

## Coronavirus update and acquisition announcement

12 November 2021

Teaminvest Private Group Limited (ASX:TIP) (**Company**) announces:

- An agreement to acquire a 70% shareholding in Diversified Growth Management, the manager of the Teaminvest Diversified Growth Fund;
- An agreement to acquire a 50% shareholding in Wood & Lee; and
- A market update regarding the impact of the Sydney coronavirus construction shut-down since 1 July 2021.

### **Diversified Growth Management**

Diversified Growth Management (**DGM**) is the manager of the Teaminvest Diversified Growth Fund, a wholesale open-ended fund that invests in private equity, listed equities and commercial debt.

As of 30 September 2021, the TDGF had \$15.18m of funds under management.

DGM, as the manager of the TDGF earned profit after tax of \$0.15m in FY21. DGM's revenue is earned from charging the TDGF a 1.50% p.a. funds under management fee, and a performance fee of 20% of returns over a 6% p.a. compounding hurdle rate.

More information about the TDGF can be found at: [www.teaminvestdgm.com](http://www.teaminvestdgm.com)

On 12 November 2021, the Company has entered into an agreement to acquire 70% of DGM from its co-founder (Wealth Winning Investments, **WWI**) for nil consideration. WWI has agreed to gift a 70% stake to the Company to accelerate the growth of the TDGF. The acquisition intends to leverage the Company's FY20 investment in Valuestream Investment Management in line with our strategy to develop a funds management division.

The owners of WWI include directors of the Company (Andrew Coleman, Howard Coleman and Regan Passlow).

### **Wood & Lee**

Wood & Lee is an innovative technology focused boutique law firm with a focus on intellectual property and cross-border venture capital.

On 12 November 2021, the Company has entered into an agreement to acquire 50% of Wood & Lee in exchange for an equity injection of \$0.2m coupled with an agreement to provide financial and sales support required to accelerate the growth of the business.

It is the Company's intention to assist Wood & Lee to significantly scale their business in line with our philosophy around the transfer of knowledge between generations. In addition, the Company expects that owning a substantial investment in a law firm will deliver cost savings and quality improvements in our future legal requirements.

In FY21, the Company spent \$0.34m with external lawyers, predominantly in matters related to mergers and acquisition and intellectual property acquisition and protection.

More information about Wood & Lee can be found at: [www.woodandlee.com](http://www.woodandlee.com)

### **Sydney coronavirus construction shut-down**

In line with our commitment to ensure that all shareholders are kept informed about the impact of the pandemic on the Company, the Company announces that the net impact of the Sydney coronavirus shut-down has been \$1.04m in the first four months of FY22.

The net impact comprised:

- A \$0.69m impact sustained by TIP Residential Group due to costs associated with the inability to operate the Seven Hills factory, and reduced access to residential construction sites over the period July to October 2021;
- A \$0.62m impact sustained by Icon Metal due to costs associated with reduced access to major construction sites during the period July to October 2021; and
- A partial offset by the receipt of \$0.27m in state government assistance.

Ends

### **For more information, please contact:**

Andrew Coleman  
Chief Executive Officer  
[andrew.coleman@tipgroup.com.au](mailto:andrew.coleman@tipgroup.com.au)  
Teaminvest Private Group Limited