained downturn in the rural property market may materially adversely affect Kitome's revenues and profitability;
- Kitome is exposed to the risk of misquoting. Systemic issues regarding quotation may materially adversely affect Kitome's revenues and profitability;
- As a supplier of building materials and logistics, Kitome is not exposed to the regulation imposed on builders who erect dwellings. If this were to change, Kitome may experience increased operating costs which may adversely affect profitability;
- A loss of key suppliers could increase costs or inhibit Kitome's ability to operate its business; and
- Kitome is able to offer customers preferential finance packages through certain rural lenders. A loss of these finance partners may adversely impact revenues or profitability.

3.7.13 Multimedia Technology

Multimedia Technology

Key metrics

($m)	FY17	FY18
Revenue	$125.1m	$129.4m
EBITDA	$3.1m	$4.4m
Net Assets	$11.0m	$10.0m

Multimedia Technology is an importer and distributor of information technology hardware to approximately 10,000 qualified resellers across Australia. Multimedia Technology specialises in providing technical expertise to resellers along with their distribution services. The Company owns 30% of Multimedia Technology.

Key competitive advantages

The key competitive advantages (or 'moats') of Multimedia Technology are:

- Strong internal systems focussed on inventory management and supply;

- Multimedia Technology has strong relationships with hardware suppliers including exclusive supply arrangements with seven brands;
- Multimedia Technology distributes its own branded technology – Shintaro;
- Multimedia Technology has built strong and lasting relationships with Australian resellers; and
- Multimedia Technology has a reputation in the industry for high quality service, support and technical knowledge.

Key risks

The key risks for the business and operations of Multimedia Technology are:

- Information technology hardware changes rapidly and there is a risk that Multimedia Technology fails to adapt to industry changes. Such failure could result in outcomes materially adverse to Multimedia Technology's business and prospects;
- Multimedia Technology is exposed to competition risk from global retailers who have already entered, or may enter, the Australian reseller market. Competitors may sell brands that are more popular with consumers or be able to offer cheaper prices which may affect Multimedia Technology's margins;
- Information technology hardware can become outmoded by new and upgraded products. Accordingly, Multimedia Technology is exposed to inventory management risk – where hardware it purchases becomes obsolete. Over investment in obsolete stock may materially adversely affect Multimedia Technology's margins;
- Multimedia Technology is reliant on its stock control system to appropriately manage inventory. Interruptions to or a failure of this system may result in large amounts of obsolete stock. Such failure could result in outcomes materially adverse to Multimedia Technology's business and prospects; and
- The loss of a key supplier could have a meaningful effect on revenue and profit.

4. FINANCIAL INFORMATION

4.1 Introduction

Teaminvest Private Group Limited was incorporated in New South Wales, Australia on 26 September 2018 as a public company limited by shares for the primary purpose of acquiring Teaminvest Private Pty Ltd and interests in eight Portfolio Companies.

The Restructure is currently being undertaken and will be completed prior to Listing. Under the Restructure, Teaminvest Private Pty Ltd and the Portfolio Companies have or will become controlled subsidiaries of the Company as a result of the following transactions:

- TIP investors and Founders exchanged their interests (direct and indirect) in Portfolio Companies for Shares; and
- The founders of TIP (being Teaminvest and Andrew Coleman) exchanging their direct interests in TIP for Shares.

At the time of Listing, the following Portfolio Companies are owned in full or in part by the Company:

- Coastal Energy Pty Ltd
- Colour Capital Pty Ltd
- DecoGlaze Holdings Pty Ltd
- East Coast Traffic Controllers Pty Ltd
- Icon Metal Pty Ltd
- Kitome Pty Ltd
- Lusty TIP Trailers Pty Ltd
- Multimedia Technology Pty Ltd
- Teaminvest Private Pty Ltd

The Group comprises the Company, TIP, each Portfolio Company and their respective subsidiaries.

The Financial Information for the Group set out in this section comprises:

- The **Statutory Historical Aggregate Financial Information**, being the Group's:
  - Statutory historical aggregate statements of comprehensive income for the financial years ended 30 June 2017 (FY2017) and 30 June 2018 (FY2018);
  - Statutory historical aggregate statements of financial position for FY2017 and FY2018; and
  - Statutory historical aggregate statement of cash flows for FY2018.
- The **Pro Forma Historical Financial Information**, being the Group's:
  - Pro forma historical aggregate statements of comprehensive income for FY2017 and FY2018; and
  - Pro forma historical aggregate statements of financial position as at 30 June 2018;

The Statutory Historical Aggregate Financial Information and the Pro Forma Historical Aggregate Financial Information are collectively referred to as the Financial Information.

Also summarised in this section are the basis of preparation and presentation of the Financial Information (Section 4.2) and a description of the Company's significant accounting policies.

The Financial Information has been reviewed and reported on by HLB Mann Judd Corporate (NSW) Pty Ltd whose Independent Limited Assurance Report is contained in Section 8. Investors should note the scope and limitations of that report.

The information in this section should also be read in conjunction with the risk factors set out in section 5 of the Prospectus and other information contained in this Prospectus.

Amounts disclosed in tables are presented in Australian dollars.

At the time of Listing, the Board believes that the Company will have sufficient working capital to carry out its stated objectives.

4.2 Basis of preparation and presentation of the Financial Information

4.2.1 Overview

The Financial Information set out in this section has been prepared and presented in accordance with the recognition and measurement principles of the Australian Accounting Standards (**AAS**), which are consistent with International Financial Reporting Standards (**IFRS**) and interpretations issued by the International Accounting Standards Board.

The Financial Information is presented in an abbreviated form insofar as it does not include all the disclosures, statements or comparative information as required by the Australian Accounting Standards applicable to annual financial reports prepared in accordance with the Corporations Act.

The Company's key accounting policies have been consistently applied throughout the periods presented and are set out in Section 4.6.

The Directors have considered ASIC Regulatory Guide 170 and the requirements for the disclosure of prospective information and note any prospective financial information would contain a broad range of potential outcomes and possibilities such that the Directors have concluded the Company should not include prospective financial information in this Prospectus.

4.2.2 Preparation of Historical Aggregate Financial Information

The Statutory Historical Aggregate Financial Information has been prepared for the purposes of inclusion in this Prospectus and has been extracted from the audited aggregated special purpose financial information (Aggregated Accounts) of the Group for the financial years ended 30 June 2017 and 30 June 2018. It is a summarised version of the Aggregated Accounts. The Aggregated Accounts have been audited by HLB Mann Judd Assurance (NSW) Pty Ltd and a qualified audit opinion was issued on the Aggregated Accounts in relation to the impact on the financial information of the unaudited opening balances for the year ended 30 June 2017.

The Pro Forma Historical Aggregate Financial Information has been prepared solely for the purposes of inclusion in this Prospectus. The Pro Forma Historical Aggregate Financial Information has been derived from the audited Aggregated Accounts of the Group as at 30 June 2018 and adjusted to illustrate the impact of the Offer, the Restructure and other relevant adjustments.

Refer to Section 4.4 for a reconciliation between the audited Statutory Historical Aggregate Statement of Financial Position of the Group and the Pro Forma Historical Aggregate Statement of Financial Position as at 30 June 2018.

4.2.3 Explanation of certain non-IFRS and other financial measures

The Company uses certain measures to manage and report on its business that are not recognised under AIFRS (**Non-IFRS Measures**). These measures are provided in addition to the AIFRS measures and not as a substitute. The Non-IFRS Measures do not have a prescribed meaning under AIFRS and may be calculated differently to the way that other companies calculate similarly titled measures. Readers should therefore not place undue reliance on the Non-IFRS financial information.

In the disclosures in this Prospectus, the Company uses the following non-IFRS Measures of performance to assist prospective investors in understanding the trends in financial performance and profitability.

- Gross profit is calculated as revenue less costs of sales (excluding depreciation);
- EBITDA is earnings before interest, tax, depreciation and amortisation expenses; and
- EBIT is earnings before interest and tax expenses.

4.3 Statutory Historical Statements

4.3.1 Statutory Historical Aggregated Statement of Comprehensive Income

The table below sets out the statutory historical aggregate statements of comprehensive income of the Company for FY2017 and FY2018.

Table 4.3.1 - Historical Statements of Comprehensive Income

	30-Jun-18 **$’000 AUD**	**30-Jun-17** **$’000 AUD**
Revenue	83,974	77,149
Cost of sales	47,039	48,396
Gross profit	**36,935**	**28,754**
Selling, general and administrative	29,839	29,324
Selling and marketing	463	409
EBITDA	**6,633**	**(979)**
Depreciation & Amortisation	952	847
EBIT	**5,681**	**(1,826)**
Net interest	249	241
Net Profit/(Loss) before tax	**5,432**	**(2,066)**
Income Tax Expense	1,104	(557)
Net Profit/(Loss) after tax	**4,328**	**(1,509)**
Profits from equity accounted investment	1,475	1,385
Total Comprehensive Income	**5,803**	**(124)**

Revenue, EBITDA and Total Comprehensive Income all increased across the Group in FY18 due to strong underlying growth in the Portfolio Companies.

4.3.2 Statutory Historical Aggregated Statement of Financial Position

The table below sets out the statutory historical aggregate statement of financial position of the Company as at 30 June 2017 and as at 30 June 2018.

Table 4.3.2 - Historical statement of financial position

	30-Jun-18 $AUD	30-Jun-17 $AUD
Current Assets		
Cash and cash equivalents	5,274	4,072
Accounts receivable	9,506	6,611
Prepayments	505	441
Inventories	5,049	4,413
Total Current Assets	**20,335**	**15,537**
Non Current Assets		
Property, plant and equipment	3,941	3,554
Intangible Assets	12,284	12,143
Other Non current assets	1,811	1,715
Investments	3,996	3,914
Total Non Current Assets	**22,032**	**21,326**
Total Assets	**42,366**	**36,863**
Current Liabilities		
Accounts payable	10,263	10,182
Accrued expenses	1,230	1,268
Provisions	3,036	3,465
Other payables	3,748	3,513
Total Current Liabilities	**18,277**	**18,428**
Non Current Liabilities		
Financial liabilities	1,349	1,236
Other long-term liabilities	869	365
Total Non Current Liabilities	**2,218**	**1,601**
Total Liabilities	**20,495**	**20,029**
Net Assets	**21,871**	**16,834**

Accounts receivable increased in line with the increase in revenue across the Group.

4.3.3 Statutory Historical Aggregate Statement of Cash Flows

The table below sets out the statutory historical aggregate statement of cash flows for the Company for FY2018.

Table 4.3.3 – Statutory historical aggregate statements of cash flows

	30-Jun-18 $'000 AUD
Cash flows from operating activities	
EBITDA	6,633
Depreciation and Amortisation	(952)
Movement in working capital	(3,825)
Net cash inflow/(outflow) from operating activities	**1,700**
Cashflows from investing activities	
Net property, plant and equipment	(387)
Payments for the purchase of other assets	(141)
Net cash inflow/(outflow) from investing activities	**(528)**
Cashflows from financing activities	
Proceeds from issue of debt instruments	348
Interest expense	(174)
Deferred financing costs	600
Dividend paid	(900)
Net cash inflow/(outflow) from financing activities	**30**
Net increase / (decrease) in cash and cash equivalents	**1,202**
Cash and cash equivalents at the beginning of the period	4,072
Cash and cash equivalents at the end of the period	**5,274**

4.4 Pro Forma Historical Financial Information

The Pro Forma Historical Financial Information is provided for illustrative purposes only and are not represented as being necessarily indicative of the Company's view of its future position. Investors should note that past results are not a guarantee of future performance.

4.4.1 Pro Forma Historical Statement of Comprehensive Income

The table below sets out the pro forma historical statements of comprehensive income for the years ended 30 June 2017 and 30 June 2018.

Table 4.4.1 – Pro forma historical statements of comprehensive income		
	30-Jun-18	**30-Jun-17**
	$'000 AUD	**$'000 AUD**
Revenue	83,487	76,703
Cost of sales	46,978	48,331
Gross profit	**36,510**	**28,372**
Selling, general and administrative	29,187	28,811
Selling and marketing	463	409
EBITDA	**6,860**	**(848)**
Depreciation & Amortisation	952	847
EBIT	**5,908**	**(1,695)**
Net interest	249	241
Net Profit/(Loss) before tax	**5,660**	**(1,935)**
Income Tax Expense	1,104	(557)
Net Profit/(Loss) after tax	**4,555**	**(1,378)**
Profits from equity accounted investment	1,475	1,385
Total Comprehensive Income	**6,030**	**7**

4.4.2 Reconciliation of Pro Forma and Statutory Comprehensive Income

To calculate the pro forma historical comprehensive income, the Net Profit of TIP has been excluded. This is because under the Company, the revenue and costs of TIP will not continue in their historical form.

The Board expects that revenue and costs will be attributable to the Company from the Corporate & Managed Investments division in FY2019 that were not earned or expensed in historical periods. However, as the Board cannot accurately predict the quantum or net effect, the Corporate & Managed Investments division has also been excluded from the Pro Forma total, and Pro Forma divisional accounts which follow.

Table 4.4.2 – Reconciliation of pro forma and statutory comprehensive income		
	30-Jun-18	**30-Jun-17**
	$'000 AUD	**$'000 AUD**
Statutory Total Comprehensive Income	5,803	(124)
Effect of removal of TIP	227	131
Pro Forma Total Comprehensive Income	**6,030**	**7**

4.4.3 Pro Forma Historical Aggregate Statement of Financial Position

The table below sets out the pro forma historical aggregate statements of financial position of the Company as at 30 June 2018.

Table 4.4.3 – Pro forma historical aggregate statement of financial position

		TIP	Minimum Subscription		Maximum Subscription	
	30-Jun-18 $'000 AUD	**30-Jun-18 $'000 AUD**	**Movement $'000 AUD**	**Pro Forma $'000 AUD**	**Movement $'000 AUD**	**Pro Forma $'000 AUD**
Cash and cash equivalents	5,274	(303)	1,631	6,602	3,431	8,402
Accounts receivable	9,506	(414)		9,092		9,092
Prepayments	505	(1)		504		504
Inventories	5,049			5,049		5,049
Total Current Assets	**20,335**	**(718)**	**1,631**	**21,248**	**3,431**	**23,048**
Property, plant and equipment	3,941	(3)		3,938		3,938
Intangible Assets	12,284			12,284		12,284
Other Non-current Assets	1,811			1,811		1,811
Investments	3,996	(14)		3,982		3,982
Total Non-Current Assets	**22,032**	**(17)**	-	**22,015**	-	**22,015**
Total Assets	**42,366**	**(735)**	**1,631**	**43,263**	**3,431**	**45,063**
Accounts payable	10,263	(969)		9,294		9,294
Accrued expenses	1,230			1,230		1,230
Provisions	3,036	(36)		3,000		3,000
Other payables	3,748	14		3,762		3,762
Total Current Liabilities	**18,277**	**(991)**	-	**17,286**	-	**17,286**
Financial liabilities	1,349			1,349		1,349
Other long-term liabilities	869			869		869
Total Non-Current Liabilities	**2,218**	**-**	**-**	**2,218**	**-**	**2,218**
Total Liabilities	**20,495**	**(991)**	**-**	**19,504**	**-**	**19,504**
Net Assets	**21,871**	**256**	**1,631**	**23,758**	**3,431**	**25,558**

4.5 **Notes to the Financial Information**

4.5.1 Notes to the Statutory Financial Statements

The key items included in the Statement of Financial Position of the Company as at 30 June 2018 are:

- Cash and cash equivalents; and
- Net Assets.

4.5.2 Notes to the Pro Forma Financial Statements

The Pro Forma Historical Aggregate Statements of Financial Position of the Company as at 30 June 2018 is derived from the Statutory Historical Aggregate Statements of Financial Position of the Company at 30 June 2018 and adjusted for:

- The net impact of the minimum and maximum proposed capital raising under the Offer by the Company. The minimum subscription is $500,000 (500,000 Shares at $1.00 each), and the maximum subscription is $2,300,000 (2,300,000 Shares at $1.00 each);
- The net impact of the wholesale round offering to Sophisticated Investors of $3,052,334 (3,815,417shares at $0.80 each); and
- The reversal of TIP's Financial Position at 30 June 2018. After Listing, TIP is expected to have no revenue or expenses (other than that which will form the Corporate & Managed Investments division and are inherently difficult to predict). As part of the terms of the Company's acquisition of TIP, the former owners have also agreed to remove all ongoing financial liabilities from the company.

4.5.3 Pro forma aggregated cash reconciliation

The tables below detail: the reconciliation of the pro forma aggregated cash balance of the Company at 30 June 2018, reflecting actual cash at bank and the impact of the pro forma adjustments; and the expenses of the Offer.

Table 4.5.3.1 – Pro forma historical aggregate cash reconciliation

$'000 AUD	**Minimum Subscription**	**Maximum Subscription**
Cash as at 30 June 2018	5,274	5,274
Effect of removal of TIP	(303)	(303)
Convertible Note to Acquire Founders Shares	3,167	3,167
Capital raising – pre-IPO	3,052	3,052
Expenses of pre – IPO raising	(152)	(152)
Cash Acquisition of Founder Shares during restructure	(4,167)	(4,167)
Capital raising - IPO	500	2,300
Expenses of offer	(769)	(769)
Pro forma cash balance	6,602	8,402

Table 4.5.3.2 – Expenses of Offer

$'000 AUD	Minimum Subscription	Maximum Subscription
As per current/recently received invoices/mandate letters		
ASIC fees - Prospectus lodgement fee	3	3
ASX fees - listing fee	156	156
ASX fees - annual listing fee (pro-rated)	15	15
ASX fees - in-principle application fee (deducted from listing fee)	(6)	(6)
Legal Fees	152	152
Accountants	187	187
Share registry	6	6
Trustee fees	254	254
Total expenses of Offer	769	769

4.6 Summary of Significant Accounting Policies

The significant accounting policies set out below are those applied by the Company over the period reviewed and will be applied by the Company going forward in all material respects.

4.6.1 Use of estimates

The preparation of the Financial Information requires management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the applicable reporting period. On an ongoing basis, management evaluates estimates, assumptions and judgments, including those related to accrued expenses. Actual results could differ from those estimates.

4.6.2 Revenue Recognition

Revenue is recognised when it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

The rendering of services is recognised in profit or loss progressively as projects are completed and approved by customers. Revenue from a contract to provide services, including retainer-based contracts, is recognised by reference to the stage of completion of the contract at reporting date and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

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

4.6.3 Cash and Cash Equivalents

Cash and cash equivalents include 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, and bank overdrafts.

4.6.4 Research and Development

The Company expenses Research and Development (“R&D”) costs as incurred.

4.6.5 Accounts Receivable

Accounts receivables are recognised at original invoiced amount / fair value, less provisions for impairment. The provision includes amounts that are not considered to be recoverable from debtors. Collectability of receivables is reviewed on an ongoing basis. A provision for impairment of accounts receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

4.6.6 Accounts Payable

Trade and other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability.

4.6.7 Credit risk

The Company’s assets that are exposed to a concentration of credit risk consist primarily of cash and accounts receivable. The Company’s cash balances may at times exceed Australian Government Guarantee Scheme for Large Deposits and Wholesale Funding limits. Cash balances are maintained at high-credit quality financial institutions. The Company believes the credit risk related to these cash balances is minimal. Historically the Company has not experienced significant losses related to accounts receivable and therefore believes the credit risk related to these accounts is minimal.

4.6.8 Fair Value Measurements

Fair value is defined as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity. In addition, the fair value of liabilities should include consideration of non-performance risk including the Company’s own credit risk.

The Company follows ASC Topic 820, Fair Value Measurements and Disclosures, or ASC 820, for application to financial assets. In addition to defining fair value, the standard expands the disclosure requirements around fair value and establishes a fair value hierarchy for valuation inputs. The hierarchy prioritises the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels which are determined by the lowest level input that is significant to the fair value measurement in its entirety.

These levels are:

- Level 1: Observable inputs such as quoted prices in active markets for identical assets the reporting entity has the ability to access as of the measurement date;
- Level 2: Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The assumptions, assessments and projections utilised in determining fair value are subject to uncertainties and require significant judgment. The use of different assumptions, applying different judgment to inherently subjective matters and changes in future market conditions could result in significantly different estimates of fair value and the differences could be material to the Company's financial statements.

4.6.9 Principles of Aggregation

The Financial Information comprises aggregate financial information and does not constitute consolidated financial information as required by AASB 10 'Consolidated Financial Statements'. As at 30 June 2017 and 30 June 2018, there is no basis for preparation of consolidated Financial Information as, pre-IPO, no acquisitions had occurred and therefore there was no common ownership of the entities which make up the Group. Consequently, no fair value adjustments have been made in relation to the aggregation as may be required when preparing consolidated financial statements.

The aggregate Financial Information incorporates the book values of assets and liabilities of all the entities of the Group as at 30 June 2017 and 2018, and the results of these entities for the years then ended.

As no acquisitions had occurred at 30 June 2017 and 30 June 2018, the Company has not recorded investments in these entities and therefore the share capital and pre-acquisition retained earnings of the Portfolio Companies has not been eliminated as would be required if consolidated financial statements were prepared. Accordingly, the Financial Information does not include a Statement of Changes in Equity and concludes at Net Assets.

In preparing the aggregated Financial Information, the following consolidation principles in relation to transactions and balances have been applied:

- All intercompany balances between entities within the Group including any unrealised profits or losses have been eliminated.
- All intercompany dividends and distributions within the Group have been eliminated.
- All intercompany transactions between entities in the Group have been eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

Investments in subsidiaries are accounted for at cost in the individual financial statements of the investing entity.

Acquisition accounting in accordance with Accounting Standard AASB 3: 'Business Combinations' will be applied with Teaminvest Private Group Limited as the proposed parent entity for financial periods post Listing.

4.6.10 Foreign Currency Transactions and Balances

The functional currency of the Company is measured using the currency of the primary economic environment in which that entity operates. The aggregated financial statements of the Company are presented in Australian dollars, which is also the respective entities' presentation and functional currencies.

4.6.11 Liquidity and capital resources

Following completion of the Offer, the Company's principal source of funds will be cash flow from operations and proceeds from the Listing.

4.6.12 Dividend Policy

Depending on available profits and the financial position of the Company, it is not the current intention of the Board to declare dividends in respect of the year ending 30 June 2018. The payment of a dividend by the Company is at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors.

No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

Please read the risk factors set out in sections 1.4 and 5.

4.6.13 Investigating Accountant's Report

Please see section 8.

4.7 **Pro Forma Divisional Reporting**

The tables below set out the pro forma divisional comprehensive income and pro forma divisional statements of financial position of the Company for the years ended 30 June 2017 and 30 June 2018.

At Listing, the Portfolio Companies have been classified into divisions based upon their operating model as follows:

- Services division: Colour Capital Pty Ltd, East Coast Traffic Controllers Pty Ltd, Kitome Pty Ltd and Multimedia Technology Pty Ltd; and
- Engineering division: Coastal Energy Pty Ltd, DecoGlaze Holdings Pty Ltd, Icon Metal Pty Ltd and Lusty TIP Trailers Pty Ltd.

The Company also operates a Corporate & Managed Investments division, however for the purposes of calculating the pro forma divisional reporting this has been excluded due to the non-recurring and difficult to predict income and expenses of this division.

Table 4.7.1 – Pro forma divisional comprehensive income FY2018

	Services Division	Engineering Division	Total
	30-Jun-18	**30-Jun-18**	**30-Jun-18**
	$'000 AUD	**$'000 AUD**	**$'000 AUD**
Revenue	21,935	61,552	83,487
Cost of sales	8,383	38,594	46,978
Gross profit	**13,552**	**22,958**	**36,510**
Selling, general and administrative	11,331	18,319	29,650
EBITDA	**2,222**	**4,638**	**6,860**
Depreciation & Amortisation	270	682	952
EBIT	**1,952**	**3,956**	**5,908**
Net interest	163	86	249
Net Profit/(Loss) before tax	**1,789**	**3,870**	**5,660**
Income Tax Expense	238	867	1,104
Net Profit/(Loss) after tax	**1,552**	**3,003**	**4,555**
Profits from equity accounted investment	1,475	-	1,475
Total Comprehensive Income	**3,027**	**3,003**	**6,030**

Table 4.7.2 – Pro forma divisional comprehensive income FY2017

	Services Division	Engineering Division	Total
	30-Jun-17	**30-Jun-17**	**30-Jun-17**
	$'000 AUD	**$'000 AUD**	**$'000 AUD**
Revenue	18,994	57,709	76,703
Cost of sales	6,862	41,469	48,331
Gross profit	**12,131**	**16,241**	**28,372**
Selling, general and administrative	11,916	16,895	28,811
Selling and marketing	409	-	409
EBITDA	**(193)**	**(655)**	**(848)**
Depreciation & Amortisation	388	458	847
EBIT	**(581)**	**(1,113)**	**(1,695)**
Net interest	174	67	241
Net Profit/(Loss) before tax	**(755)**	**(1,180)**	**(1,935)**
Income Tax Expense / (Benefit)	(213)	(344)	(557)
Net Profit/(Loss) after tax	**(542)**	**(836)**	**(1,378)**
Profits from equity accounted investment	1,385	-	1,385
Total Comprehensive Income	**842**	**(836)**	**7**

Table 4.7.3 – Pro forma divisional statements of financial position FY2018

	Services Sector	Engineering Sector	Total
	30-Jun-18	**30-Jun-18**	**30-Jun-18**
	$'000 AUD	**$'000 AUD**	**$'000 AUD**
Current Assets			
Cash and cash equivalents	1,341	3,872	5,212
Accounts receivable	1,781	7,311	9,092
Prepayments	76	427	504
Inventories	54	4,995	5,049
Total Current Assets	**3,252**	**16,606**	**19,858**
Non Current Assets			
Property, plant and equipment	1,378	2,560	3,938
Intangible Assets	3,996	8,288	12,284
Other Non current Assets	672	1,139	1,811
Investments	3,981	-	3,981
Total Non Current Assets	**10,027**	**11,988**	**22,015**
Total Assets	**13,279**	**28,593**	**41,873**
Current Liabilities			
Accounts payable	2,353	6,941	9,294
Accrued expenses	-	1,230	1,230
Provisions	1,607	1,392	3,000
Other payables	1,190	2,572	3,762
Total Current Liabilities	**5,150**	**12,136**	**17,286**
Non Current Liabilities			
Financial liabilities	300	1,049	1,349
Other long-term liabilities	35	834	869
Total Non Current Liabilities	**335**	**1,883**	**2,218**
Total Liabilities	**5,485**	**14,019**	**19,504**
Net Assets	**7,794**	**14,575**	**22,369**

Table 4.7.4 – Pro forma divisional statements of financial position FY2017

	Services Sector	Engineering Sector	Pro Forma Aggregated
	30-Jun-17	**30-Jun-17**	**30-Jun-17**
	$AUD	**$AUD**	**$AUD**
Current Assets			
Cash and cash equivalents	877	2,998	3,875
Accounts receivable	1,367	5,000	6,367
Prepayments	74	367	440
Inventories	73	4,340	4,413
Total Current Assets	**2,390**	**12,705**	**15,095**
Non Current Assets			-
Property, plant and equipment	1,081	2,470	3,551
Intangible assets	3,929	8,214	12,143
Other Non current Assets	727	988	1,715
Investments	3,900	-	3,900
Total Non Current Assets	**9,636**	**11,672**	**21,309**
Total Assets	**12,027**	**24,378**	**36,404**
Current Liabilities			-
Accounts payable	2,685	7,018	9,703
Accrued expenses	-	1,268	1,268
Provisions	1,764	1,679	3,443
Other payables	1,843	1,684	3,527
Total Current Liabilities	**6,292**	**11,648**	**17,941**
Non Current Liabilities			-
Financial liabilities	547	689	1,236
Other long-term liabilities	70	295	365
Total Non Current Liabilities	**617**	**984**	**1,601**
Total Liabilities	**6,909**	**12,633**	**19,541**
Net Assets	**5,118**	**11,745**	**16,863**

5. RISK FACTORS

This section describes some of the potential material risks associated with the Company, the industry in which it operates and risks associated with the Listing. The Company is subject to risks specific to its business activities and the industry in which it operates and of a general nature, which may either individually or in combination adversely impact its future operating and financial performance, its investment returns and the value of its Shares. The occurrence or consequences of some of the risks described here are partially or completely outside of the Company's control, or the control of its Board and management. The Company does not purport to list every risk that may be associated with the business or the industry in which it operates, or an investment in Shares, now or in the future. The selection of risks has been based on the Company's assessment of a combination of the probability of the risk occurring, the ability to mitigate the risk and the impact of the risk if it did occur. This assessment is based on the knowledge of the Directors as at the Prospectus Date, but there is no guarantee or assurance that the risks will not change or that other risks will not emerge.

There can be no guarantee that the Company will deliver on its business strategy, or that any forward-looking statement contained in this Prospectus will be achieved or realised. You should note that past performance may not be a reliable indicator of future performance.

Before applying for Shares you should be satisfied that you have a sufficient understanding of the risks involved in making an investment in the Company and whether it is a suitable investment for you, having regard to your investment objectives, financial circumstances and taxation position. You should seek advice from your stockbroker, solicitor, accountant, financial adviser or other independent professional adviser before investing in the Company.

5.1 Key risks

The Company believes that the five largest risks it faces in its operations are:

1. General investment risk (section 5.3);
2. Failure of investment strategies risk (section 5.4);
3. Failure of a Portfolio Company risk (section 5.7);
4. Reliance on Selected Shareholders risk (section 5.18); and
5. Risk associated with acquiring businesses (section 5.33 and section 5.34).

In addition to these key risks, Section 5 also outlines other material risks that the Company faces in its operations, or that investors in the company may be exposed to.

5.2 Inherent risks associated with investing in the Company

Choosing to invest in the Company will never be risk-free. No guarantee can be provided that your investment in the Company will grow or even that your capital will be returned when you sell your Shares. Even if you are appointed a Selected Shareholder and participate in the Company's investment process (including participation in initial screening, due diligence, ongoing governance and Portfolio Company mentorship) you may still be disappointed by the performance of your investment. Risks in investing in privately-owned businesses are myriad. Perhaps the business risks were unrecognised or perhaps disruptive changes occur in the industry. Whatever the cause, expect some disappointments within our portfolio of investments. Before you invest in the Company, you should ensure that the risks of doing so are commensurate with your investment objectives and appetite for risk. If that frightens you, then investing in the Company may not be for you.

5.3 General investment risks

The value of the Company's investments may fall or fluctuate widely. Changes in economic, political, market conditions or the regulatory environment may adversely impact the Company and its investments. The Company may invest in speculative investments with increased levels of investment risk. In addition, other factors, such as interest rates may affect particular investments and, consequently, the value of your investment may fall or the dividends may be lower than expected or there may be no dividends at all. There are no assurances that the Company will properly anticipate these developments and neither the Company nor any other person guarantees the performance of the investment.

5.4 Failure of investment strategies risks

The Company 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 Company. The Company may employ additional strategies or change investment strategies following an assessment of market and other conditions and investment opportunities available to the Company.

In addition, the Company may find that it is not able to execute on its intended investment strategy due to lower than expected availability of opportunities.

5.5 Business risk factors

There is a chance that an investment in a Portfolio Company is not as successful as we anticipated. We call this business risk. Business risk can manifest in a number of ways including failure to achieve the desired rate of return, loss of capital or an inability to repay a loan.

Business risks include:

- the Company may make investments that fail to achieve our desired rate of return;
- the Company may make investments that suffer a substantial (or even total) drop in value;
- the Company may make investments in companies that fail to achieve desired profitability hurdles, resulting in below expected dividends and capital growth;
- the Company may invest in a business that loses some (or all) of the investment via the company shrinking or even collapsing;
- the Company may invest in a Portfolio Company that makes substantial losses and requires further funding; and
- the Company may be unable to exit an investment at a price which reflects its value.

We attempt to focus on quality companies with a proven track record of stable business growth in sales and earnings which show good prospects for this continuing. We actively seek companies where we believe the board and senior management are honest, rational, and act in the best interests of shareholders. However, there is a risk that, despite careful investment selection, these conditions are not achieved.

5.6 Portfolio Company specific risks

Each of our Portfolio Companies is exposed to risks unique to that business and its industry. These risks are not considered material to the Group as a whole and so do not appear in detail in this section. However, we have set out a brief overview of the key risks we believe each Portfolio Company is exposed to in section 3. These risks may affect the performance of each Portfolio Company to varying degrees: and a risk to one business may be a benefit to another. Due to the benefits of diversification a risk that affects a single Portfolio Company is unlikely to be felt by the Group as a whole unless that risk is sufficient to result in a substantial reduction in performance or sustained loss of value in that Portfolio Company. This could take the form of reduced revenue, reduced profit or an impairment of the value of that Portfolio Company.

5.7 Failure of Portfolio Companies

There is a risk that a Portfolio Company specific risk (or another factor specific to that Portfolio Company) is so great that it results in a total loss of the capital invested.

TIP has historically invested in 12 investments – eight of those are current Portfolio Companies, three are Managed Investments and one is not part of the Group. The investment that is not part of the Group suffered losses and was placed in liquidation.

In July 2014, a number of wholesale investors acquired 55% of TOFS Holding Company, the franchisor of The Outdoor Furniture Specialists brand of retail furniture stores and 80% owner of the importing business Outdoor Furniture International. This investment was managed in line with the other investments in Portfolio Companies managed by TIP. After experiencing financial difficulty, Mr Howard Coleman was appointed a director of the company on 22 November 2016 by the TIP managed investors in an attempt to guide a successful turnaround. This was unsuccessful and the business was placed into voluntary administration on 24 January 2018, and liquidation on 1 March 2018. The capital invested in that investment is significantly impaired, and may even be totally lost.

Although that investment is not part of the Group (and the Group has no exposure to it), it illustrates the risk of investing in private businesses. There can be no assurance that the Group will not suffer losses as a result of investing in a particular Portfolio Company.

5.8 Market risks

Market risk can manifest itself in a number of ways including the failure of a share price to reflect the quality of the underlying investment, failure of a private business to find an acquirer at an appropriate price or failure of a debt instrument to trade at its fair value.

Market risks include:

- Share prices may not properly reflect the quality of the underlying investments in a reasonable time;

- the Company may not be able to find a buyer for an underlying investment at an appropriate exit price, or even a buyer at all;
- Market prices of debt instruments held by the Company may not reflect their underlying value;
- Market volatility may prevent an investment from being realised at an appropriate price or in a reasonable time;
- Interest rates may move, reducing the value of investments; and
- Foreign exchange rates relating to international securities held by the Company or income and expenses related to the Company may move, reducing or even removing potential investment gains.

Market risks are particularly hard to predict, as markets are often imperfect and irrational. Forces outside a company such as market sentiment can have a dramatic impact on the share price of a company, exit price of an investment or market value of a debt, despite the success of the underlying business. Put another way, markets may be slow in reflecting the quality within a company and may, in some cases, not ever reflect it.

5.9 **Structural risks**

There are risks associated with the implementation of the investment process both at the Company and Portfolio Company level. We call this structural risk.

Examples of structural risk include:

- Liquidity;
- Investment in a limited number of underlying companies (concentration risk);
- Change of management or other key personnel;
- Changes to key relationships;
- Disputes amongst key personnel;
- Someone involved with the Company (even remotely) may not meet their obligations or perform as expected, for example a custodian, bank, employee or a counterparty;
- Assets may be lost, not recorded properly or misappropriated;
- Insurers may not pay when expected or insurance may be inadequate; and
- Investing in the Company may give inferior results compared to investing directly; for example, direct investment may avoid the impact of other investors coming and going, and may enable you to manage your tax situation better.

All of these structural risks apply to the Company and the Portfolio Companies.

5.10 **Legal, regulatory and compliance risk**

Laws and regulations that apply to the Company and its investments may change (or tax laws may be interpreted by a tax authority or court in a different manner to which they have been interpreted and applied by TIP and/or Portfolio Companies) and this may adversely impact on the investment returns and nature of the investments. The Company reserves the right to take steps to limit or prevent any adverse effects of changes to laws or their interpretation, including altering its investments or, if possible, restructuring itself and any entity it has a relationship with.

Similarly, regulatory supervision of transactions and reporting may be performed at an unsatisfactory level.

Regulatory change that could adversely affect the value of investments may include:

- changes to regulations that affects the operation of a company that the Company invests in;
- changes in regulation that adversely affects the operations of the Company; and
- changes in regulations – including taxes – that adversely impact the return to investors of the Company.

5.11 **Taxation risk**

Changes to taxation law, interpretation or practice could adversely affect the tax treatment of the Company's investments or one of the Portfolio Companies, as well as Shareholder returns and dividend franking. Investors should obtain their own tax advice in relation to an investment in the Company. Any change to taxation rates will also impact Shareholder returns.

5.12 **Interest rate risk**

As a borrower of money, the Company and its Portfolio Companies are exposed to increases in interest rates. While this risk may be partially reduced by interest rate hedging, interest rate swaps or other mechanisms, residual exposure may remain. Increases in interest rates may also affect consumer sentiment and the level of customer demand, potentially leading to a decrease in consumer spending. Accordingly, an increase in interest rates may have a material adverse impact on the Company's future financial performance.

5.13 **Litigation risk**

The Group may from time to time be the subject of complaints, litigation, inquiries or audits initiated by customers, shareholders, employees, government agencies, regulators or other third parties. Such incidents, even if successfully disposed of without direct adverse financial effect, could have an adverse effect on the Company or a Portfolio Company's reputation and divert its financial and management resources from more beneficial uses.

If a member of the Group were found to be liable under any such claims, this could have a material adverse effect on the Company's future performance. While the historical experience of the frequency and quantum of existing claims suggests that this is not currently a material issue, there is the potential for one or more claims that are material in cumulative quantum to occur with the result that costs are increased or the brand is damaged.

5.14 **Credit risk**

Credit risk is the risk that a borrower financed by the Company and/or one of the Portfolio Companies may not meet their repayment obligations in full, on time, repay the interest and principal outstanding or, in the event that an asset is repossessed, the asset may not be able to be sold for a value sufficient to recoup any outstanding amounts.

Changes in the underlying creditworthiness of any of such loans could result in expenses and/or losses.

5.15 Operational risk

Disruptions to administrative procedures or operational controls of the Company and/or one of the Portfolio Companies and/or their respective service providers may challenge the day-to-day operations of the Company 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.

5.16 Insufficient supervision of operations by management

Close attention by management to the day to day operations and other aspects of Portfolio Companies is critical to the Company's performance. A failure to do this would be likely to result in reduced revenues, increased costs, or a combination of both.

5.17 Approval, permits and licenses risks

The Company and its underlying investments require licences and approvals to conduct its business. These licences are granted at the discretion of the relevant authorities and the criteria for eligibility may change.

If the Company or any of its Portfolio Companies is adversely affected by a decision of the relevant authority, then this could have a substantial impact on the value of your investment.

5.18 Reliance on Selected Shareholders

The Company relies on the collective acumen, skills and experience of Selected Shareholders to assist in investments decisions (see section 3.4). It is noted that although some Selected Shareholders are investment professionals, some will not have "traditional" investment or portfolio management qualifications, skills or experience. While the Company's Board and management, at all times, remain ultimately responsible for investment decisions, they may place reliance on the opinion of Selected Shareholders. As a result, it is possible that mistakes are made. This may result in reduced revenues, increased costs, or a combination of both.

5.19 Reliance on key personnel

The Company'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 Company's business activities and financial performance. Further, an inability to attract quality sales and marketing personnel may adversely impact on the Company's growth plans.

5.20 Force majeure risk

Events may occur within or outside the markets in which the Group operates that could impact upon the global, Australian and other related economies, the operations of the Company and the market price of its Shares. These events include acts of terrorism, outbreaks of international hostilities, fires, pandemics, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease, and other man-made or natural events or occurrences that can have an adverse effect on the demand for the Company or its Portfolio Companies' services and ability to conduct business. Given that the Company has only a limited ability to insure against some of these risks, its business, financial performance and operations may be materially adversely affected if any of the events described above occurs.

5.21 Consents and waivers related to the Restructure

Certain Portfolio Companies have debt or other finance facilities with institutional lenders which are material to their ongoing performance. The terms of some of these facilities require the lender's consent to a transfer of shares or change of control in the Portfolio Company. The Group and the relevant Portfolio Companies are currently seeking the lender's consent to the transfer of shares and change of control under the Restructure.

Certain Portfolio Companies are also party to material contracts that include a change of control or other provision which will be triggered by the Restructure and/or the Listing. The Group and the relevant Portfolio Companies are seeking consent from the counterparties of these contracts from these provisions for the Restructure.

Although the Group and the relevant Portfolio Companies are taking all reasonable steps, there is a risk that they will be unable to obtain the necessary waivers or consents described above. Failure to do so may result in breach of the relevant financial agreement or material contract. This may enliven termination rights or other penalties which could result in losses or impairments to the relevant Portfolio Company's ongoing operations.

5.22 Intellectual Property

The Company has historically utilised intellectual property material to its business operations owned by related parties or third parties which are not under a documented licence or assignment. The Group is in the process of acquiring written agreements for an assignment or licence to continue using the relevant intellectual property. However, there is a risk that failure to obtain or licence the relevant intellectual property may adversely impact the Group's operations.

5.23 Technology and software

If the Company ceases to be entitled to rely on its licence to use TIPBars and TIPTool, or is unable to obtain a replacement provider of similar software quickly, this could lead to disruption of the Company's ability to manage its Portfolio Companies. This could have a material adverse effect on the Company's financial position and performance.

5.24 Data loss, theft or corruption

The Company and Portfolio Companies are reliant on cloud-based and other online platforms. Hacking or exploitation of any vulnerability on those platforms could lead to loss, theft or corruption of data. This could render the Company or Portfolio Companies' information unavailable for a period of time while data is restored. It could also lead to unauthorised disclosure of data with associated reputational damage, claims by users, regulatory scrutiny and fines.

Although the Company and Portfolio Companies employ strategies and protections to try to minimise security breaches and to protect data, these strategies and protections might not be entirely successful. Furthermore, each Portfolio Company employs its own combination of strategies and protections that may not be as effective as the Company or another Portfolio Company's strategies or protections. In that event, disruption to a member of the Group could adversely impact on the Company's revenue and profitability. The loss of client data could have severe impacts to client service, reputation and the ability for clients to use the products.

5.25 Brand and reputation damage

The TIP brand name is a key asset of the business. The reputation and value associated with the TIP brand name could be adversely impacted by a number of factors including failure to provide customers with the quality of service standards they expect, disputes or litigation with third parties such as employees and 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 Company's future financial performance and financial position.

There is also a risk that some incident beyond the control of the Company could occur which would have the effect of reducing consumer confidence or preferences for the brands used by the Company 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.

5.26 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 Company's future financial performance.

5.27 Reduction in customer numbers

There is a risk that economic conditions or consumer sentiment affecting the markets in which a Portfolio Company operates could deteriorate, with the potential result that customer numbers reduce leading to lower or negative organic growth.

5.28 Counterparty risk

There is always a risk that, notwithstanding appropriate safeguards, a party with whom a Group member has dealings may experience financial or other difficulties which may affect that party's ability to perform its obligations to the relevant Group member. This may affect the value of, and returns from, an investment in Shares.

5.29 Certain existing Shareholders may retain a significant Shareholding

Following completion of the Offer, the existing investors, Teaminvest Pty Ltd and the Founders of the Portfolio Companies will between them own approximately 98% of the issued capital. This will mean that shareholders prior to the Listing will have the ability to influence the election of Directors, the appointment of new management and the potential outcome of all matters submitted to a vote of the Shareholders. The interests of the existing shareholders and their related parties may differ from the interests of the Company or incoming Shareholders. The sale of Shares in the future by existing shareholders could adversely affect the market price of the Shares.

5.30 Release from escrow risk

Various Shareholders have agreed to enter into voluntary escrow arrangements with the Company which are designed to protect the integrity of the market. At the end of this escrow period, a significant sale of the Shares released from escrow, or the perception that such sales have occurred or might occur, may impact the market price of Shares.

5.31 Trading in Shares may not be liquid

There can be no guarantee that an active market in the Shares will develop or that the price of the Shares will increase. There may be relatively few potentially buyers or sellers of the Shares on ASX at any time. This may increase the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares. This may result in Shareholders receiving a market price for their Shares that is less or more than the price that Shareholders paid.

5.32 Absence of dividends

The Board has yet to establish a dividend policy and does not expect to pay dividends in the near term. The Company expects to continue to reinvest in its growth rather than distribute profits in the form of dividends. The ability of the Company to pay any dividend in the future is dependent on many factors. The Directors do not give any assurance regarding the payment of dividends in the future.

5.33 Historical acquisitions

The success of acquisitions is heavily dependent on the integration of acquired businesses. The integration process could be more expensive or time consuming than anticipated by the Company, for example in the event of issues with staff retention or increased management time required to integrate acquired businesses. In addition, they may not perform in line with pre-acquisition forecasts.

5.34 Future acquisitions

The Company anticipates the acquisition of additional businesses in the future. The risks faced by the Company in relation to a future acquisition will depend on the terms of the transaction at that time. Future acquisitions may affect the value of, and returns from, an investment in Shares. There can be no assurance that any future acquisitions will enhance the investment return of Shareholders.

5.35 Our assessment of risks may be incomplete or inaccurate

Risks change, our assessment of them may prove incomplete or inaccurate, and many risks are difficult or impracticable to manage effectively. Many elements of these risks are beyond our control and, of course, in spite of all we do to manage the Company successfully; it will be invariably true that we, or our Portfolio Companies, will not always make the best investment decisions.

6. KEY PEOPLE, INTERESTS AND BENEFITS

6.1 Board of Directors

The Board comprises four non-executive directors (two of who are independent) and one executive director.

The Directors bring strong corporate governance credentials and industry experience to the Board. The Board's functional skills include corporate governance, accounting, finance and marketing, combined with deep industry experience in private equity and business mentorship.

The Directors will ensure the Company has corporate governance procedures and that those procedures are followed.

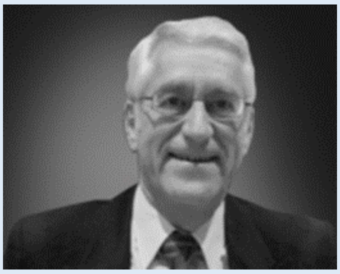
It is expected that Board meetings will be held at least quarterly and more frequently as required. The Directors' commitment of time to these activities will depend on a number of factors including the size of the Company and the number of investments made.

The accounting, company secretarial and share registry functions have been outsourced to various service providers. The Board will oversee the performance of management and service providers.

Each Director has confirmed that, notwithstanding other commitments, they will be available to spend the required amount of time on the Company's affairs including attending Board meetings of the Company.

Director	Biography
 **Dr Katherine Woodthorpe AO** **Independent Chairperson**	Katherine Woodthorpe AO PhD FAICD FTSE brings a wealth of experience to the group including: ▪ significant public company board experience, including as a Non-Executive Director of Sirtex Medical and a former director of other ASX and NASDAQ listed companies; ▪ significant large private and government board experience including as Chair of the National Climate Science Advisory Committee, Chair of the Antarctic Climate and Ecosystems CRC, Chair of the Hearing CRC, , Director of the Australian Renewable Energy Agency, Council Member of University of Technology Sydney, and Member of the National Health and Medical Research Council; and ▪ significant experience in venture capital and private equity including as Chair of Fishburners, Council Member of the Australian Institute of Company Directors, and CEO of AVCAL (the Australian Venture Capital and Private Equity Association). Katherine holds a PhD in Organic Chemistry from the University of Leicester and an Honorary Doctorate from University of

	Technology Sydney. She was appointed an Officer in the Order of Australia in 2017 for her distinguished service to business through venture capital, research and innovation.
 **Dr Ian Kadish** **Independent Non-Executive Director**	Ian Kadish MBBCH MBA brings a wealth of experience to the group including outstanding public company board and executive experience as: ▪ CEO and Managing Director of ASX listed Integral Diagnostics (current); ▪ CEO and Managing Director of ASX listed Pulse Health Group; ▪ CEO and Managing Director of private equity owned Healthcare Australia Limited (or HCA, previously Pacific Nursing Solutions, owned by CHAMP Private Equity); 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; ▪ COO of Greencross Vets; and ▪ Co-founder and Non-Executive Director of Digital Healthcare Solutions. Ian holds an MBA from the Wharton Business School at the University of Pennsylvania, and a Bachelor of Medicine and Surgery from the University of Witwatersrand. In addition to his executive career in the United States, South Africa and Australia, Ian has also worked as a consultant for McKinsey & Co and as an advisor to boards on executing and integrating mergers and acquisitions.
 **Mr Regan Passlow** **Non-Executive Director**	Regan Passlow has worked as an executive director for nearly forty years for both national and multi-national companies. His focus has been primarily on strategic business development, administration and back office systems. Regan 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 SMEs with strategic advice on the use of the Internet and e-commerce. He is also the co-founder retail lender EM Finance Corporation and a director of Teaminvest, TIP and EM Commercial Finance. He has

	historically chaired the Investment Committee and has held directorships on five Portfolio Companies. Regan holds a Masters Degree (MA, Mgmt.) from Macquarie University Graduate School of Management.
 **Mr Howard Coleman** **Non-Executive Director**	Howard Coleman has over 40 years' experience as a founder and CEO in the areas of sales, marketing, consumer finance, and language and mathematics education in Australia, South Africa and the UK. His extensive 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. Howard is a graduate of the Harvard Business School Owner/President Management Program and completed the Australian Institute of Company Directors' program for company directors. He is a director of a number of private companies and has won many business awards including the prestigious Speaker of The Year Award from The Executive Connection. Howard regularly appears as a guest commentator on Sky Business and is a founding director of Teaminvest, TIP and Conscious Capital.
 **Mr Andrew Coleman** **Chief Executive Officer and Executive Director**	Andrew is the Chief Executive Officer of the Company. He is a Co-Founder of TIP and is responsible for sourcing, structuring and overseeing investments and general management. Prior to joining TIP, 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. He holds a Bachelor of Economics with Joint First Class Honours in Economics and Finance from the University of Sydney.

6.2 Company secretary

 **Mr Anand Sundaraj** **Company Secretary**	Anand Sundaraj is a corporate lawyer with over 19 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. Anand has worked for a number of pre-eminent law firms including Herbert Smith Freehills, King & Wood Mallesons, Allen & Overy, and global investment bank Credit Suisse AG..

6.3 Senior management

Senior management	Biography
Andrew Coleman **Chief Executive Officer and Executive Director**	Refer to Section 6.1.
Dean Robinson **Chief Financial Officer**	Dean Robinson is the Chief Financial Officer of the Company. He is responsible for overseeing financial strategy and operations. In addition, he assists with sourcing, structuring and overseeing investments and general management. Prior to joining the Company, 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 Masters in Applied Finance from Macquarie University Applied Finance Centre and a Senior Executive MBA from University of Melbourne - Melbourne Business School.

6.4 Directors' disclosures

Each Director who will be a Director on Listing has confirmed to the Company that he or she anticipates being available to perform his or her duties as a Director without constraints from other commitments.

No Director who will be a Director on Listing has been the subject of any disciplinary action, criminal conviction, personal bankruptcy or disqualification in Australia or elsewhere in the last 10 years which is relevant or material to the performance of their duties as a Director or which is relevant to an investor's decision as to whether to subscribe for New Shares.

Mr Howard Coleman was appointed a director of TOFS Holding Co Pty Ltd and its operating subsidiaries The Outdoor Furniture Specialists Pty Ltd and ODF International Pty Ltd on 22

November 2016 after it had experienced financial difficulty in an attempt to guide a successful turnaround. This was unsuccessful and the business was placed into voluntary administration on 24 January 2018, and liquidation on 1 March 2018.

6.5 Interests and benefits

This section sets out the nature and extent of the interests and fees of certain persons involved in the Offer. Other than as set out below or elsewhere in this Prospectus, no:

- Director or proposed Director;
- person named in this Prospectus and who has performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- promoter of the Company,

holds at the Prospectus Date, or has held in the two years before the Prospectus Date, an interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion, or in connection with the Offer; or
- the Offer,

and no amount (whether in cash, Shares or otherwise) has been paid or agreed to be paid, nor has any benefit been given or agreed to be given, to any such persons for services in connection with the formation or promotion of the Company or the Offer or to any Director or proposed Director to induce them to become, or qualify as, a Director.

6.5.1 Non-Executive Director remuneration

Under the Constitution, the Directors decide the total amount paid to all Directors as remuneration for their services as a Director. However, under the ASX Listing Rules, the total amount paid to all Directors for their services must not exceed in aggregate in any financial year the amount fixed by shareholders in a general meeting. Upon establishment this amount has been fixed by the Board in accordance with the Constitution at $500,000. Upon Listing any changes to this amount in the future will require approval by shareholders in a general meeting in accordance with the ASX Listing Rules.

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

Director	Director’s fees
Dr Katherine Woodthorpe	$100,000 per annum (including Superannuation).
Dr Ian Kadish	$70,000 per annum (including Superannuation).
Mr Howard Coleman	$70,000 per annum (including Superannuation).
Mr Regan Passlow	$70,000 per annum (including Superannuation).

Each non-executive director has agreed with the Company that half of their remuneration will be accrued but not paid during each financial year. If Shareholder approval is received at the annual general meeting following the end of each financial year, this accrued remuneration will be issued as new Shares. If shareholder approval is not received, the accrued remuneration will be paid as cash.

The remuneration for Directors will be reviewed by the Board on a periodic basis and, subject to the Constitution and the Listing Rules, may be increased.

Directors are also to be reimbursed for all reasonable travelling and other expenses properly incurred by them in attending Board meetings or any meetings of committees of Directors, in attending any general meetings of the Company or otherwise in connection with the business or affairs of the Company. Directors may be paid such additional or special remuneration if they, with the approval of the Board, perform any extra services or make special exertions for the benefit of the Company.

There are no retirement benefit schemes for Directors, other than statutory superannuation contributions.

6.5.2 Executive Director and senior management terms of employment

Andrew Coleman (CEO and Managing Director)

The Company entered into an employment contract with Andrew Coleman, the Company's CEO and Managing Director, which governs the terms of his employment with the Company.

Andrew’s contract provides that he will receive an amount of fixed annual remuneration, which amount is subject to annual review by the Company. His fixed annual remuneration is currently $200,000 per annum (exclusive of 9.5% employer superannuation contribution).

Andrew is currently entitled to receive a short-term incentive of up to $50,000 per annum (subject to achieving key performance indicators set by the Board from time to time). For FY19, the key performance indicator for payment of the short-term incentive is Listing.

Subject to Shareholder approval, the Company will issue Andrew with four tranches of $300,000 of performance rights. Each tranche of performance rights will be converted into Shares upon the achievement of the comprehensive income per share targets set out below.

Comprehensive income per share target	Dollar value of performance rights that vest
$0.0675	$300,000
$0.0810	$300,000
$0.0945	$300,000
$0.1080	$300,000

At the end of each financial year, following the receipt of the audited financial accounts, the Company will assess whether one or more target has been met. Each target can only be met once and more than one target can be met in the same financial year. The number of ordinary shares to be issued if a tranche of performance rights vest will be determined by dividing the dollar value of the performance rights that have vested by the volume weighted average price of Shares over the 10 business days to 30 June during the relevant financial year. The financial year ending 30 June 2023 (FY23) is the last year in which the targets can be met. After the audit for FY23 has been completed, any unvested performance rights will lapse.

Under the terms of Andrew’s employment contract, either party is entitled to terminate Andrew’s employment by giving three month's written notice. The Company may, at its election, make a payment in lieu of that notice based on Andrew’s base remuneration package.

The Company may also terminate Andrew’s employment immediately and without further payment where he commits serious misconduct and on other similar grounds.

Andrew’s employment contract contains express provisions protecting the Company's confidential information and intellectual property. His contract contains a specific restraint of trade following termination. These restraints operate for nine months post-termination of employment.

Dean Robinson (CFO)

The Company entered into an employment contract with Dean Robinson, the Company's CFO, which governs the terms of his employment with the Company.

Dean’s contract provides that he will receive an amount of fixed annual remuneration, which amount is subject to annual review by the Company. His fixed annual remuneration is currently $200,000 per annum (exclusive of 9.5% employer superannuation contribution).

Dean is currently entitled to receive a short-term incentive of up to $50,000 per annum (subject to achieving key performance indicators set by the Board from time to time). For FY19, the key performance indicator for payment of the short-term incentive is Listing.

Subject to Shareholder approval, the Company will issue Dean with four tranches of $250,000 of performance rights. Each tranche of performance rights will be converted into Shares upon the achievement of the comprehensive income per share targets set out below.

Comprehensive income per share target	Dollar value of performance rights that vest
$0.0675	$250,000
$0.0810	$250,000
$0.0945	$250,000
$0.1080	$250,000

At the end of each financial year, following the receipt of the audited financial accounts, the Company will assess whether one or more target has been met. Each target can only be met once and more than one target can be met in the same financial year. The number of ordinary shares to be issued if a tranche of performance rights vest will be determined by dividing the dollar value of the performance rights that have vested by the volume weighted average price of Shares over the 10 business days to 30 June during the relevant financial year. The financial year ending 30 June 2023 (FY23) is the last year in which the targets can be met. After the audit for FY23 has been completed, any unvested performance rights will lapse.

Under the terms of Dean’s employment contract, either party is entitled to terminate Dean’s employment by giving three month’s written notice. The Company may, at its election, make a payment in lieu of that notice based on Dean’s base remuneration package.

The Company may also terminate Dean’s employment immediately and without further payment where he commits serious misconduct and on other similar grounds.

Dean's employment contract contains express provisions protecting the Company's confidential information and intellectual property. His contract contains a specific restraint of trade following termination. These restraints operate for one month post-termination of employment.

Other senior management employment arrangements

Other members of the management team are employed under individual employment contracts. The employment contracts provide for or contain:

- fixed annual remuneration, comprising base salary, allowances and superannuation;
- termination notice provisions, other than in the event of serious misconduct or other circumstances warranting summary dismissal;
- express provisions protecting the Company's confidential information and intellectual property.

6.5.3 Directors' interests in Shares and other securities

Directors are not required under the Constitution to hold any shares in the Company. The table below sets out the number of Shares which the Directors and their Associated Entities:

- hold as at the date of this Prospectus; and
- will hold on Completion of the Offer (based on the information provided by the Directors regarding their intention to apply for Shares under the Offer).

Director	Shares held prior to Listing	Shares acquired on Listing	Total Shares	Percentage Shareholding post Listing
Andrew Coleman	5,425,000 Shares	Nil Shares	5,425,000 Shares	4.96 %
Katherine Woodthorpe	Nil Shares	Nil Shares	Nil Shares	0.00 %
Ian Kadish	37,500 Shares	Nil Shares	37,500 Shares	0.03 %
Regan Passlow	1,067,475 Shares	Nil Shares	1,067,475 Shares	0.94 %
Howard Coleman	14,843,221 Shares	Nil Shares	14,843,221 Shares	13.57 %

Notes:

- The above table includes Shares held (or to be held) by Associated Entities.
- Percentage shareholding on Completion assumes the maximum number of New Shares is issued.
- If approved by Shareholders, Andrew Coleman will be issued with the performance rights described in section 6.5.2.
- Whilst not a Director, Dean Robinson (Company CFO) holds 132,917 Shares and, if

approved by Shareholders, will be issued with the performance rights described in section 6.5.2.

- Howard Coleman (and associates) hold 2,243,221 Shares and in addition Howard Coleman has a relevant interest in Teaminvest Pty Ltd's shareholding of 12,600,000 Shares.
- Please see section 7 for further information on shareholdings following Completion.

6.5.4 Interests of advisers

The Company has engaged the following professional advisers in relation to the Offer:

- Sundaraj & Ker has acted as Australian legal adviser to the Company in relation to the Offer. As at the Prospectus Date, the Company has paid, or agreed to pay, approximately $100,000 (excluding disbursements and GST) for these services. Further amounts may be paid to Sundaraj & Ker for other work in accordance with its normal time-based charges; and
- HLB Mann Judd Corporate (NSW) Pty Ltd ("HLBMJC") has acted as Investigating Accountant in relation to the Offer and has prepared the Investigating Accountant's Report included in Section 8. The Company has paid, or agreed to pay, approximately $48,000 (excluding disbursements and GST) for these services.

These amounts, and other costs of the Offer, will be paid by the Company out of funds raised under the Offer or available cash. Further information on the use of proceeds and payment of costs of the Offer is set out in section 7.5.

6.6 **Deeds of access, indemnity and insurance**

The Company has entered into deeds of access, insurance and indemnity with each Director which confirms each person's right of access to Board papers and certain books and records of the Company during their term of appointment as a Director and for a period of seven years after the Director ceases to be an officer of the Company and its subsidiaries. This seven year period may be extended where certain proceedings or investigations commence before the seven year period expires.

The Constitution requires the Company to indemnify current and former Directors and other officers of the Company and, if the Board considers it appropriate, any officer of any of its subsidiaries, to the maximum extent permitted by law, against any liability incurred by that Director or officer (as applicable) arising out of the conduct of the business of the Company or any subsidiary (as applicable) or the discharge by that person of their duties in that capacity. In addition, under the deeds of access, indemnity and insurance, the Company indemnifies each Director, to the maximum extent permitted by law, against all liabilities (including legal costs) incurred by that Director as an officer of the Company or any of its subsidiaries. The deeds also provide that the Company must advance to the Directors costs reasonably incurred by the Director in conducting or defending certain proceedings.

The Constitution also permits the Company to arrange and pay for directors' and officers' insurance for current and former Directors and other officers of the Company or any of its subsidiaries again liabilities incurred by them in or arising out of the conduct of the business of the Company or any of its subsidiaries or the discharge by that person of their duties in that capacity. In addition, under the deeds of access, indemnity and insurance, to the maximum extent permitted by law, the Company must obtain such insurance during each Director's period of office and for a period of seven years after the Director ceases to be an officer of the Company or any of its subsidiaries.

6.7 Employee Incentive Plan

Immediately prior to lodgement of this Prospectus, the Board resolved to establish an employee incentive plan (**EIP**) which will become effective from Listing. The EIP is a flexible employee incentive plan that enables the Company to offer executives (and other selected employees) a range of different interests or awards to reward and drive performance, retain senior management and other selected employees and to offer broad based employee share ownership.

These interests or awards available under the EIP include performance rights, options, cash rights, deferred share awards, exempt share awards, service rights and stock appreciation rights (each, an Award).

The key terms of the EIP are as follows.

Term	Summary
Eligibility	The Board has the discretion to determine which executives and employees are eligible to participate in the EIP, and what type of Award suits the remuneration or incentive purpose (**Eligible Applicants**). The definition of employee under the EIP rules includes any full time or permanent part-time employee or officer and a director of the Company. Directors including Non-Executive Directors, are only eligible to participate in the EIP if approved by Shareholders.
Awards	The Board has the discretion to set the terms and conditions on which it will offer Awards under the EIP. The Board may determine that the Awards will be subject to performance, service, or other conditions (**Vesting Conditions**) and, if so, will specify those Vesting Conditions in the offer to each Eligible Applicant. The Board has discretion to define any Vesting Conditions, which may include conditions relating to continuous employment, performance of the participant and/or the Company or the occurrence of specific events. Awards will vest to the extent that the applicable Vesting Conditions are satisfied, and the Board retains discretion to waive the satisfaction of the Vesting Conditions, in certain approved circumstances. Securities issued under the EIP may be issued at no cost to participants. Options may be subject to payment of an exercise price by the participant which is determined by the Board and advised to the participant in individual offer documents.
Vesting Conditions	The vesting of any securities issued under the EIP will be subject to any Vesting Conditions determined by the Board, which may include the

Term	Summary
	satisfaction of performance, service or other conditions.
Shares as an Award or on vesting of an award	Shares allocated on the vesting of an Award carry the same rights and entitlements as other issued Shares, including dividend and voting rights. Depending on the terms of issue, the Shares may be subject to disposal and/or forfeiture restrictions, which means that they may not be disposed of or dealt with for a period of time and/or may be forfeited if certain further conditions are not satisfied. Shares allocated to participants under the EIP may be issued by the Company or acquired on or off market by the Company or its nominee. The Company may initially issue Shares to a trustee and later transfer the Shares to participants.
Dividend and voting entitlements	Awards, other than Shares, are not entitled to dividend or voting rights.
Quotation	Awards, other than Shares, will not be quoted on ASX. The Company will apply for official quotation of any Shares issued under the EIP, in accordance with the ASX Listing Rules and having regard to any disposal restrictions in place under the EIP.
Ceasing employment	If a participant's employment with the Company ceases for any other reason other than death, the Board has the discretion to determine the treatment of that participant's Awards. Accordingly, the participant's unvested Awards may lapse (unless the Board determines otherwise).
Change of control	If a change of control of the Company occurs, the Board will determine, in its sole and absolute discretion, the manner in which all unvested and vested Awards will be dealt with.
Restrictions	Without the prior approval of the Board, Awards may not be sold, transferred, mortgaged, pledged, charged, granted as security or otherwise disposed of. Participants must not enter into transactions or arrangements, including by way of derivative or similar financial products, which limit the economic risk of holding unvested Awards.
EIP trust	A trust may be established in connection with the operation and administration of the EIP. The trust, if established, may be used to acquire Shares that are then used to satisfy the Company's obligations to deliver Shares to participants upon satisfaction of the Vesting Conditions. In addition, any Shares delivered on vesting, which are subject to disposal or forfeiture conditions, would continue to be held in trust until these disposal or forfeiture conditions cease to apply. After the disposal or forfeiture

Term	Summary
	conditions cease to apply, participants could continue to hold their Shares via the trust or have these Shares transferred out of the trust, at their discretion.
Amendments	To the extent permitted by the ASX Listing Rules, the Board retains the discretion to vary the terms and conditions of the EIP. This includes varying the number of security interests, or the number of Shares to which a participant is entitled upon vesting or upon a reorganisation of, or other changes to, the capital of the Company.
Other terms	The EIP also contains customary and usual terms having regard to Australian law for dealing with the administration, variation, suspension and termination of the EIP.

6.8 Corporate Governance

6.8.1 Overview

This section 6.8.1 explains how the Board will oversee the management of the Company. The Board is responsible for the overall corporate governance of the Company. The Board monitors the operational and financial position and performance of the Company and oversees its business strategy, including approving the strategic goals of the Company and considering and approving an annual business plan, including a budget. The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return, and sustaining the growth and success of the Company. In conducting business with these objectives, the Board seeks to ensure that the Company is properly managed to protect and enhance Shareholder interests, and that the Company, and its Directors, other officers and personnel operate in an appropriate environment of corporate governance. Accordingly, the Board has created a framework for managing the Company, including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of the Company.

The main policies and practices adopted by the Company, which will take effect from listing, are summarised below. In addition, many governance elements are contained in the Constitution. The Company's code of conduct outlines the standards of conduct expected of the Company's business and personnel in a range of circumstances. In particular, the code requires awareness of, and compliance with, laws and regulations relevant to the Company's other policies and procedures.

Copies of the Company's key policies and practices and the charters for the Board and each of its committees will, from Completion, be available at the Company's website.

The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Principles**) for Australian listed entities aim to promote investor confidence and to assist companies in meeting stakeholder expectations. The ASX Principles are not prescriptive. However, under the ASX Listing Rules, the Company will be required to provide a corporate governance statement in its annual report disclosing the extent to which it has followed the ASX recommendations in the reporting period. Where the Company does not follow a recommendation, it must identify the relevant recommendation that has not been followed and state reasons for not following it.

Except as set out below, as at the date of Listing, the Company does not anticipate that it will depart from the ASX Principles; however, it may do so in the future if it considers that such a departure would be reasonable or appropriate.

The majority of the Board are not independent Directors, as recommended by the ASX Principles. As at the date of Listing, only two of the five Board members are independent Directors (Katherine Woodthorpe and Ian Kadish). The Board, having regard to the Company's current stage of development and the collective experience and expertise of the Directors, considers the current composition of the Board appropriate.

The ASX Principles recommend an audit committee to have at least three non-executive directors. The Company's Risk and Audit Committee will initially comprise four members – two independent Directors (including an independent Chair) and two non-executive Directors.

The ASX Principles recommend a nomination committee. The Company will not have a separate nomination committee.

Due to the Company's stage of development and number of employees, the Company may face particular issues in relation to setting, reviewing, assessing and reporting on certain diversity measures. Consequently, the Company will not comply in full with the diversity recommendations in the ASX Principles.

6.8.2 Board appointment and composition

At the time of Listing, the Board will comprise of five Directors, an Independent Chairman (Katherine Woodthorpe), an Independent Non-Executive Director (Ian Kadish), two Non-Executive Directors (Howard Coleman and Regan Passlow) and one Executive Director (Andrew Coleman). Detailed biographies of the Board members are provided in Section 6.1.

Each Director who will be a Director on Listing has confirmed to the Company that he or she anticipates being available to perform his or her duties as a Non-Executive Director or Executive Director, as the case may be, without constraint from other commitments.

In determining whether a Director is "independent", the Board has adopted the definition of this word in the ASX Principles. Consequently, a Director will be considered "independent" if that Director is free of any interest, position, association or other relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally. The Board will consider the materiality of any given relationship on a case-by-case basis, with the Board charter to assist in this regard.

The Board considers that each of Katherine Woodthorpe and Ian Kadish are independent Directors, free from any interest, position, association or any other relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its security holders generally, and each is able to fulfil the role of an independent Director for the purposes of the ASX Principles.

As Shareholders with a sizeable shareholding and given their historic involvement in the founding of TIP, Howard Coleman and Regan Passlow are not considered to fulfil the role of independent Directors.

None of the Directors is acting as nominee or representative of any Shareholder.

Despite not having a majority of independent Directors, the Board has considered the Company's immediate requirements as it transitions to an ASX-listed company and is satisfied that the composition of the Board reflects an appropriate range of independence, skills and experience for the Company after listing. The Board will regularly review the independence of each Director in light of interests disclosed to the Board and will disclose any change to ASX, as required by the ASX Listing Rules.

6.8.3 Board charter

The Board has adopted a written charter to provide a framework for the effective operation of the Board, which sets out:

- the roles and responsibilities of the Board including to provide overall strategic guidance for the Company and effective oversight of management, internal controls and organisational policies, financial performance, management and review of the Company's compliance with its disclosure obligations and the continuous disclosure policy (see Section 6.8.5), promotion of effective engagement with shareholders, ethical and responsible decision making along with risk management;
- the role and responsibilities of the Chairperson;
- the delegations of authority of the Board to both committees of the Board, the CEO and other management of the Company;
- the membership of the Board, including in relation to the Board's composition and size and the process of selection and re-election of Directors, independence of Directors and conduct of individual Directors;
- the education and ongoing development of Directors;
- the need for, and criterion establishing, the independence of Directors;
- the Board process, including how the Board meets; and
- the Board's performance evaluation processes, including in respect of its own performance, and the performance of the Board committees, individual Directors and senior management.

Directors are entitled to access senior management and request additional information at any time they consider appropriate. The Board collectively, and each Director individually, may seek independent professional advice, subject to the approval of the Chairperson, or the Board as a whole.

6.8.4 Board committees

The Board may from time to time establish appropriate committees to assist in the discharge of its responsibilities. To assist in carrying out its responsibilities, the Board has established a Risk and Audit Committee. Other committees may be established by the Board as and when required. Membership of Board committees will be based on the needs of the Company, relevant legislative and other requirements and the skills and experience of individual Directors.

Under its charter, the Risk and Audit Committee must have at least three Directors as members, two of whom are independent, including an independent Chair. Initially, the Company's Risk and Audit Committee will comprise four members – two independent Directors (including an independent Chair) and two non-executive Directors.

The role of the Risk and Audit Committee is to assist the Board in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing, financial reporting and operational risks of the Company including:

- the appointment, remuneration, independence and competence of the Company's external auditors;
- compliance of the financial statements with the requirements of the Corporations Act and any other mandatory professional reporting requirements, statutory reporting requirements, making informed decisions regarding accounting and regulatory policies, judgements, practices and disclosures;
- reviewing the scope and results of external audits;
- assessing the effectiveness of the Company's internal controls; and
- focusing appropriate attention on the risk management framework of the Company.

On Listing, the Risk and Audit Committee will comprise four Directors, two of whom are independent (including an independent Chair):

- Dr Ian Kadish, independent chair of the committee;
- Dr Katherine Woodthorpe, independent member of the committee;
- Mr Howard Coleman, non-executive member of the committee; and
- Mr Regan Passlow, non-executive member of the committee.

The Committee will meet as often as deemed necessary by the Committee members and as otherwise requested by a Committee member, the CEO or CFO, or any other Director.

6.8.5 Corporate governance policies

The Board has adopted the following corporate governance policies, each of which has been prepared having regard to the ASX Principles. The Company's policies and corporate governance practices will continue to be reviewed regularly and will continue to be developed and refined to meet the needs of the Company.

(i) Risk management policy

The identification and proper management of the Company’s risks are an important priority of the Board. The Board has adopted a risk management policy appropriate for its business. This policy highlights the risks relevant to the Company’s strategic and operational objectives.

The Board is responsible for oversight of the risk management framework, and establishing procedures which seek to provide assurance that major business risks are identified, consistently assessed and appropriately addressed.

The Board will undertake, at a minimum, annual reviews of its risk management procedures to ensure their effectiveness and relevance. The Board may delegate these functions to the Risk and Audit Committee or a separate risk committee in the future.

(ii) Continuous disclosure policy

Once listed, the Company will be required to comply with the continuous disclosure requirements of the ASX Listing Rules and the Corporations Act. Subject to the exceptions contained in the ASX Listing Rules, the Company will be required to immediately disclose to ASX any information concerning the Company and which a reasonable person would expect to have a material effect on the price or value of any securities issued by the Company unless an exception under the ASX Listing Rules applies. The Company is committed to observing its disclosure obligations under the ASX Listing Rules and the Corporations Act.

The Company has adopted a policy to take effect from Completion, which establishes procedures which inform Directors and management of their obligations in relation to timely disclosure of material price-sensitive information. Under the continuous disclosure policy, the company secretary in conjunction with the Board will be responsible for managing the Company’s compliance with its continuous disclosure obligations.

(iii) Securities trading policy

The Company has adopted a securities trading policy which will apply to the Company and its Directors, officers, senior management, certain other employees, Selected Shareholders and contractors and their connected persons (including those persons having authority and responsibility for planning, directing and controlling the activities of the Company, whether directly or indirectly).

The policy is intended to explain the types of conduct in dealings in securities that are prohibited under the Corporations Act and to establish a best practice procedure for dealing in securities that protects the Company and its personnel against the misuse of unpublished or confidential information which could materially affect the value of the Company’s securities.

Subject to certain exceptions, the policy defines certain “prohibited periods” during which trading in securities by Directors, officers, senior management, and certain other employees and contractors and their connected persons is prohibited. Those prohibited periods are currently defined as the following periods:

in the two weeks prior to the release of the Company’s half year results until 24 hours following the release of such results;

from the Company’s financial year balance date until 24 hours following the release of the Company’s preliminary full year results as long as such results are audited;

within 24 hours of release of price sensitive information to the market; and

any additional periods imposed by the Board from time to time (e.g. when the Company is considering matters which are subject to ASX Listing Rule 3.1A).

Outside these periods, Directors, officers, senior management, and certain other employees and contractors and their connected persons must receive clearance for any proposed dealing in securities and, in all instances, buying or selling Shares is not permitted at any time by any person who possesses price-sensitive information.

(iv) Code of conduct

The Company is committed to providing an ethical and legal framework within which its Directors, officers, management, employees and contractors conduct the Company's business. Accordingly, the Company has adopted a code of conduct to take effect from Completion, which sets out the values, commitments, ethical standards and policies of the Company and the standards of conduct expected of the business and its personnel.

(v) Shareholder communications policy

The Board aims to provide Shareholders with sufficient information to assess the performance of the Company and that they are informed of all major developments affecting the state of affairs of the Company. Information will be communicated to Shareholders through the lodgement of all relevant financial and other information with ASX, periodic disclosure within the annual report and half-year financial report, the annual general meeting and other general meetings including the related explanatory material, and publishing information on the Company's website, www.teaminvestprivate.com.au.

In particular, the Company's website will contain information about the Company, including media releases, key policies and the terms of reference of its Board committees. All relevant announcements made to the market and any other relevant information will be posted on the Company's website as soon as practicable after they have been released to ASX.

6.9 Related party arrangements

As part of the Restructure:

Andrew Coleman entered into a sale-and-purchase agreement to dispose of all of his shares in TIP to the Company. Under this agreement Andrew Coleman will receive Shares (but no cash) in exchange for his shares in TIP; and

Howard Coleman and Regan Passlow are two of the Directors of Teaminvest, the major shareholder of TIP. Teaminvest entered into a sale-and-purchase agreement to dispose of all of its Shares in TIP which are held either directly or through their interests in companies and trusts to the Company. Under this agreement Teaminvest will receive Shares (but no cash) in exchange for its shares in TIP.

Other than as disclosed above or elsewhere in this Prospectus, the Company is not party to any material related party arrangements.

7. TEAMINVEST PRIVATE OFFER

7.1 Offer

This Prospectus relates to the Offer of up to 2,300,000 New Shares under the Offer at an Offer Price of $1.00 per New Share to raise up to $2,300,000.

The Offer is made on the terms, and is subject to the conditions, set out in this Prospectus.

On Completion, assuming that the Offer is fully subscribed, the total number of Shares on issue will be 109,376,943. All Shares on issue will rank equally with each other. A summary of the rights attaching to the Shares is set out in section 9.3.

7.2 Conditions to Completion

This Offer is contingent on the Company obtaining applications to subscribe for $500,000 New Shares under the General Offer.

7.3 Structure of the Offer

The Offer comprises the offer of a minimum of 500,000 New Shares and a maximum of 2,300,000 New Shares at an Offer Price of $1.00 per New Share to raise between $500,000 and $2,300,000.

The allocation of New Shares under the Offer will be determined by the Company having regarding the policy outlined in Section 7.12.

7.4 Purpose of the Offer

The Offer is being conducted to gain admission to ASX. The benefits of listing ASX will include:

- providing access to capital markets to improve financial flexibility for growth;
- the benefits of an increased profile as a listed entity which is anticipated to provide improved access to new investments;
- the benefits of increased exposure to professional and institutional investors; and
- providing the additional benefits of enhanced corporate governance.

7.5 Sources and uses of funds

The following table reflects the sources and proposed uses of the Company's cash following Listing.

Sources of cash	
Existing cash	$11.2m
Maximum gross proceeds from the Offer *	$2.3m
Total	**$13.5m**

Uses of cash	
General operating costs **	$3.0m
Payments to Founders to acquire direct interests in three Portfolio Companies	$4.2m
Transaction costs related to the Offer	$0.8m
Transaction costs related to pre-IPO capital raisings	$0.2m
Funds set aside for future acquisitions ***	$5.4m
Total	**$13.5m**

** The Offer is conditional on receipt of minimum of $500,000 in aggregate Applications.*

*** General operating costs comprises expected aggregate working capital needs of the Portfolio Companies and the Company.*

**** Although the Company is always considering potential new investments, no commitments have been made to acquire new portfolio businesses. Historically, one to two new acquisitions have been made per annum.*

The above expenditure table reflects statements of current intentions as at the date of this Prospectus.

Investors should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational activities, regulatory developments and market and general economic conditions. In light of this, the Board reserves the right to alter the way the funds are applied and the commercial objectives and priorities of the Company.

The Board considers that on Listing, the Company will have adequate capital to meet its stated objectives as set out in this Prospectus.

If less than $500,000 is raised under the Offer or a total number of Shareholders is below 300, the Offer will not proceed.

7.6 Terms and conditions of the offer of New Shares

Term	Summary
Type of security being offered	New Shares (being fully paid ordinary shares in the Company)
Offer Price per New Share	The Offer Price is $1.00 per New Share.
Minimum amount to be raised	$500,000
Maximum amount to be raised	$2,300,000

Minimum size of an individual Application	The minimum size of an individual Application under the Offer is for $2,000 of New Shares in aggregate (and thereafter multiples of $250). There is no maximum Application under the Offer. The Company reserves the right to reject any Application or to allocate a lesser number of New Shares than applied for. In addition, the Company reserves the right to aggregate any Applications that they believe may be multiple Applications from the same person or reject or scale back any Applications (or aggregation of Applications) in the Offer which are for more than $250,000 of New Shares.
Allocation policy	Allocations of New Shares under the Offer will be at the absolute discretion of the Company.
Rights and liabilities attached to Offer Shares	A description of the Shares, including the rights and liabilities attaching to them, is set out in Section 9.3.1.

7.7 Details of the Offer

7.7.1 Who can apply?

The Offer is open to investors who have a registered address in Australia and who are not in the United States and are not US Persons.

7.7.2 How to apply

Overview

Applications for Shares under the Offer can only be made using the relevant Application Form accompanying this Prospectus or otherwise provided by the Company. The Application Form must be completed in accordance with the instructions set out on the form.

No brokerage, stamp duty or other costs are payable by Applicants. All Application Monies will be paid into a trust account. An original, completed and lodged Application Form together with payment for the Application Monies (for applications under the Offer), constitutes a binding and irrevocable offer to subscribe for the number of Shares specified in the Application Form.

The Application Form does not need to be signed to be valid. If the Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may be treated by the Company as valid. The Directors' decision as to whether to treat such an Application as valid and how to construe amend or complete the Application Form is final. If your cheque or BPAY® payment for the Application Money is different to the amount specified in your Application Form then the Company may accept your Application for the amount of Application Money provided.

It is the responsibility of Applicants outside Australia to obtain all necessary approvals for the allotment and issue of Shares pursuant to this Prospectus. The return of a completed

Application Form will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained.

General

Applications under the Offer must be for a minimum of 2,000 Shares (A$2,000) and then in increments of 250 Shares (A$250). Payments must be made in Australian dollars. The Offer may be closed at an earlier date and time at the discretion of the Directors, without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as possible. However, the Company reserves the right to extend the Public Offer or accept late Applications.

Option 1 – Submitting an Application Form with a cheque

Completed Application Forms and accompanying payment cheques must be received by the Company before 5.00pm (AEDST) on the Closing Date by either being delivered to or posted to the address set out in the Application Form. Cheques must be payable to "Teaminvest Private Group Ltd – Share Offer Account". Please attach your cheque securely to the Application Form.

Option 2 – Submitting an Application Form and paying with BPAY®

Applicants under the Offer wishing to pay by BPAY® should complete the online Offer Application Form accompanying the electronic version of this Prospectus which is available via a link at the Company website (www.teaminvestprivate.com.au) or at the Offer Website (tipoffer.com.au) and follow the instructions on the online Offer Application Form (which includes the Biller Code and your unique Customer Reference Number (CRN)). You should be aware that you will only be able to make a payment via BPAY® if you are the holder of an account with an Australian financial institution which supports BPAY® transactions. When completing your BPAY® payment, please make sure you use the specific Biller Code and your unique CRN provided on the online Application Form. If you do not use the correct CRN your Application will not be recognised as valid.

Enquiries:

Within Australia	1300 346 819
Outside Australia	+61 3 9415 4163

7.7.3 What is the Offer allocation policy?

The allocation of New Shares among Applicants in the Offer will be determined by the Company. There is no assurance that any Applicant will be allocated any New Shares, or the number of New Shares for which the Applicant applied.

7.7.4 How do I confirm my allocation?

Applicants in the Offer will be able to call the Offer Information Line on 1300 346 819 between 8:30am and 5:00pm (Sydney Time), Monday to Friday (excluding public holidays) to confirm their allocation.

However, if you sell New Shares before receiving a holding statement, you do so at your own risk, even if you obtained details of your holding from the Offer Information Line.

7.8 Timetable

The timetable for the Offer is set out in the Key Dates section of this Prospectus.

All dates are indicative only and subject to change. The Company reserves the right to vary these dates and times without prior notice, including the right to close the Offer early, to withdraw the Offer, to extend the Offer and to accept late Applications.

7.9 Voluntary escrow

The Company does not expect ASX to treat any Shares as "restricted securities" for the purposes of Chapter 9 of the ASX Listing Rules. However, the treatment of any Shares as restricted securities for the purposes of Chapter 9 of the ASX Listing Rules is subject to confirmation by ASX.

Certain Shareholders have agreed to enter into voluntary escrow agreements with the Company. The following table summarises the voluntary restriction arrangements which will apply to certain Shares.

Security holder	Number escrowed securities	Percentage of Shares on Listing	Period of escrow
Teaminvest	6,300,000	5.76%	12 months from Listing
	6,300,000	5.76%	24 months from Listing
Andrew Coleman	2,712,500	2.48%	12 months from Listing
	2,712,500	2.48%	24 months from Listing
Founders	13,522,880	12.36%	12 months from Listing
	13,522,880	12.36%	24 months from Listing

Note: Founders includes shares held:

- *Pluto Mining Pty Ltd (6.15% of the Shares on Listing), an entity associated with Graham Lusty, the founder of Graham Lusty Trailers; and*
- *Kitome Pastoral Pty Ltd (5.12% of the Shares on Listing), an entity associated with Dean Neville, the founder of Kitome.*

7.10 Capital structure

Prior to the Prospectus Date, the Company:

- issued 1,000,000 Shares to advisers of the Company as consideration for work on the Restructure and Listing;

- raised $3,166,667 via the issue of convertible notes to certain sophisticated investors which have subsequently converted into 6,750,744 Shares;
- raised $3,052,334 via the issue of 3,815,417 Shares to certain sophisticated investors at an issue price of $0.80 per Share;
- issued 77,510,782 Shares to existing shareholders in the Portfolio Companies as consideration for the acquisition of their interests; and
- issued 18,000,000 Shares to the founders of TIP (Teaminvest and Andrew Coleman) as consideration for the acquisition of 100% of TIP.

The details of the ownership of Shares immediately prior to and on Completion are set out below.

Shareholder	Shares held pre-Completion		Shares acquired		Shares held on Completion
	(m)	(%)	(m)	(m)	(%)
Pre-Listing Shareholders	107.1	100%	0	107.1	97.9%
New investors (under the Offer)	0	0%	2.3	2.3	2.1%
Total	107.1	100%	2.3	109.4	**100%**

At Completion 44.76% of the Shares will be subject to voluntary escrow arrangements. See Section 7.9 for further information.

The Company's free float on Listing is expected to be 55.24%.

7.11 Applications

Applications under the Offer must be for a minimum of 2,000 New Shares ($2,000). No brokerage, stamp duty or other costs are charged by the Company to the Applicants.

7.12 Allocation and allotment of Offer Shares

It is expected that allotment of the Offer Shares will take place within 2 Business Days after the Closing Date.

If the Closing Date is extended, the date for allotment may also be extended. The Company reserves the right to reject any application or to allot a lesser number of New Shares than that applied for. If the number of New Shares allocated is less than that applied for, or no allotment is made, the surplus Application Monies will be promptly refunded without interest.

7.13 Brokerage, commission and stamp duty considerations

No brokerage, stamp duty or commission costs are payable by Applicants.

7.14 **Acknowledgement of Applicants**

Each Applicant under the Offer will be deemed to have:

- agreed to become a member of the Company and to be bound by the terms of the Constitution and the terms and conditions of the Offer;
- acknowledged having personally received a printed or electronic copy of the Prospectus (and any supplementary or replacement prospectus) including or accompanied by the Application Form and having read them all in full;
- declared that all details and statements in their Application Form are complete and accurate;
- declared that the Applicant(s) if a natural person, is/are over 18 years of age;
- acknowledged that, once the Company receives an Application Form, it may not be withdrawn;
- applied for the number of New Shares at the Australian dollar amount shown on the front of the Application Form;
- agreed to being allocated and issued or sold the number of New Shares applied for (or a lower number allocated in a way described in this Prospectus), or no Shares at all;
- authorised the Company and its officers or agents, to do anything on behalf of the Applicant(s) necessary for Shares to be allocated to the Applicant(s), including to act on instructions received by the Share Registry upon using the contact details in the Application Form;
- acknowledged that, in some circumstances, the Company may not pay dividends, or that any dividends paid may not be franked;
- acknowledged that the information contained in this Prospectus (or any supplementary or replacement prospectus) is not financial product advice or a recommendation that Shares are suitable for the Applicant(s), given the investment objectives, financial situation and particular needs (including financial and taxation issues) of the Applicant(s);
- declared that the Applicant(s) is/are a resident of Australia;
- acknowledged and agreed that the Offer may be withdrawn by the Company or may otherwise not proceed in the circumstances described in this Prospectus;
- acknowledged and agreed that this Offer is not conditional on the Listing; and
- acknowledged and agreed that if settlement does not occur for any reason, the Offer will not proceed.

Further, each Applicant will be taken to have represented, warranted and agreed as follows:

- it understands that the Shares have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except in accordance with US Securities Act regulation requirements or in a transaction exempt from, or not subject to, registration under the US Securities Act and any other applicable state securities laws;
- it is not in the United States or a US Person;

- it has not sent and will not send the Prospectus or any other material relating to the Offer to any person in the United States;
- it is purchasing the Shares in an offshore transaction meeting the requirements of Regulation S; and
- it will not offer or sell the Shares in the United States or in any other jurisdiction outside Australia except in transactions exempt from, or not subject to, registration requirements of the US Securities Act and in compliance with all applicable laws in the jurisdiction in which Shares are offered and sold.

7.15 Risks

As with any share investment, there are risks associated with investing in the Company. The principal risks that could affect the financial and market performance of the Company are summarised in Section 5.

The securities on offer under this Prospectus should be considered speculative. Accordingly, before deciding to invest in the Company, Applicants should read this Prospectus in its entirety and should consider all factors in light of their individual circumstances and seek appropriate professional advice. If you require assistance or have any questions in relation to the Offer, or you are uncertain as to whether obtaining New Shares in the Company is a suitable investment for you, you should seek professional advice from your stock broker, lawyer, accountant or other professional adviser.

7.16 Taxation

The acquisition and disposal of Shares in the Company will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring New Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability and responsibility with respect to the taxation consequences of subscribing for or receiving Offer Shares under this Prospectus.

7.17 Description of Shares

The rights and liabilities attaching to ownership of Shares are detailed in the Constitution and, in certain circumstances, regulated by the Corporations Act and general law. See section 9.3.1 for further details.

7.18 Geographic restrictions

An Offer made pursuant to this Prospectus is not made to persons or in places which would not be lawful to make the Offer. No action has been taken to register the Offer or otherwise permit the Offer to be made in any jurisdiction outside Australia.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law in those jurisdictions and therefore persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Failure to comply with such restrictions may constitute a violation of applicable securities laws.

Applicants who are residents in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed in respect of the Offer.

7.19 ASX listing, registers and holding statements

On 28 February 2019, the Company applied for admission to the Official List and quotation of the Shares on ASX. The Company's expected ASX code will be "TIP".

ASX takes no responsibility for this Prospectus or the investment to which it relates. The fact that ASX may admit the Company to the Official List is not to be taken as an indication of the merits of the Company or the New Shares offered for subscription.

If permission is not granted for the official quotation of the Shares on ASX within three months after the Prospectus Date (or any later date permitted by law), all Application Monies received by the Company will be refunded (without interest) as soon as practicable in accordance with the requirements of the Corporations Act.

Subject to certain conditions (including any waivers obtained by the Company from time to time), the Company will be required to comply with the ASX Listing Rules.

7.20 CHESS and issuer sponsored holdings

The Company has applied or will apply prior to Listing, to participate in ASX's Clearing House Electronic Sub-register System (**CHESS**) and will comply with the ASX Listing Rules and the ASX Settlement Operating Rules. CHESS is an electronic transfer and settlement system for transaction in securities quoted on ASX under which transfers are effected in an electronic form.

When the Shares become approved financial products (as defined in the ASX Settlement Operating Rules), holdings will be registered in one of two sub-registers, being an electronic CHESS sub-register or an issuer sponsored sub-register. The Shares of a Shareholder who is a participant in CHESS or a Shareholder sponsored by a participant will be registered on the CHESS sub-register. All other Shares will be registered on the issuer sponsored sub-register.

Following Completion, Shareholders will be sent a holding statement that sets out the number of Shares that have been allocated to them. This statement will also provide details of a Shareholder's holder identification number for CHESS holders or, where applicable, the securityholder reference number of issuer sponsored holders. Shareholders will subsequently receive statements showing any changes to their holding. Share certificates will not be issued.

Shareholders will receive subsequent statements shortly after the end of the month in which there has been a change to their holding and as otherwise required by the ASX Listing Rules and the Corporations Act. Additional statements may be requested at any other time either directly through the Shareholder's sponsoring broker in the case of a holding on the CHESS sub-register or through the Share Registry in the case of a holding on the issuer sponsored sub-register. The Company and the Share Registry may charge a fee for these additional issuer sponsored statements.

7.21 **Enquiries about the Offer**

If you require assistance to complete the Application Form, require additional copies of this Prospectus, have any questions in relation to the Offer or you are uncertain as to whether obtaining New Shares in the Company is a suitable investment for you, you should seek professional advice from your stockbroker, lawyer, accountant or other professional adviser.

8. INVESTIGATING ACCOUNTANTS REPORT

HLB MANN JUDD
ADVISORY AND ACCOUNTING

11 March 2019

Board of Directors

Teaminvest Private Group Limited

53 Walker Street

North Sydney NSW 2060

Dear Directors

INDEPENDENT LIMITED ASSURANCE REPORT ON TEAMINVEST PRIVATE GROUP LIMITED'S HISTORICAL AND PRO FORMA HISTORICAL FINANCIAL INFORMATION

Introduction

HLB Mann Judd Corporate (NSW) Pty Ltd ("HLBMJC") has been engaged by Teaminvest Private Group Limited (the "Company") to prepare this report for inclusion in the prospectus to be issued by the Company on or around 11 March 2019 in relation to the initial public offering ("IPO") of its shares ("Prospectus").

As detailed in section 3 of the Prospectus, Teaminvest Private Pty Ltd ("TIP") and the Portfolio Companies became controlled subsidiaries, or equity accounted investments of the Company prior to the issue of the Prospectus. The Portfolio Companies, wholly or partly owned, along with the Company and its controlled subsidiaries, are presented in aggregate in section 4 and referred to as the "Group".

Expressions defined in the Prospectus have the same meaning in this report.

HLB Mann Judd Corporate (NSW) Pty Ltd holds the appropriate Australian Financial Services licence (AFSL: 253134) under the Corporations Act 2001 for the issue of this report.

hlb.com.au

HLB Mann Judd Corporate (NSW) Pty Ltd ABN 94 003 918 125 AFSL 253134

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T: +61 (0)2 9020 4000 F: +61 (0)2 9020 4190 E: mailbox@hlbnsw.com.au

Scope

Historical Financial Information

HLBMJC was engaged to review the following financial information of the Group included in the Prospectus:

- The Statutory Historical Aggregate Financial Information, being:
  - The Statutory Historical Aggregate Statements of Comprehensive Income for the financial years ended 30 June 2017 (FY2017) and 30 June 2018 (FY2018);
  - The Statutory Historical Aggregate Statements of Financial Positions as at 30 June 2017 and 30 June 2018; and
  - The Statutory Historical Aggregate Statement of Cash Flows for FY2018,

(collectively the "Historical Aggregate Financial Information").

The Historical Aggregate Financial Information has been prepared in accordance with the stated basis of preparation, being the recognition and measurement principles contained in Australian Accounting Standards and the Company's adopted accounting policies.

The Historical Aggregate Financial Information has been extracted from the audited aggregated special purpose financial information ("Aggregated Accounts") of the Group for the financial years ended 30 June 2017 and 30 June 2018. The audit was undertaken by HLB Mann Judd Assurance (NSW) Pty Ltd, in accordance with the Australian Auditing Standards. HLB Mann Judd Assurance (NSW) Pty Ltd issued a qualified audit opinion on the Aggregated Accounts in relation to the impact on the financial information of the unaudited opening balances on the for the year ended 30 June 2017.

Pro Forma Historical Financial Information

HLBMJC was engaged to perform limited assurance procedures in relation to the pro forma historical financial information of the Group included in the Prospectus:

- The Pro Forma Historical Aggregate Financial Information, being:
  - The Pro Forma Historical Aggregate Statements of Comprehensive Income for FY2017 and FY2018; and
  - The Pro Forma Historical Aggregate Statements of Financial Position as at 30 June 2018;

The pro forma historical aggregate financial information has been derived from the Historical Aggregate Financial Information, adjusted for the impact of the Offer and other significant transactions and events, and related notes as set out in sections 4.4 and 4.5 of the Prospectus (collectively the "Pro Forma Historical Aggregate Financial Information").

The stated basis of preparation is the recognition and measurement principles contained in Australian Accounting Standards applied to the historical financial information and the event(s) or transaction(s) to which the pro forma adjustments relate, as described in section 4.4 and 4.5 of the Prospectus. Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position.

The historical and pro forma historical aggregate financial information is presented in the Prospectus in an abbreviated form, insofar as it does not include all of the presentation and disclosures required by Australian Accounting Standards and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act 2001.

Our limited assurance engagement has not been carried out in accordance with auditing or other standards and practices generally accepted outside of Australia and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Directors' responsibilities

The directors of Group are responsible for:

- the preparation of the Historical Aggregate Financial Information and Pro Forma Historical Aggregate Financial Information, including the selection and determination of the pro forma transactions and/or adjustments made to the Historical Financial Aggregate Information and included in the Pro Forma Historical Aggregate Information; and
- the information contained in the Prospectus.

The directors' responsibility includes establishing and maintaining such internal controls as the directors determine are necessary to enable the preparation of the Historical Financial Information and the Pro Forma Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Historical Financial Information and the Pro Forma Historical Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement *ASAE 3450 Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

Our limited assurance procedures consisted of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as a source of the financial information.

Conclusions

Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Historical Aggregate Financial Information, as described in section 4.3 of the Prospectus, is not presented fairly, in all material respects, in accordance with the stated basis of preparation, as described in section 4.2 of the Prospectus.

Pro Forma Historical Financial Information

Based on our limited assurance engagement, which is not an audit, nothing has come to our attention that causes us to believe that the Pro forma Historical Aggregate Financial Information is not presented fairly in all material respects, in accordance with the stated basis of preparation as described in section 4.2 and 4.4 of the Prospectus.

Independence

HLBMJC does not have any interest in the outcome of the proposed initial public offering, other than in connection with the preparation of this report and participation in due diligence procedures for which normal professional fees will be received.

Entities related to HLBMJC are the auditor of the Company and from time to time, provide the Group with certain professional services for which normal professional fees are received.

General advice warning

This report has been prepared, and included in the Prospectus, to provide investors with general information only and does not take into account the objectives, financial situation or needs of any specific investor. It is not intended to take the place of professional advice and investors should not make specific investment decisions in reliance on the information contained in this report. Before acting or relying on any information, an investor should consider whether it is appropriate for their circumstances having regard to their objectives, financial situation or needs.

Restriction on use

Without modifying our conclusions, we draw attention to Section 4 of the Prospectus, which describes the purpose of the Financial Information, being for inclusion in the Prospectus. As a result, the financial information may not be suitable for use for another purpose. We disclaim any assumption of responsibility for any reliance on this report, or on the financial information to which it relates, for any purpose other than that for which it was prepared.

Consent

HLBMJC has consented to the inclusion of this independent limited assurance report in the Prospectus in the form and context in which it is so included, but has not authorised the issue of the Prospectus. HLBMJC makes no representation regarding, and takes no responsibility for, any other statements, or material in, or omissions from, the Prospectus.

Yours faithfully

N J Guest

Director and Authorised Representative

HLB Mann Judd Corporate (NSW) Pty Limited

Financial Services Guide

Dated 11 March 2019

1. HLB Mann Judd Corporate (NSW) Pty Ltd

HLB Mann Judd Corporate (NSW) Pty Ltd ABN 94 003 918 125 (“**HMJC**” or “**we**” or "**us**” or “**our**” as appropriate) has been engaged to issue general financial product advice in the form of a Report to be provided to you.

2. Financial Services Guide

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide (“**FSG**”). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our **Australian Financial Services Licence, No. 253134**;
- remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

3. Financial services we are licensed to provide

We hold an Australian Financial Services Licence which authorises us to provide reports for the purposes of acting for and on behalf of clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate restructures or share issues, securities valuations or reports and to provide general financial product advice for the following classes of financial products:

(i) debentures, stocks or bonds issued or proposed to be issued by a government;

(ii) interests in managed investment schemes excluding investor directed portfolio services;

(iii) securities; and

(iv) superannuation;

to retail and wholesale clients.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have

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engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

4. General financial product advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared for the shareholder group as a whole without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product and there is no statutory exemption relating to the matter, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

5. Benefits that we may receive

We charge fees for providing reports. These fees will be agreed with, and paid by, the person who engages us to provide the report. Fees will be agreed on either a fixed fee or time cost basis.

Except for the fees referred to above, neither HMJC, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

6. Remuneration or other benefits received by us

HMJC has no employees. All personnel who complete reports for HMJC are either partners of, or personnel employed by, HLB Mann Judd's New South Wales Partnership. None of those partners or personnel is eligible for bonuses directly in connection with any engagement for the provision of a report.

7. Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

8. Associations and relationships

HMJC is wholly owned by HLB Mann Judd (NSW) Pty Limited. Also, all directors of HMJC are partners in HLB Mann Judd's New South Wales Partnership. Ultimately the partners of HLB Mann Judd's New South Wales Partnership own and control HMJC.

From time to time HMJC, HLB Mann Judd (NSW) Pty Ltd or HLB Mann Judd's New South Wales Partnership may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of their business.

9. Complaints resolution

9.1. *Internal complaints resolution process*

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. Complaints must be in writing, addressed to The Complaints Officer, HLB Mann Judd Corporate (NSW) Pty Ltd, Level 19, 207 Kent Street NSW 2000.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within **7 days** and investigate the issues raised. As soon as practical, and not more than **one month** after receiving the written complaint, we will advise the complainant in writing of the determination.

9.2. *Referral to external disputes resolution scheme*

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ("AFCA"). AFCA is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website www.afca.org.au or by contacting them directly via the details set out below.

Australian Financial Complaints Authority

GPO Box 3, Melbourne VIC 3001

Toll free: 1800 931 678

Facsimile: (03) 9613 6399

10. Contact details

You may contact us using the details at the foot of page 1 of this FSG.

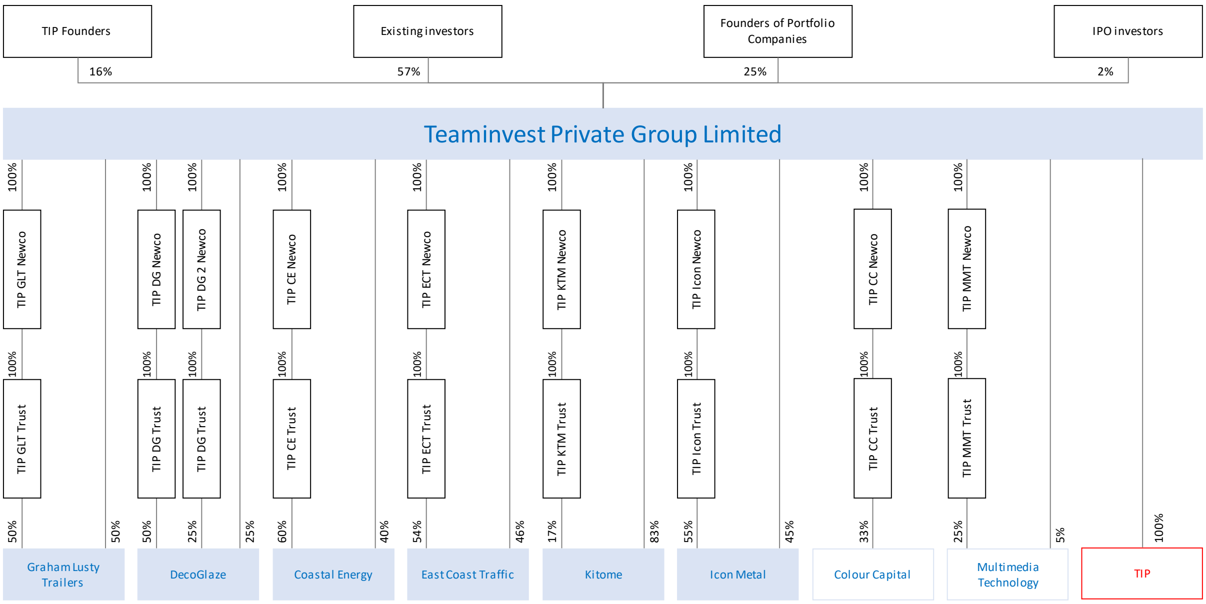
9. ADDITIONAL INFORMATION

9.1 Registration

The Company was incorporated on 26 September 2018 in New South Wales as a public company.

9.2 Group structure

The following diagram represents the structure of the Group on listing.



The Company's capital structure on Completion is set out in section 7.10.

9.3 Constitution

The Company has adopted a constitution that is suitable for a publicly listed company prior to Listing. The following sections summarise the most significant rights attaching to the Shares and other material provisions of the Company's constitution. These summaries are not exhaustive and do not constitute a definitive statement of the rights and liabilities of Shareholders. Full details of the rights attaching to Shares are set out in the Company's constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

9.3.1 Rights attaching to Shares

(i) Ordinary shares

The Offer Shares to be issued under this Prospectus will rank equally with the issued fully paid ordinary shares in the Company. The rights attaching to Shares are set out in the Company's constitution and, in certain circumstances, are regulated by the Corporations Act, the ASX Listing Rules and general law.

(ii) Preference shares

The Company may issue preference shares including preference shares which are, or at the option of the Company or holder are, redeemable or convertible to Shares. The rights attaching to preference shares are those set out in the constitution unless other rights have been approved by members in accordance with the Corporations Act.

(iii) General meetings

Shareholders are entitled to be present in person or by proxy, attorney or representative to attend and to vote at general meetings of the Company. Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Company's constitution.

(iv) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or of classes of Shareholders:

- on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote (except if that person is entitled to vote in more than one capacity); and
- on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by that person or in respect of which the person is appointed proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid Shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the Share.

(v) Dividend rights

The Board may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. Subject to any special right as to dividends attaching to a Share, all dividends will be declared and paid according to the proportion of the amount paid on the Share to the total amount payable in respect of the Share (but any amount paid during the period in respect of which a dividend is declared only entitles the Shareholder to an apportioned amount of that dividend as from the date of payment). The Directors may from time to time pay or credit to Shareholders such interim dividends as they may determine. No dividends shall be payable except out of profits. A determination by the Board as to the profits of the Company shall be conclusive. No dividend shall carry interest as against the Company.

The Board may from time to time grant to Shareholders or to any class of Shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company on such terms and conditions as the Directors think fit. The Directors may at their discretion resolve, in respect of any dividend which it is proposed to pay or to declare on any Shares of the Company, that holders of such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares credited as fully paid to the extent and on the terms and conditions provided for in the Constitution. The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may properly be applied.

(vi) Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(vii) Future increase in capital

The allotment and issue of any new Shares is under the control of the Board. Subject to restrictions on the issue or grant of new Shares contained in the ASX Listing Rules, the Company's Constitution and the Corporations Act (and without affecting any special right previously conferred upon the holder of an existing Share or class of Shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(viii) Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, distribute among the shareholders the whole or any part of the assets of the Company, and may for that purpose set such value as they consider fit upon any assets to be so divided, and may determine how the assets are to be distributed between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit. No Shareholder is compelled to accept any Shares, securities or other assets in respect of which there is any liability.

(ix) Variation of rights

The Company may, with the sanction of a special resolution passed at a meeting of Shareholders, vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of at least three quarters of the issued Shares of that class or, if authorised by a special resolution passed at a separate meeting, of the holders of the Shares of that class.

9.3.2 Other material provisions of the constitution

(i) Non-marketable parcels

Subject to the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules, the Board may sell the Shares of a Shareholder who holds less than a marketable parcel by following the procedures set out in the Constitution.

(ii) Proportional takeover provisions

The Constitution contains provisions for Shareholder approval to be required in relation to any proportional takeover bid. These provisions will cease to apply on the day that is three years after the adoption of the Constitution or, if the provisions have been renewed in accordance with the Corporations Act, 3 years after their last renewal.

(iii) Appointment and removal of directors

Under the Constitution, the Company will have at least three Directors, unless otherwise provided by the Corporations Act and the maximum is 10 unless the Shareholders pass a resolution varying that number. Directors are elected at annual general meetings of the Company. Retirement will occur on a rotational basis so that any Director who has held office for three or more annual general meetings (excluding the CEO) faces re-election. The Directors may also appoint a Director to fill a casual vacancy on the Board to the extent necessary to bring the number of directors up to the minimum. Subject to the provision setting a maximum number of directors, Directors may at any time appoint any person to be a Director, who will then hold office until the next annual general meeting of the Company and is then eligible for election at that meeting.

(iv) Remuneration of directors

Refer to sections 6.5 and 6.5.4 for a description of the remuneration arrangements for Directors.

The Company may pay to each Director for their services as a Director such fees (excluding the salaries of executive directors) as the Board may decide, provided that the aggregate of such fees does not exceed $750,000 (as may be varied by ordinary resolution of the shareholders in a general meeting) in any financial year.

If a Director at the request of the Board performs additional or special services for the Company, the Company may pay or provide to that Director such remuneration or other benefits as the Board determines having regard to the value to the Company of the additional or special services provided.

Subject to the Corporations Act and the ASX Listing Rules the Company may establish and maintain any share, option or other incentive scheme for the benefit of Directors or in which Directors are permitted to participate, and may grant to the Directors benefits under any such scheme.

(v) Powers and duties of directors

The business of the Company is to be managed by or under the direction of the Board, which (in addition to the powers and authorities conferred on it by the Constitution) may exercise all the powers that are within the Company's power (that are not required by law or by the Constitution to be exercised by the Company in general meeting).

(vi) Indemnities

To the extent permitted by law, the Company indemnifies each person who is or has been a director, secretary or other officer of the Company or a subsidiary of the Company against any liability incurred by the person in that capacity, and legal costs incurred by that person in connection with any juridical proceedings or investigation in which that person becomes involved as a result of holding that office. To the extent permitted by law, the Company may make a payment (whether by way of an advance or loan) to a person who is or has been a director, secretary or other officer in respect of legal costs incurred by that person in connection with any judicial proceedings or investigation in which that person becomes involved as a result of holding that office.

9.4 ASIC relief and ASX waivers and confirmations

9.4.1 ASIC relief

The Company has applied for relief from ASIC so that the takeovers provisions of the Corporations Act will not apply to certain relevant interests that the Company would otherwise acquire in escrowed Shares by reason of the voluntary escrow arrangements in relation to those Shares described in Section 7.9.

9.4.2 ASX waivers and confirmations

The Company has or will apply to ASX for waivers and confirmations in connection with its application to the ASX for admission to the Official List, including:

- a confirmation that the Group has a track record or profitability or revenue acceptable to ASX; and
- a waiver from the requirement to provide audited accounts for the last two full financial years.

9.5 Consent to be named and statement of disclaimers of responsibility

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, and any persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

Each of the parties referred to in this section:

- does not make, or purport to make, any statement in this Prospectus other than those referred to in this section; and
- in light of the above, only to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section.

HLB Mann Judd has given its written consent to be named in this Prospectus as Investigating Accountant in relation to the Financial Information in the form and context in which it is named and to the inclusion of its Investigating Accountant's Report on the Financial Information in Section 8 in the form and context in which it appears in this Prospectus. HLB Mann Judd has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

HLB Mann Judd Assurance (NSW) Pty Ltd has given its written consent to being named as auditor in this Prospectus. HLB Mann Judd Assurance (NSW) Pty Ltd has not withdrawn its consent prior to lodgement of this Prospectus with ASIC.

Sundaraj & Ker has given its written consent to being named as the Australian legal adviser to the Company in this Prospectus. Sundaraj & Ker has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Computershare Investor Services Pty Limited has given its written consent to being named as the Registry to the Company in this Prospectus. Computershare Investor Services Pty Limited has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

9.6 Costs of the Offer

If the Offer proceeds, the total estimated costs in connection with the Offer payable by the Company (including advisory, legal, accounting, tax, listing and administrative fees, Prospectus design and printing, advertising, marketing, Registry and other expenses) are currently estimated to be approximately $768,872.

A summary of the Offer costs is set out below.

Particulars	Cost ($)
ASX fees	$165,557
ASIC fees	$3,206
Share Registry	$6,331
Trustee fees	$254,000
Professional adviser fees	$339,778
Total	**$768,872**

9.7 Company tax status

The Company is and will be subject to tax at the relevant corporate tax rate. The Company has formed an income tax consolidated group with the Company as head entity and all wholly owned subsidiaries are members of this group. The Company is not part of a GST group.

9.8 Litigation and claims

So far as the Directors are aware, as at the Prospectus Date, there are no legal proceedings to which the Company is a party that it believes are likely to have a material adverse impact on the business or financial future of the Company and the Directors are not aware of any such legal proceedings that are pending or threatened.

9.9 Governing law

This Prospectus and the contracts that arise from the acceptance of applications and bids under this Prospectus are governed by the laws applicable in New South Wales, Australia and each applicant and bidder under this Prospectus submits to the exclusive jurisdiction of the courts of New South Wales, Australia.

9.10 Statement of Directors

This Prospectus has been authorised by each Director of the Company who has consented to its lodgement with ASIC and its issue and has not withdrawn that consent.

10. APPENDIX A: GLOSSARY

Term	Definition
$	Australian dollars.
AAS	Australian Accounting Standards.
AASB	Australian Accounting Standards Board.
ACCI	Australian Chamber of Commerce and Industry
AIFRS	Australian equivalents to International Financial Reporting Standards.
Allotment Date	The date on which Offer Shares offered under this Prospectus will be allotted.
Applicant	A person who submits an Application.
Application	An application to subscribe for New Shares offered under this Prospectus.
Application Form	The application form attached to or accompanying this Prospectus (including the electronic form provided by an online application facility).
Application Monies	The Offer Price multiplied by the number of New Shares applied for by an Applicant under the Offer.
Australian Accounting Standards	Australian Accounting Standards and other authoritative pronouncements issued by the AASB.
ASIC	Australian Securities and Investments Commission.
ASX	Australian Securities Exchange, as operated by ASX Limited ACN 008 624 691.
ASX Listing Rules	The official rules of the ASX governing the procedures and behaviour of all listed entities.
ASX Principles	The ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.
ASX Settlement Operating Rules	The operating rules of the ASX Settlement Pty Ltd.
BEP	Break-even point.
BESM	Break-even safety margin
Board	The board of Directors of the Company.

Bpay®	The payment mechanism used to pay Application Monies online.
CHESS	ASX's Clearing House Electronic Sub-register System.
Company	Teaminvest Private Group Limited, ABN 74 629 045 736
Closing Date	The date on which the offer under the Offer closes.
Completion	The date on which the Offer is completed, being the date on which Offer Shares are issued or transferred to the relevant recipient in accordance with the terms of the relevant Offer.
Constitution	The constitution of the Company which is suitable for a publicly listed company and was adopted prior to Listing.
Corporations Act	*Corporations Act* 2001 (Cth).
Director	A director of the Company.
EIP	Employee incentive plan
Expiry Date	The date that is 13 months after the Prospectus Date.
Exposure Period	The 14-day period after the date of lodgement of the Original Prospectus with ASIC.
Financial Information	The Historical Financial Information and Pro Forma Historical Financial Information described in Section 4.
Founders	The founders of a Portfolio Company.
Glossary	This glossary.
Group	The Company, TIP, each Portfolio Company and their respective subsidiaries.
FY17	The financial year ended 30 June 2017.
FY18	The financial year ended 30 June 2018.
FY19	The financial year ended 30 June 2019.
H1 FY18	The six-month period ended 31 December 2017.
H1 FY19	The six-month period ended 31 December 2018.
Historical Financial Information	The Statutory Historical Aggregate Financial Information described in section 4.
IASB	International Accounting Standards Board.
IFRS	International Financial Reporting Standards.

Investigating Accountant	HLB Mann Judd Corporate (NSW) Pty Ltd
Investigating Accountant's Report	The report provided by the Investigating Accountant set out in Section 8.
KPI	Key performance indicator.
Listing	The completion of the Offer, admission of the Company to the Official List and listing of the Shares on ASX.
Managed Investments	Investments managed by the Company on behalf of TIP's investors in Portfolio Companies (currently Whites Diesels, Automation Group and Found Beverages) that the Company does not have a direct interest in.
Management	The management team of the Company.
New Shares	The offer of up to 2,300,000 new Shares to be issued by the Company at the Offer Price under the Offer.
OECD	Organisation for Economic Co-operation and Development.
Offer	The offer under this Prospectus of New Shares.
Offer Period	The period from the Opening Date to the Closing Date.
Offer Price	$1.00 per New Share.
Offer Shares	New Shares and Founder Shares. For the avoidance of doubt all Offer Shares are ordinary Shares that rank equally with existing Shares.
Offer Website	http://tipoffer.com.au
Official List	The official list of entities that ASX has admitted and not removed from listing.
Opening Date	The date on which the offer under the Offer opens.
Original Prospectus	The prospectus dated 27 February 2019 and lodged with ASIC on that date.
Portfolio Company	A private Australian business which the Company has (or, historically, TIP's members have) invested in.
Pre-Listing Shareholders	Certain sophisticated investors who, prior to the Prospectus Date, subscribed for and were issued with: ▪ 1,000,000 Shares for advisers of the Company as consideration for work on the Restructure and Listing; ▪ 6,750,744 Shares via the conversion of convertible notes;

	▪ 3,807,500 Shares to certain sophisticated investors at an issue price of $0.80 per Share; ▪ 78,466,528 Shares to existing shareholders in the Portfolio Companies as consideration for the acquisition of their interests; and ▪ 18,000,000 Shares to the founders of TIP (Teaminvest and Andrew Coleman) as consideration for the acquisition of 100% of TIP.
Pro Forma Historical Financial Information	The Group's: ▪ pro forma historical aggregate statements of comprehensive income for FY2017 and FY2018; and ▪ pro forma historical aggregate statements of financial position as at 30 June 2018, (set out in section 4).
Prospectus	This document (including the electronic form of the prospectus) and any supplementary or replacement prospectus in relation to this document.
Prospectus Date	The date on which a copy of this Prospectus was lodged with ASIC, being 11 March 2019.
RBA	Reserve Bank of Australia.
Restructure	The restructure pursuant to which TIP and the Portfolio Companies have or will become controlled subsidiaries of the Company as a result of the following transactions: ▪ TIP investors and Founders exchanged their interests (direct and indirect) in Portfolio Companies for Shares; and ▪ the founders of TIP (being Teaminvest and Andrew Coleman) exchanging their direct interests in TIP for Shares.
Securities Act	The Securities Act, as amended, of the United States of America 1933.
Selected Shareholders	A Shareholder who has been selected by the Company to participate in the Company's investment process or ongoing management (see section 3.4 for further information on the application process and Appendix B for further information on the role of Selected Shareholders).
Settlement Date	The date specified in the Key Dates section.
Share	A fully paid ordinary share in the capital of the Company and includes, for the avoidance of doubt, the New Shares and Founder Shares.

Shareholder	A holder of Shares.
Share Registry	Computershare Investor Services Pty Ltd.
SMaRT	A full day meeting convened between a potential investment's board and management and attended by select investors.
SMEs	Small and medium-sized enterprises.
Statutory Historical Aggregate Financial Information	The Group's: ▪ statutory historical aggregate statements of comprehensive income for the financial years ended 30 June 2017 (FY2017) and 30 June 2018 (FY2018); ▪ statutory historical aggregate statements of financial positions for FY2017 and FY2018; and ▪ statutory historical aggregate statement of cash flows as at 30 June 2018, (set out in section 4).
Sydney Time	The official time in Sydney, Australia.
Teaminvest	Teaminvest Pty Limited.
TIP	Teaminvest Private Pty Limited.
TIPBars	The Teaminvest Private Board accounting reporting system, a management tool used by the Company for assessing the financial performance of Portfolio Companies.
TIPRep	A Selected Shareholder who has been nominated by the Company (from time-to-time) to act as a nominee director of on the board of a Portfolio Company.
TIPTool	A proprietary financial analysis tool used by the Company for assessing the financial impact of various Portfolio Company decisions.
US Person	Has the meaning given in Rule 902(k) of Regulation S.
US Securities Act	The US Securities Act of 1933, as amended.

11. APPENDIX B: SELECTED SHAREHOLDERS

11.1 Guidance for investors

As a private equity firm, the Company has an investment philosophy that differs to most other listed companies.

11.1.1 Portfolio approach

Diversification is a cost-effective way to reduce risks and improve returns in financial markets. We consider it wise to spread our investments over a portfolio of a number of underlying companies, rather than investing in only one – no matter how much we may like the company and the management. Over time, this should provide better returns at lower risk.

11.1.2 Risks and opportunities over 5 years

Companies do not commonly run for 5 years without disappointments or ‘bad’ news on the sector, their market or the general economy. Our Portfolio Companies also expect short-term disappointments and ‘bad’ news. Being smaller than our group as a whole, they may even experience larger ups and downs than we do. Investing in the Company is not risk-free. We expect our Investment Committee, TIPReps and Strategy Committee will keep a keen eye out for structural or long-term negative news that may be a sign of an eventual capital killer, but we are human and could miss them or fail to act appropriately.

11.1.3 Long-term investments

In private equity, it takes a minimum of several years before we can begin to consider the success of an investment. When you choose to make an investment in the Company, we suggest a similar logic applies. Some shareholders may trade in-and-out of our shares after listing, however we believe value creation has a different cadence and does not move daily. We consider an investment in the Company is best held for the medium or long term.

11.2 Guidance for Selected Shareholders

In addition to being a passive shareholder of the Company and as noted in section 3.4, Shareholders may apply to participate directly in our investment process by applying to be appointed a Selected Shareholder. All Shareholders are invited to apply to be appointed a Selected Shareholder. A Shareholder may wish to become a Selected Shareholder for a number of reasons including:

- passing your knowledge and experience to a younger generation;
- mentoring an already successful CEO as they develop their business;
- seeking more intellectual stimulation than possible from passive investing; or
- giving back to the Australian business community.

This section provides a detailed overview of the Company’s philosophy towards Selected Shareholders. It also provides some guidance about how we believe Shareholders should look at a potential investment in our business.

11.2.1 Ways Selected Shareholders can contribute to the Group

Participation as a Selected Shareholder may involve:

Participating in SMaRT meetings: Selected Shareholders may be invited to participate in management meetings with potential investments. SMaRT meetings improve our initial analysis on whether or not to invest and, if an investment proceeds, also improve how we manage the Portfolio Company in future years. The application of collective wisdom at SMaRT meetings is a crucial stage of the Group's investment process.

Commercial due diligence: Selected Shareholders may be invited to participate as members of the committee formed to conduct due diligence on a potential investment. Commercial due diligence is designed to confirm the initial assessment of the SMaRT meeting, to confirm the moats identified, to confirm there are no misunderstood or significant risks, and to confirm that Portfolio Company management are suitable for investment by the Group. This committee forms a key risk mitigation step for our investment process.

Strategy days: Selected Shareholders may be invited to attend strategy days attended by the Board, Company management, the management of Portfolio Companies and TIPReps. Strategy days are designed to provide insights and ideas for future growth.

Adviser, Consultant or Interim Executive: Selected Shareholders – depending on their professional experience and mentoring skills – can help increase value for the Group by becoming a TIPRep or providing assistance in other ways, for example as an adviser, consultant or interim executive to a Portfolio Company. Once TIPReps understand the most important profit-levers in a particular business, (assisted by our TIPBars reporting system), they can assist our investments to deliver outstanding returns.

11.3 Guidance for potential TIPReps

11.3.1 Introduction

Investing in TIP opens the opportunity for select shareholders to be a non-executive board member (**TIPRep**) of a Portfolio Company. The following section provides guidance for shareholders who may be interested in applying for the role of TIPRep. It is not an attempt to take into account legal obligations as a board member. For that, we refer you to the Australian Institute for Company Directors, ASIC and ASX Governance documents, amongst others.

Our approach draws on how Warren Buffett and Charlie Munger stimulate the management of their private businesses to grow profits organically and via bolt-on acquisitions.

TIPReps are appointed to instil our philosophy into our Portfolio Companies. We expect them to deliver:

1. A clear and obvious path to significant capital gain over the longer-term; while
2. Providing attractive periodic dividends to the Company in return for the funds we have invested

We expect TIPReps to transfer wisdom and experience to our executives – enabling them to grow as CEOs, generate increasing free cash, and materially increase the value of the business. This is often accomplished by providing an attractive vision to keep creative juices flowing and enthusiasm high.

11.3.2 Preparation before becoming a TIPRep

Application: If you have experience or other wisdom to offer, please make your interest known to the Company. Following a formal selection process, we may appoint you to the board of one of our Portfolio Companies as a TIPRep. TIPReps serve at the pleasure of the Company and can be removed or replaced at any time.

Desirable experience: Whilst there is no set formula for a great TIPRep, 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. TIPReps should enjoy thinking about visionary opportunities as this is one of the key roles of a board or mentor. An understanding of accounting, corporate law and governance are valuable but not a prerequisite.

Prior participation in the SMaRT and Due Diligence Process: It is preferable for potential TIPReps to have previously participated in SMaRT and due diligence processes. This enables them to better understand our philosophy and the ways they can add value. We consider it advantageous for TIPReps to have participated in the SMaRT and due diligence process for the business to which they are appointed. This provides a greater understanding of the moats the company should enhance (to drive profits), the future risks the company should mitigate or prepare for (to avoid or minimise losses) and the personalities involved. If a potential TIPRep has not participated in the specific SMaRT and due diligence, we will usually require them to attend board meetings as an observer before we confirm their appointment.

SMaRT and Due Diligence Reports: Before their first board meeting, TIPReps should review 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 pre-requisite to adding value as a board member.

Terms of Acquisition: TIPReps 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. TIPReps should periodically review progress against the terms of acquisition and keep TIP informed.

TIPBars and TIPTool: TIPReps must be familiar with TIPBars and TIPTool, our two proprietary financial analysis tools. TIPBars provides a standardised set of board financial reporting across the group. It also contains built-in audit functions to enhance the integrity of financial reporting. TIPTool allows the board to easily model alternative paths for substantially increasing profits. If substantially increasing profits were easy, executives would already have done so. TIPTool allows board and management to have an accurate and robust discussion about the most practical path to achieve their targets.

11.3.3 Common learnings

TIPReps have experienced the following common learnings:

1. Many creative entrepreneurs are wonderfully successful through inspiring and motivating their staff to work 'miracles' and their clients to pay highly for their products. Financial record-keeping maximises the cash available to the owners with the least effort, cost and time - all while minimising tax. Detailed reporting is often seen as reducing creativity and

distracting from profits. TIPReps must introduce TIPBars and TIPTool immediately. TIPBars substantially reduces the risk of nasty financial surprises, while TIPTool facilitates decision-making towards higher returns for us and our Portfolio Companies; shows which metrics matter most; which are less important; and how profits can be most enhanced with the least effort.

2. SMEs rarely have a superb team of decision-makers reporting to the CEO. They will have an organisation chart, but we can expect most decisions are taken by the founder who built the business. Our Portfolio Companies executives may not yet have management to whom they can delegate or may not yet feel comfortable delegating responsibilities. TIPReps should aim to progress towards more delegation to quality management. This will free our Portfolio Companies to work on more exciting profit opportunities - thus delivering higher profits.
3. A year may elapse between when our Portfolio Companies approach a broker to market their business, to when we finalise contracts and appoint TIPReps. Sales and profits may become secondary to 'doing the deal'. Working with a board may also initially distract our Portfolio Companies. Together this may cause revenue and profits to disappoint - until TIPReps once again focus our Portfolio Companies on driving the profits.
4. After parting with part of their baby, Portfolio Company executives may wonder if they made the right decision. If there is more than one senior executive or founder, one may feel regret more keenly, causing internal friction. TIPReps should provide a vision of a more attractive and growing baby via a roadmap over time for substantial personal growth and profit growth.
5. Executives working 'in the business' rarely have time to think in a visionary way 'outside of the business'. Day-to-day issues keep them busy and are most likely to be reported to the board. TIPReps should leave day-to-day business to proven executives while being available to suggest substantial profit opportunities and to alleviate major risks. Once we mentor our Portfolio Companies to delegate, they will have more time and energy for profitable growth opportunities.

11.3.4 Five Main Roles for TIPReps

In addition to their fiduciary duties, TIPReps have five main roles:

1. Encouraging Portfolio Company executives to grow their skills to increase the profits of the business. The Company is a long-term investor, so TIPReps should have a long-term strategic, rather than short-term tactical, focus. Strategy is measured against its likelihood to increase future dividends and capital value, while strengthening moats and reducing damage from risks. TIPReps should inform the Strategy Committee any time they become unhappy with the strategy of the Portfolio Company.
2. Allocating the capital of the business between its three main uses: funds for organic growth towards the long-term strategy of building capital value; funds for bolt-on acquisitions that can increase future dividends and capital value; and return of capital to the Company via attractive dividends or capital returns.
3. Looking for ways to de-risk the business by continually seeking to replace fixed expenses with variable expenses. This increases the Contribution Margin and widens the Break-Even Safety Margin. TIPBars and TIPTool can illustrate the value of this.

4. Helping Portfolio Company executives to grow and think in more visionary ways suggesting ideas for substantial growth, introducing the CEO to other shareholders for advice or contacts, and aiding in the appointment of a team of executive management so that the business grows and our executive can eventually retire to a board-only role.
5. Representing the Company should executives ever propose an action that is against our interests (whether intentionally or not).

11.3.5 Activities of TIPReps

Understanding the business: It takes time for TIPReps to understand the most important Key Performance Indicators (KPIs) that drive profits. Executives should already know what is most important to measure. In early months, TIPReps would be wise to ask: "What are the most important things you think we should know about the business this month?" Once TIPReps feel they understand the major profit drivers, they should set ranges with the CEO for KPIs in TIPBars.

Outside consultants: TIPReps should not recommend 'outside consultants' or 'outside professional help' as a first port of call. A key strength of our model is that the Company can add value that Portfolio Companies would otherwise pay for. If executives suggest the need for outside consultants, TIPReps should first seek advice from the Company or Selected Shareholders. This costs nothing and is preferable to seeking outside assistance.

Long-term focus: Executives should continue focusing on profitably running the business. TIPReps should explore longer-term opportunities to strengthen the moats, reduce capital killing risks, substantially increase net profit margins, and add material long-term value to the business.

Avoid involvement in management: The role of executives is to continue running the business profitably on a daily, weekly, monthly and yearly basis. If they had not done so before we invested, they would not have passed the SMaRT and due diligence. TIPReps should leave them to get on with it, while providing vision for substantial profit growth and occasionally offering suggestions for general business improvement.

Reviewing moats and risks: TIPReps are required to regularly review moats (to ascertain how these can be strengthened, or prevented from eroding) and risks (to ascertain how they can be eliminated or mitigated and if not, then how they can be managed when they occur).

Increasing BESM: A powerful way of reducing risks is by increasing the gap between sales revenue and the Break-even Point of the business. This increases the BESM (Break-Even Safety Margin). Replacing fixed costs with variable costs increases BESM and reduces risk.

11.3.6 Interacting with executives

First meeting with executives: Once all contracts are signed, TIPReps should formally meet executive board members to learn 'what makes executives tick'. It is easier to build profits with someone we understand. This provides a first opportunity to learn more about the business, discuss with our executives the moats and risks identified during the SMaRT and Due Diligence, and to find out what they have already done to strengthen moats and eliminate, mitigate or manage risks.

Executive remuneration: On acquisition, Portfolio Company founders make a conscious trade-off between a smaller payment for their shares combined with higher ongoing remuneration, and a larger payment with more modest ongoing remuneration. Therefore, it is not recommended to re-balance this equation shortly after acquisition. The multiplier effect of the normalised acquisition multiple invariably causes our Portfolio Company founders to choose the higher payment for their shares, combined with modest ongoing remuneration – less than they could have expected were they simply employees. The multiple paid indicates the number of years before remuneration need usually be reviewed, but rapid profit growth will shorten this time. TIPReps, in turn, contribute to the business for an honorarium while other Selected Shareholders may advise at zero cost. Any eventual increase in remuneration for executives should be tied to increased profits and the achievement of higher dividends from free cash.

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. TIPReps should ameliorate this risk by encouraging our Portfolio Company executives to delegate and to develop an executive team. Within a few years of investment in a Portfolio Company, the board and CEO should have identified an appropriate successor for an emergency - or should the CEO retire.

Growth planning: Most valuable is for TIPReps to assist Portfolio Company founders to develop a team of talented reports who enjoy doing what our Portfolio Company founders enjoys least. This will free up the time of our CEOs for strategic thinking to add value in conjunction with their board, rather than being immersed in day-to-day management.

Size of companies and expected volatility: Our Portfolio Companies are predominantly SMEs. Missteps by management or TIPReps 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.

Trustworthiness: It is a pre-requisite that the executives who manage the business are trustworthy. If TIPReps are ever concerned that this is changing, they should inform the Strategy Committee 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 TIPReps are becoming involved in issues best left to management. A few days 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: TIPReps should inspire, mentor, and act as a sounding board for our 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’: Portfolio Company founders have sold ‘part of their baby’ which they loved and nurtured for years. Nothing will faster demotivate them, and destroy the value of our investment, than giving the impression ‘the baby is ugly and needs cosmetic surgery’. It is natural for one or more executives to initially experience some vendor remorse. This should dissipate once they realise we are working towards growing the business and substantially increasing profits.

Financial terminology: Executives of SMEs may appear unsophisticated in the use of financial terminology or reporting procedures. Fortunately, financial terminology and detailed reporting are not a pre-requisite for building a great niche business. However, they become more important as the business grows. TIPBars will provide financial information most useful to TIPReps. Executives can provide any other information they know is important. Meetings can then focus on "what can we do to build free cash and profits" and testing this in TIPTool.

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

11.3.7 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 the Company via periodic dividends. This should be balanced with having a sufficient cash buffer in the business after paying off external debt. A more cyclical business should hold a larger cash buffer.

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. Such major capital allocation decisions should be referred to the Strategy Committee 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.

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. TIPReps should look beyond this and seek ways the company can increase profits even in a downturn. If profits disappoint, and TIPReps can't immediately find a way to fix this, raise it with the Strategy Committee 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. TIPReps 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 and online connectivity 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. TIPReps should continually seek to modernise everything our Portfolio 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 the various 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.

11.3.8 Culture

Skills available: An incredible range of skills and experiences are available from Selected Shareholders. TIPReps should regularly contact the Strategy Committee to seek advice about the challenges they face.

We are all in it together: Boards of profitable niche 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 the Strategy Committee .

Serving while you add value: TIPReps 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: TIPReps and Portfolio Company executives must get along well professionally to be successful. If a TIPRep is uncomfortable with an executive for personal reasons they should inform the Strategy Committee and seek to be replaced. If a majority of TIPReps are uncomfortable with an executive, they should inform the Strategy Committee immediately so that we can replace that executive (if we control the Portfolio Company) or find a timely exit (if we are a minority shareholder).

Making improvements: Businesses of the size of our Portfolio Companies are unlikely to have the resources to implement more than one ‘improvement’ at any 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 half-yearly dividends to the Company, and earnings are growing, TIPReps and executives are doing an excellent job. However, if this is not happening, then TIPReps and management are letting down shareholders and themselves.

11.3.9 Reporting to TIP

Strategy Committee: TIPReps report to the Strategy Committee. The Strategy Committee will meet with each board on a quarterly basis to assess performance and provide advice.

Annual reports and reporting to TIP: Each company must report regularly to the Strategy Committee and produce 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 against their targets. They are also invaluable should we one day decide to raise capital for, divest, or spin-out one of our Portfolio Companies.

Budgets and cash flow projections: Whilst budgets and cash flow projections have been shown to improve results in large corporations they can be detrimental to profits in smaller entrepreneurial companies when they shift focus from 'acting' to 'reporting'. A simple report on the main variables (KPIs) contributing to the Break-Even Point (BEP) and the approximate net profits at any level of sales above the BEP significantly improves profit generation in smaller niche companies. TIPBars and TIPTool automatically provide the BEP, Profit, and Break-even Safety Margin (BESM) for all possible scenarios. The Strategy Committee will work with each Portfolio Company to establish appropriate long term profit and cash flow targets.

Strategy days: Twice yearly, TIPReps and executives are required to attend Strategy Days. Each Portfolio 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. Combining with another Portfolio Company to enhance the returns from each.

11.4 **Guidance for Executives**

11.4.1 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, the Company 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. 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 be proud of the strong moats you have built.

Executives' main responsibility: The main responsibility of the CEO of a Portfolio Company is to steward the cash of the company and ensure it makes acceptable cash profits every month. There are three ways to improve profits: one is by increasing sales volume; another is by reducing costs; and a third is by selling the same volume at higher prices. Strong economic moats make it much easier for you to increase sales and margins. A higher margin shows executives are working smarter instead of harder.

11.4.2 Capital Management

Capital for growth: The Company can provide additional capital when executives find opportunities to grow profits at attractive rates of return via geographic expansion, acquisition of another business, or adding a profitable division. When such an opportunity offers outstanding returns (greater than 15% per annum), please inform the Strategy Committee in a timely manner.

Allocation of capital: In order to make cash available for the most profitable opportunities, the Company looks to receive funds from our investments via dividends. These funds are then allocated to those who can use it best. If you have a profitable opportunity that requires further investment, you should write a succinct business case and put this to the Strategy Committee. In this way, we can ensure that the best opportunities across the group are undertaken in a timely and cost effective manner.

Aversion to debt: The Company is averse to adding capital or debt to cover losses. We are confident you feel the same. The best run companies do not require an overdraft, invoice financing, or debt. They can seize growth opportunities when these arise because they are not beholden to financiers. Debt increases risk. If your business ever needs debt or more capital for normal operations, use TIPTool to quickly compare a range of solutions. Or ask the Strategy Committee for advice on eliminating debt through higher margins, getting debtors to pay sooner, reducing stock-holding, or making other structural improvements.

Capital allocation: A sure path to increasing returns is to allocate 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 is costly and time consuming to undo. A mistake in hiring can be quickly reversed.

11.4.3 Financial Reporting

Financial reporting and TIPBars: The best financial reports help boards and CEOs make large improvements in profits for 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 less risky (as we prefer), or more risky (a dangerous trend). Should the trend show increasing risk, TIPBars shows where you and your board can fix this well before the business loses money. Standard accounting usually highlights losses after the money is gone.

Easiest path to improve profits: TIPTool allows board and 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 can add considerably to profit every year.

Audits: Upon joining the Group, each Portfolio Company is required to participate in the Company's regular audits. Rather than seeing this as an imposition on executive time, each Portfolio Company should see it as a way of learning how to better improve systems and processes so that greater returns can be made in the future. What seems like a frustration at first can have profound value if used to address weaknesses in company systems.

11.4.4 Building a Stronger Executive Team

Stronger executive team: The Company can help each Portfolio Company develop a stronger executive team. That way more can be achieved with less time from executives and board members. This increases the value of the business; produces bigger half-yearly profits and dividends; allows executives and board to be more relaxed and makes shareholders happier.

The ‘perfect’ chief executive: It is virtually impossible to be the ‘perfect’ Chief Executive. A perfect Chief Executive would have expertise in leadership, production, general management, marketing, sales, finance, administration, accounting, people management and business management. The Strategy Committee can advise how to surround the CEO with quality executives reporting to them who can add missing strengths.

Why an executive team: CEOs of outstanding niche businesses 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.

What to delegate to grow: As a business grows, these dual roles become exhausting. As a first step to working less hard for more profit, the CEO will benefit from either an outstanding Operating Officer to take off their shoulders much of the thinking about day-to-day business. Or they will benefit from an ‘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 executives having to work 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 accounting. TIPReps and executives should act before the CEO becomes overwhelmed by rapid growth. Then look to promote or recruit an executive to relieve some of the load and facilitate further expansion. Our aim should be that the business makes more profit with less stress.

Develop or recruit: Businesses develop a superior culture when they develop and promote internal candidates rather than recruiting externally. If the business has not had previous success with developing internal management, do not despair. Several of our Selected Shareholders have extensive experience in building organisations around rapid management development and can advise if asked. Similarly, if the business has not had positive experience recruiting external candidates, you are not alone. Several of our Selected Shareholders have considerable experience in hiring executives for entrepreneurial companies and can advise if asked.

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.

11.4.5 Cashflow and dividends

Dividends: From 12 months onwards, the Company will expect an attractive dividend yield on the capital we contributed to each Portfolio Company. If the business is growing fast, we will be content with a smaller yield. If the business is growing slowly, we will expect a higher dividend yield as recompense for our capital.

Fast action as CEO: The primary responsibility of a CEO is to look after cash and keep the business running profitably every month and every quarter. The Company trusts executives and TIPReps will take immediate action should a Portfolio Business ever fall into a loss. Fast action to bring the business back to profit is always better than delaying for discussion.

11.4.6 Continuing Roles and Responsibilities

Changing roles: As an executive, the role of profitably running the business remains largely unchanged after becoming part of the Group. Executives gain access to our tools, TIPReps and Selected Shareholders, but they are still responsible for the results of the business. In exchange they are expected to regularly report to their board, and follow the advice of the Strategy Committee. The board and Strategy Committee are there to help mentor and guide executives to grow the business: but executives are still responsible for ensuring results and will be judged accordingly.

Reporting to a Board: Reporting to a board can be daunting for those not used to it. When new, executives should ask three questions before including anything in a report to their board: “Could input from the board be helpful on this?”, “Could this be financially material?” and “Could this provide an opportunity to substantially increase profits?” If the answer is “yes” to any one of these questions, include it in the meeting agenda. If the answer to all three is “no”, omit it.

Continuous and immediate disclosure: One of they key principles of the Company, and the ASX, is the principle of continuous and immediate disclosure. This means that if executives become aware of anything that could have a material impact on the business they must immediately inform their board. Where the board agrees, they must immediately inform the Strategy Committee who, in conjunction with the Board of the Company, will determine if the item requires disclosure to the market.

11.4.7 Gaining most benefit from a board

Using a board effectively: Our Portfolio Companies 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, TIPReps 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 from the CEO, including a short explanation of any issues on which they would like input, plus TIPBars and any other important reports, so everyone is properly briefed. If board meetings take longer than half a day, executives are probably involving the board in matters best left to management.

Forward looking discussion: TIPReps add most value when executives use TIPBars and TIPTool to provide a helicopter view of the past month and then provide forward looking key indicators to show where the business is heading. 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 these leading indicators.

Questions at board meetings: TIPReps will ask challenging questions to identify where and how they can assist executives to generate higher cash profits. The better they understand the business, the more they can make profitable suggestions; and the more they will be able to introduce executives to shareholders who can add value. If questions get into minutiae, say so: boards are most valuable when focused on big picture items that increase capital value.

Thinking in a visionary way: Until the CEO has built an executive team to free up their time, they will continue working in the business. TIPReps will think along lines 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?” Executives should ask their TIPReps for these ideas at meetings so they can implement the best one or two each year.

Governance: TIP provides each board with a ‘governance checklist’ as a customisable template keep track of many regulatory and governance requirements. The updated checklist should be discussed at the meeting following each calendar quarter.

11.4.8 Gaining most value from the Company

Responsibility: Executives and board are responsible to the Company and our shareholders. When considering any major decision, the board should ask: “Will this increase the regular dividends we pay to the Company?” 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, executives and TIPReps must present a short report (1-2 pages) to the Strategy Committee. The report should contain a brief overview of progress in the business as well as a copy of the quarterly TIPBars showing financial results. Each company can use this opportunity to ask the Strategy Committee for contacts or assistance with any challenges they are facing. The Strategy Committee is also likely to ask challenging questions aimed at improving the business or assessing performance.

Strategy days: TIP holds half-yearly strategy days: one in February and the other after the conclusion of the financial year. Executives and TIPReps must attend the Strategy Days. During the day, each company presents their plans for one (or more) of the four ways for delivering shareholder value: 1. Maximising dividends without sales growth; 2. Growth or a new division using the current assets of the business; 3. Bolt-on acquisitions or growth that may require extra capital; 4. Working with another Portfolio Company to enhance returns.

Annual conference: After the conclusion of the financial year, the Company holds an annual conference for all Executives, TIPReps and Selected Shareholders. During the annual conference, each underlying business provides a report, including the annual TIPBars. The boards will be asked questions about the business, how they are building moats, the dividends the Company can expect, and what the business is doing to increase the value of the business. Selected Shareholders may also offer contacts or suggestions for expansion.

Value from other Portfolio Companies: The Company invests in an increasing number of businesses – all of them run by talented people. Portfolio Companies should work together to generate increased profits. This can vary from being suppliers to one another, 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 the Group, 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, the Company can save substantial legal, accounting, secretarial, compliance and distribution costs.

11.4.9 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 down the Company and themselves.

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 run 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 such as long leases on premises, 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 and online connectivity 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: A return of higher inflation is an opportunity and threat. Business inflation is already 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 maintaining moats and building new strong 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.

Growth matters: When a business is growing quickly, the best employees see opportunities for advancement and higher income. This motivates them to produce better quality work. When a business ceases growing, the best staff seek employment elsewhere, staff quality goes down and output suffers. This makes it imperative that executives continue growing their businesses.

Sales team: To grow a business 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.

11.4.10 Long Term Aims

Long term aim: The Company invests for many years at a time. We aim to assist executives to grow profits and dividends attractively each year. For new Portfolio Company founders, a substantial way of increasing wealth is by exchanging shares owned in an underlying business for shares in the Company. At the right exchange, this increases the value of both their shares and ours. It also improves access to finance, adds liquidity and makes it easier to buy competitors and dominate the industry.

Succession planning: Although our executives plan to continue leading our businesses for many years, a major responsibility of 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 CEO should identify an emergency successor and place their name together with the reasons for their choice in a sealed envelope with the external accountants to be opened if anything untoward occurs.

Expertise available: TIPReps and Selected Shareholders are available to provide advice, inspiration, and suggestions for executives. They are here to advise on building value to a higher level than would be possible alone.

11.4.11 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
- executives views on how the business is tracking.

Reporting to the Strategy Committee: The Strategy Committee 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 bad news should be reported to the board immediately – ideally with plans for solving the problem. The board may then provide advice to mitigate the damage or seek suggestions from the wider community. Selected Shareholders will often surprise you by finding ways you can profit from bad news. Good news is more welcome and less time critical.

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

12. CORPORATE DIRECTORY

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*This entity is included for information purposes only. They have not been involved in the preparation of this Prospectus.