

Glossary

Throughout Omni Bridgeway Limited's (Omni Bridgeway, OBL, Group) 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 (AET) 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 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 contracted to be provided by the Group to a litigation investment under a signed funding arrangement.</p> <p>It is equal to the total amount of capital to be provided to external parties that is either (i) committed to investments where there is a capped amount; or (ii) the estimated budgeted amount to run the investment to completion where the investment is open ended. It does not include co-funder contributions, possible overheads to be capitalised.</p> <p>Unless part of the budgeted amount includes possible adverse costs that may become payable if the underlying litigation loses. For ongoing Fund 6 investments it includes possible adverse costs that may become payable (where applicable).</p> <p>Levels are reviewed and updated where necessary.</p>
Capital deployed	<p>Is equal to the total external expenditure on investments (less any co-funded contribution).</p> <p>For completed investments it includes any net adverse costs.</p>
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>Refers to merits investments where the underlying litigation has progressed to a state where either is no further risk to the legal result as the litigation has finalisation 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.</p> <p>For enforcement investments completion is that the point where there is no further recovery action planned.</p>
Direct balance sheet	Relates to investments of the Group that are not held via a Fund.
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 primary component is to recover a debt, whether a judgment debt or otherwise, against a defaulting counterparty.

ESG	Environmental, social and governance.
EPS	Earnings per share.
Estimated Portfolio Value (EPV)	<p>For an investment where the funding entity earns:</p> <ol style="list-style-type: none"> i. a percentage of the resolution proceeds arising from the underlying litigation or enforcement as a funding commission, EPV is the 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, nor is it an estimate of the return to the Group if the investment is successful. It includes the amount to the funded client and to the Group. It does not include any co-funder portion ii. a funding commission calculated as a multiple of the capital deployed; EPV is arrived at by taking the estimated potential income from the investment to the funding entity and grossing this up to an EPV using the Long-Term Conversion Rate at the time estimation. It does not include co-funder portion, or iii. 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.</p> <p>Regardless of how 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, ability to enforce or recover.</p> <p>Possible EPVs are reviewed and updated where necessary.</p>
EPV conversion rate	Refer to income conversion rate.
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.
First generation fund (s)	OBL's Fund 1, and Funds 2&3 established by the Group in 2017 with generally consistent terms to each other.
Fourth generation fund	OBL's Fund 8 as raised in 2022.
Fund commitments	The amount of capital agreed to be provided 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	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 investments in the US established in 2017 with Fund commitments of USD 172 million.
Funds 2&3	Funding structure for investments in the RoW established in 2017 with Fund commitments of AUD 189 million.
Fund 4	Funding structure for investments in the US established in 2019 with Fund commitments of USD 500 million.
Fund 4 (series II)	Potential funding structure to follow-on from Fund 4 with same mandate, investors and terms and further Fund commitments of USD 500 million.

Fund 5	<p>Funding structure for Litigation investments in the RoW established in 2019 with Fund commitments of USD 500 million.</p> <p>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.</p> <p>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%).</p>
Fund 6	<p>Funding structure for investments focused on EMEA purchased as part of OBE Group in 2019.</p> <p>Established in 2017 with Fund commitments of EUR 150 million.</p>
Fund 7	<p>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.</p> <p>Established in 2019 with Fund commitments of USD 100 million (including USD 50 million from Fund 6).</p>
Fund 8	<p>Funding structure established in 2022 focused on investing up to EUR 300 million in global enforcement investments.</p>
IC approved/ Conditionally funded	<p>Refers to investment opportunities that are approved for investment subject to internally set conditions which are currently not satisfied. The conditions may relate to the state of the funding contract, or bookbuild, loss quantification, discovery, or other evidence or procedural requirements.</p>
ICC	<p>International Chamber of Commerce.</p>
IFRS	<p>International Financial Reporting Standards.</p>
ILFA	<p>International Legal Finance Association.</p>
IMF	<p>IMF Holdings Limited and its Group, now known as OBL following a name change in 2020.</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 the 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. IEV is instead a statement of the amount of gross proceeds 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>Is the rate that EPV of completed investments converts to income for any period.</p> <p>It includes investments that fully completed in the period and the total income recognised over those investments' life compared to the associated EPV. It excludes partial completions in the period.</p> <p>This rate includes consideration of lost investments.</p>
Investment Committee (IC) (s)	<p>OBL's internal decision-making body for making investment recommendations and decisions. It's members comprise both OBL executives and external appointees.</p>
Investment commitment	<p>Refer to committed capital/commitments.</p>
Income v. revenue v. proceeds terminology	<p>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.</p>
Income yet to be recognised	<p>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 judgments on appeal which may result in income being recognised in future periods.</p>
Internal rate of return (IRR)	<p>Is a discount rate that makes the net present value of actual historical investment flows equal to zero in a discounted flow analysis. It is calculated based upon the aggregated underlying individual journal entries for each investment. Calculation includes losses and adverse costs but excludes consideration of capitalised overheads, PPA and withdrawals.</p> <p>The IRR from completed investments may vary materially over time.</p> <p>By providing this historical information, OBL has not been and is not now in any way providing earnings guidance for future periods.</p>
Invested capital	<p>Refer to capital deployed.</p>

Knowledgeable Employee	Has the meaning given in Rule 3c-5 under the US Investment Company act of 1940.
LatAm (Latin America)	The geographic region spanning Central and South America.
Long Term Conversion Rate (LTCR)	Is the rate of income conversion that the Group has experienced on all completed investments over its life. 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 EPV at the at the time of completion.
LTIP	Long Term Incentive Program.
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. Where required by regulation the Group utilizes MIS for Australian class action investments.
MENA	Middle East and 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. It is calculated in accordance with each of the respective Funds' return waterfall.
OBE Group	Omni Bridgeway Holdings BV and subsidiary; it includes Fund 6 and Fund 7.
OBL	Omni Bridgeway Limited (ABN 45 067 298 088).
OCA	OBL On-line Client Administration Proprietary Database.
Possible completion periods (PCP)	The possible completion period is the current estimate of the period in which an investment may finalised. It is not a projection or forecast. An investment may finalise earlier or later than the identified period for various reasons. For enforcement investments and portfolio investments, it 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. PCP is a dynamic concept and is subject to regular review and updating to take account of the circumstances of the underlying investment. It is to be expected that the PCP for some investments within the portfolio will be adjusted at each reporting date. PCP is not necessarily the same as the anticipated income recognition period which is determined in accordance with IFRS and Group accounting policies. It may not follow that the financial result will be accounted for, nor that cash will be collected, in the year of finalisation.
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. The 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.

Return on invested capital (ROIC)	Is the ratio of profit compared to capital deployed. It is calculated on investments across their entire life (not on an annualised basis). Unless expressly stated to the contrary, it excludes capitalised overheads, PPA and withdrawals. It is calculated as gross investment income less all total expenditure (including any adverse costs), divided by total investment expenditure (excluding any adverse costs).
Second generation fund (s)	OBL's Fund 4 and Fund 5 -established by the Group in 2019 with generally consistent terms to each other.
Secondary market sale	A sale, or partial sale, 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 Program.
Success rate	Refers to of investments where the underlying litigation has completed in a manner that causes the funder to have received more that it deployed.
TFR	Total Fixed Remuneration.
Third generation fund/purchased fund (s)	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	Has the meaning given in Rule 902(k) of Regulation S under the US Securities Act of 1933.
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.