

Glossary

Throughout Omni Bridgeway Limited's (OBL, Company, Parent) publicly available information, the following terms have the meanings detailed in this glossary which shall be updated from time to time:

AASB	Australian Accounting Standards Board.
Addressable Market	OBL's estimate of the annual amount spent by claimants on external costs of dispute resolution (excluding enforcement) that could be addressed by OBL's litigation funding service offering.
Adverse cost	The cost that a losing party to litigation (in certain jurisdictions only) is required to pay to the winning party as compensation for the legal costs they have incurred in the process.
After the event (ATE) Insurance	Insurance cover to protect against adverse cost exposure.
AFSL	Australian Financial Services Licence.
ALFA	Association of Litigation Funders of Australia.
American Waterfall	The waterfall refers to the order in which investment proceeds in a fund are distributed between Fund participants. Under an American-style distribution performance fees are calculated by reference to completed investments only.
Americas	The geographic region of North, Central and South America.
APAC	The geographic region incorporating Asia and the Pacific Region including Australia and New Zealand.
ASX	Australian Securities Exchange.
CAGR	Compound annual growth rate.
Committed capital / Commitments	<p>The amount of funding that has been contractually committed by the Group to a litigation investment under a funding arrangement which is either (i) a capped amount; or (ii) the estimated budgeted amount to run the investment to completion, as amended and duly approved from time to time;</p> <p>It does not include co-funder contributions or possible overheads to be capitalised unless expressly part of the budget or adverse costs that may become payable if the litigation is lost.</p>
Capital deployed	Is the portion of the Committed Capital which has been expended from time to time. For completed investments it includes any net adverse costs. It does not include co-funder contributions.
Capitalised overheads	<p>Internal costs (including borrowing costs and direct staff costs) that are incurred in relation to Investments that are not expensed in the period they were incurred but added to the investment carrying value and recognised through the profit and loss in line with the completion of each respective investment.</p> <p>Capitalisation occurs at the OBL and consolidation level, not within each Fund and does not affect portfolio or Fund performance, waterfall or fees.</p>
Completed investments / Completion	<p>For merits investments this refers to the situation where the underlying litigation has progressed to a state where there no further risk to the legal result notwithstanding that such finalisation may be conditional upon certain matters such as court approval. For enforcement investments completion occurs at the the point where there is no further recovery action planned.</p> <p>Partial Completion refers to a situation where a component of an investment has concluded with no further risk to the legal result, notwithstanding other components of the investment are ongoing.</p>
Discount rate	<p>OBL uses a discount rate of 12% for calculation of fair value, based on the weighted average cost of capital (WACC) for the legal finance asset class, which closely aligns with the WACC for OBL and with the hurdle rates for our third-party fund capital.</p> <p>All main investment risks associated with legal investments, including loss risk, duration risk, budget risk, quantum risk and credit risk are reflected in the probabilistic scenarios, and therefore fall outside the scope of risks determining the required discount rate.</p>
Direct balance sheet	Relates to investment of the Group that are not held via a Fund.
CGU	Cash-generating unit which is defined as the smallest group of assets that generates largely independent cash inflows.
Distressed Asset Recovery Program (DARP)	A strategic program of the World Bank's International Finance Corporation to reduce the effects of poverty in emerging markets by preventing the loss of assets and allowing access to formal credit, while helping to preserve jobs. Refer to Fund 7.
DRP	Dividend Reinvestment Plan.
ELFA	European Litigation Funders Association.
EMEA	The geographic region incorporating Europe, Middle East and Africa.
Enforcement investment	Refers to investments where the underlying dispute has a debt &/or judicial finding that is not being honoured and requires action to be collected.
ESG	Environmental, social and governance.
EPS	Earnings per share.

European Waterfall	The waterfall refers to the order in which investment proceeds in a fund are distributed between participants. Under an European-style distribution, performance fees are calculated by reference to all fund investments and not just completed investments. The manager will not participate in a portion of profits/performance fee/carry until the full amount of investor's capital and preferred return have been fully satisfied.
Excluded US Person	Means a holder of Shares (or a person who seeks to be registered as a holder of Shares) whom the directors of OBL have determined (i) is a US Person who is not a Qualified Purchaser or a Knowledgeable Employee or (ii) holds or will hold Shares for the account or benefit of any US Person who is not a Qualified Purchaser or a Knowledgeable Employee
Fair Value (FV)	As defined in the investor day presentation available here .
12 month Fair Value	The proportionate part of our total book fair value, which has expected cash inflows over the applicable 12 month period based on the underlying probability weighted net cash flows fair value models. All, part or none of these investment inflows may eventuate during the next 12-month period.
Fair value conversion rate	In respect of a stated period, the aggregate investment proceeds collected from fully Completed investments divided by the aggregate of the last published fair values for the applicable investments.
First Generation Fund (s)	OBL's Fund 1, & Fund 2&3; which were established by the Group in 2017 with generally consistent terms.
Fourth Generation Fund	OBL's Fund 8 as raised in 2022.
Fund Commitments	The amount of capital agreed to be provide to an OBL Fund from OBL and external investors.
Funds	Means funds, or fund like structures, that OBL manages, advises and invests into. It includes Fund 1, Fund 2&3, Fund 4, Fund 5, Fund 6, Fund 7 and Fund 8.
Funded investments	Refers to investments where the Group has entered an unconditional binding contract.
FUM /Funds under Management Commitments	The aggregate amount of Fund commitments (whether called or uncalled) for all the OBL funds that are in operation at any point in time.
Funds deployed	Refer to Capital deployed.
Fund 1	Funding structure for Litigation investments in the US established in 2017. A participation in the fund was sold in May 2023 and Fund 1 is now deconsolidated from the group. OBL continues to manage the Fund.
Funds 2&3	Funding structure for Litigation investments in the RoW established in 2017 with Fund commitments of AUD 189 million.
Fund 4 (series 1)	Funding structure for Litigation investments in the US established in 2019 with Fund commitments of USD 500 million.
Fund 4 (series 2)	Potential Funding structure to follow-on from Fund 4 with same mandate.
Fund 5 (series 1)	Funding structure for Litigation investments in the RoW established in 2019 with Fund commitments of USD 500 million. The Fund commitments from external investors are in structures that are not consolidated within the Group. OBL's 20% interest is via a parallel investing vehicle that is consolidated. In certain disclosures we specifically include 100% of Fund 5; this approach aggregates the external investors' interests with those of OBL to facilitate direct comparison between all Funds (as the other Funds are consolidated & hence disclosed at 100%).
Fund 5 (series 2)	Potential funding structure for Litigation investments in the RoW.
Fund 6	Funding structure for investments focused on EMEA purchased as part of OBE Group in 2019. Established in 2017 with Fund commitments of EUR 188 million.
Fund 7	A joint venture with the IFC/World Bank to facilitate DARP. Fund 7 is designed to invest in non-performing loans in the MENA region. Established in 2019 with Fund commitments of USD 100 million (including USD 50 million from Fund 6).
Fund 8	Funding structure closed in 1Q24 focused on investing up to EUR 150 million in global enforcement investments.
IC/Investment Committee(s)	Investment Committee(s) of Omni Bridgeway which make investment advisory recommendations with regard to investments and comprise both internal and external appointees.
IC approved / conditionally funded	Refers to investments that are approved by the Group's internal investment process but have not reached an unconditional status. This may relate to the state of the funding contract, or book build, loss quantification, discovery or other evidence requirements.
ICC	International Chamber of Commerce.
IFRS	International Financial Reporting Standards.
ILFA	International Legal Finance Association.
IMF	IMF Bentham Limited and its Group, now known as OBL following a name change in 2020.
Investment commitment	Refer to committed capital/commitments.
Income v revenue terminology	Income, revenue and proceeds are generally used interchangeably for realised sums on litigation investments regardless of how IFRS may classify the assets and its consequential P&L disclosure.

Income yet to be recognised	Is the estimated value of income that may be generated from investments that are substantially complete from a litigation perspective at that point in time but have not fully satisfied revenue recognition accounting standards and our policies. It is subject to change and relates to substantially completed investments with conditional settlements or judgements on appeal which may be recognised in future periods.
Internal rate of return (IRR)	Is a discount rate that makes the net present value (NPV) of investment flows equal to zero in a discounted cash flow analysis. It is calculated on aggregated underlying journal entries for each completed case. Calculation includes losses and adverse costs but excludes consideration of capitalised overheads, operating overheads, and withdrawals. The IRR from completed investments may vary materially over time. By providing this historical information, OBL has not been and is not now in any way providing earnings guidance for future periods.
Invested capital	refer to Capital deployed
Knowledgeable Employee	As per the SEC's Rule 3c-5 under the US Investment Company act of 1940, Knowledgeable Employee with respect to any Covered Company means any natural person who is: (i) An Executive Officer, director, trustee, general partner, advisory board member, or person serving in a similar capacity, of the Covered Company or an Affiliated Management Person of the Covered Company.
LatAm (Latin America)	The geographic region spanning Central and South America.
LTIP	Long-Term Incentive Plan.
Malus and clawback event provisions	These are provisions whereby participants in the LTIP may in the event of certain specified conduct such as fraud, forfeit all or a portion of their performance rights or the resulting shares or be required to repay all or a portion of their sale proceeds from such securities.
Managed Investment Scheme (MIS)	An investment structure regulated under Australian Corporation Law regulations.
Management fees	Management fees are received for the provision of investment management services provided and are paid quarterly in arrears calculated on the net invested capital.
Material litigation events (MLE)	Objectively verifiable events leading to changes in assumptions or inputs in the calculation of the FV of investments. There are many possible material litigation events, with some generally applicable to most litigation investments and others more investment specific. A material litigation event is always objectively verifiable and not based on a subjective reassessment of an investment. Typical material litigation events include: <ul style="list-style-type: none"> i. Judgments, arbitral decisions, new relevant case law, mediations, partial settlements or recoveries, new external legal opinions (eg. as a result of changes to fact base or legal discovery), new expert opinions (eg. on damages) ii. Changes to expected duration (eg. following case management hearings, court timetables or observed delays), book-building results, budget changes, asset freezes, new recoverability intelligence, etc.
MENA	Middle East & North America.
Merits investment	Refers to investments where the underlying dispute involves ongoing questions about facts, damages or legal outcome and there is a risk around a judicial decision.
MOIC	Multiple on invested capital.
NCI	Non-controlling interest.
	This represents the interests of external Fund investors in funds that are consolidated within the Group, in accordance with each of the respective Funds' return waterfall.
OBE Group	Omni Bridgeway Holdings BV and subsidiaries; it includes Fund 6 and Fund 7.
OBL	Omni Bridgeway Limited (ABN 45 067 298 088).
OCA	OBL On-line Client Administration Proprietary Database.
Other costs	Includes unrecoverable due diligence costs and for Funds 2&3 and Fund 5 it additionally includes the cost of the After-the-Event insurance policy premium.
Performance fees	OBL is entitled to be paid a performance fee in connection with the management of each investment subject to the IRR generated. These are paid out of proceeds arising from the realisation of an investment.
PPA	Purchase price adjustment is the adjustment in value ascribed to the investments purchased with OBE compared to their carrying cost at the time of the business combination in 2019. Adjustment occurs at the OBL and consolidation level, not within OBE Group and does not affect portfolio or Fund performance, waterfall or fees.
Principle protection cover	Insurance cover to protect against risk of losing the Capital deployed to an investment.
Qualified Purchaser	Has the meaning given in Section 2(a)(51) of the US Investment Company Act of 1940 and the rules and regulations of the US Securities and Exchange Commission.
Resolution Sum	Means the total amount of any money, services, benefits and/or any in-kind assets that becomes due or is collected in accord with the underlying litigation or enforcement. It is before allowing for any amounts due to the funder, lawyers or other advisers or participants. The funder earns a share of this Resolution sum in accord with the funding arrangements.
Rest of world (RoW)/ non-USA	includes all regions, excluding the United States of America, in which OBL has or may have investments, LatAm.

Return on invested capital (ROIC)	Is the ratio of profit made above the investment cost is calculated on completed investments across their entire life (not on an annualised basis). Unless expressly stated to the contrary, it excludes consideration of capitalised overheads, operating overheads, and withdrawals from investments. It is calculated as gross investment income less all total expenditure (including any adverse costs), divided by total investment expenditure (excluding any adverse costs).
SIAC	Singapore International Arbitration Centre
Second Generation Fund	OBL's Fund 4 and Fund 5 - established by the Group in 2019 with generally consistent terms.
Secondary market sale	A sale (in whole or part of) an existing litigation investment to another litigation investor at a point during the life of the investment before completion.
SPV	Special purpose vehicle
STIP	Short-Term Incentive Plan
Success rate	Refers to % of investments where the underlying litigation has completed in a manner that causes the funder to have received more than it deployed.
Success – legal	Refers to investments where the underlying litigation has completed to the benefit of the funded party.
Success – financial	Refers to investments where the underlying litigation has completed in a manner that causes the funder to have received more than it deployed.
TFR	Total Fixed Remuneration
Third Generation Fund / Purchased fund	OBL's Fund 6 and Fund 7; which were established by OBE group and acquired as part of the 2019 acquisition of that group by IMF.
TSR	Total shareholder return.
US Person	Any natural person resident in the United States is a US person according to Rule 902(k)(1)(i) of Regulation S. In C&DI 276.01, the SEC staff clarified that a person that has permanent resident status in the US (a so-called Green Card holder) is presumed to be a US resident for purposes of Regulation S.
Withdrawal	Refers to investments where the funder has ceased funding before the underlying litigation has completed.
\$ weighted average	Is the average of results allowing for the respective relative AUD values of the sample inputs.

Total addressable market information sources – pages 16-17

1. US: Thomas, Brigitte, Industry Research Reports United States 54111, "Law Firms in the US", IBISWorld, January 2023, pp 8, 10 / Thomson Reuters Institute and Georgetown Law Center on Ethics and the Legal Profession, "2023 Report on the State of the Legal Market", Thomson Reuters Institute and Georgetown Law Center on Ethics and the Legal Profession January 2023 p 25.
2. Canada: Thomas, Brigitte, Industry Research Reports Canada 54111CA, "Law Firms in Canada", IBISWorld, May 2023, p 9.
3. UK: IRN Legal Reports, "UK Legal Services Market Trends Report 2023", March 2023 p 5 / Lythe, Oliver, Industry Research Reports United Kingdom M69.100, "Legal Activities in the UK", IBISWorld, July 2023 p 7.
4. Europe: MarketLine Industry Guide, Reference MLIG230001-01, "Legal Services Global Industry Guide 2018-2027", Marketline, July 2023, p 54.
5. Asia: MarketLine Industry Guide, Reference MLIG230001-01, "Legal Services Global Industry Guide 2018-2027", Marketline, July 2023, p 39 and Marketline Legal Services data.
6. Australia: Gannon, Darcy, Industry Research Reports Australia M6931, "Legal Services in Australia", IBISWorld, February 2023, p 9 / Thomson Reuters Institute and The University of Melbourne, "2022 Australia: State of the Legal Market Report", Thomson Reuters & University of Melbourne, August 2022, p 8.
7. NZ: Kyriakopoulos, Arthur, Industry Research Reports New Zealand M6931NZ, "Legal Services in New Zealand", IBISWorld, September 2022, pp 8, 9.