

Omni Bridgeway Glossary

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

Committed capital	reflects signed funding arrangements. It is equal to the total capital either (i) committed to investments where there is a capped amount; or (ii) the estimated budgeted amount to run the case to completion of hearing where the investment is open-ended, translated to Australian dollars at the foreign exchange spot rate prevailing on the reporting date. It does not include possible overheads to be capitalised; appeal or enforcement costs, nor does it include possible adverse costs that may become payable if a case loss. Commitment levels are reviewed and updated where necessary.
EMEA	Europe, Middle East and Africa.
EPV (Estimated Portfolio Value)	<p>For an investment where the funding entity earns:</p> <ul style="list-style-type: none"> (a) a percentage of the resolution proceeds as a funding commission, EPV is the current estimate of the investment's recoverable amount after considering the perceived capacity of the defendant to meet the claim and any other pertinent factors. Such amount is not necessarily the amount being claimed by the claimants, nor is it an estimate of the return to the group if the investment is successful, (b) a funding commission calculated as a multiple of capital invested; EPV is arrived at by taking the currently estimated potential income return from the investment and grossing this up to an EPV using the Long-Term Conversion Rate, and (c) a funding commission calculated on a combination of the above bases or on an alternative basis, arriving at the EPV may utilise one of the above methodologies, or a hybrid construct, or an alternative methodology depending upon the components of the funding commission. <p>OBE Group's EPV has been estimated on a conceptually consistent basis noting that, enforcement case investments may have a multi-layered approach from a timing and value perspective. Where OBE Group have not yet been able to ascertain an EPV consistent with the disclosed methodology an EPV of zero has been used.</p> <p>However calculated, an EPV is an estimate and is subject to change over time for a number of reasons, including, but not limited to, changes in circumstances and knowledge relating to an investment or the defendant(s) perceived capacity to meet the claim, partial recovery and, where applicable, fluctuations in exchange rates between the</p>

	<p>applicable local currency and the Australian dollar. Possible EPVs are reviewed and updated where necessary.</p> <p>The portfolio EPV is the aggregation of individual investments' EPVs.</p>
Implied Embedded Value (IEV)	<p>IEV is the product of multiplying the EPV by the LTCR.</p> <p>The LTCR is used for all IEV calculations notwithstanding that an EPV conversion rate of a particular fund may vary, sometimes materially from the LTCR. The smaller data set of a fund level EPV conversion rate makes that measure inherently more volatile than the global LTCR.</p> <p>It is important to note that IEV is not a forecast or estimate of future income by Omni Bridgeway itself as this does not account for the structure and return arrangements of Omni Bridgeway for each fund.</p> <p>IEV is instead a statement of the amount of income which would be generated if each investment in the portfolio were to complete for an amount equal to the LTCR of the present EPV. Future performance, including the actual conversion rate realised, may exceed, or fall below historic performance of the LTCR.</p>
Income conversion rate	<p>includes investments that fully completed in the period and the total income recognised over the investments' life and excludes partial completions in the period.</p>
Income v revenue terminology	<p>Income and revenue are generally used interchangeably.</p>
Income yet to be recognised	<p>is subject to change and relates to substantially completed investments with conditional settlements or judgments on appeal which may be recognised in future periods. These have not fully satisfied revenue recognition accounting standards and our policies.</p>
Invested capital	<p>is equal to the total capital invested to investments, translated to Australian dollars at the foreign exchange spot rate prevailing on the reporting date.</p>
Investment commitments	<p>For Funds 1 and 4 are the amounts committed to conditionally and unconditionally funded investments and are generally fixed; for Funds 2 & 3 and Fund 5 are the investment budget amounts of conditionally and unconditionally funded investments.</p>
IRR (internal rate of return)	<p>excludes consideration of capitalised overheads, and withdrawals. It is calculated on aggregated underlying journal entries for each completed case (including losses and adverse costs but excluding withdrawals).</p>

	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.
Long Term Conversion Rate (LTCR)	Whilst noting that past performance is not necessarily an indication of future performance, past performance indicates that the group's litigation funding investments (excluding OBE Group investments) have generated average gross income of approximately 15% of the EPV of an investment at the time of completion.
OBE Group	means Omni Bridgeway Holdings BV and subsidiary; it includes Fund 6 and Fund 7.
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.
Possible completion periods	<p>The possible completion period is the current estimate of the period in which an investment may be finalised. It is not a projection or forecast. An investment may finalise earlier or later than the identified period for various reasons.</p> <p>Completion for these purposes means finalisation of the litigation by either settlement, judgment, or arbitrator determination, for or against the funded claimant, notwithstanding that such finalisation may be conditional upon certain matters such as court approval in the context of a class action. For enforcement investments, the EPV may be split across multiple possible completion periods. There are a variety of reasons for this which are all reflective of the nature of enforcement investments, for example there may be multiple underlying actions with a commensurate number of completions, or a single completion with a tranching settlement payment structure.</p> <p>For all investments, it may not follow that the financial result will be accounted for, nor that cash will be collected, in the year of finalisation. Possible completion period estimates are reviewed and updated where necessary.</p>
Rest of the world/non-USA	includes all regions excluding the USA in which the Omni Bridgeway group has commitments currently being Australia, Canada, Asia and EMEA.
ROIC (return on invested capital)	<p>is calculated on completed investments across their entire life (not on an annualised basis).</p> <p>Unless expressly stated to the contrary, it excludes consideration of capitalised overheads, and withdrawals from investments.</p>

	It is calculated as gross investment income less all total expenditure (including any adverse costs), divided by total investment expenditure (excluding any adverse costs).
--	--