

## Investment Portfolio at 31 March 2021 (unaudited)

### Highlights

#### Income

- During the quarter gross consolidated income from litigation investments of \$63.8 million was recognised from 19 partially and 13 fully completed investments. The investments that fully completed had an aggregate EPV of \$234.3 million.
- During the quarter completions in the US continued to be delayed due to COVID-19's impact on the court processes.
- There is further gross income from investments of approximately \$204.9 million that may be recognised in future periods. This potential income is from five investments (including Wivenhoe) which had substantially completed prior to 31 March but have not fully satisfied the revenue recognition accounting standards and our policies. These investments have an aggregate EPV of \$776.9 million and are included in this report as possible completions in FY2021 or FY2022.

#### Investments

- We have experienced a 20% increase in the number of funding applications compared to the prior quarter (excluding OBE group to ensure a like for like comparison).
- During the quarter the Omni Bridgeway funds made 20 unconditional commitments to investment of, in aggregate, \$50.1 million with an EPV of \$2.2 billion.
- The total EPV at 31 March 2021 for funded investments increased by 11% from last quarter to \$16.7 billion. Total EPV (including conditionally funded and IC approved investments) increased by 3% from last quarter to \$18.1 billion.
- There are 26 conditionally funded and IC approved investments with an aggregate investment commitment of \$61.4 million and an EPV of \$1.4 billion.
- There was one Australian class action unconditionally funded during the quarter, another conditionally funded, and two IC approved under the new regulatory regime for Australian class actions. These investments have a total EPV of \$416.1 million.
- At 31 March 2021 the carrying value of litigation investments across the investment portfolio totals \$526.7 million. This reflects a net increase of 2% from last quarter.
- Fund 6's 98% commitment level includes full allowance for Fund 7, together with an allowance for adverse costs and awards on certain investments. Discussions are ongoing with the investors to ensure appropriate funding capacity is available.

## Overview

### PORTFOLIO:

The aggregate EPV at 31 March 2021 for funded investments increased by 11% from last quarter to \$16.7 billion. Total EPV (including conditionally funded and IC approved investments) increased by 3% from last quarter to \$18.1 billion.

Movement for quarter	Balance Sheet #	Funds						Total #	EPV AUD billion
		1 #	2&3 #	4 #	5 #	6 #	7 #		
Funded investments (opening)	14	28	29	11	24	180	-	286	15.0
New investments	-	-	2	2	4	12	-	20	
Completed investments	(1)	(3)	(1)	-	(1)	(7)	-	(13)	
Withdrawn / Terminated	-	(1)	-	(1)	-	-	-	(2)	
<b>Funded investments (closing)</b>	<b>13</b>	<b>24</b>	<b>30</b>	<b>12</b>	<b>27</b>	<b>185</b>	<b>-</b>	<b>291</b>	<b>16.7</b>
Conditionally funded investments	-	-	2	-	4	1	-	7	
IC approved investments	-	-	-	-	10	9	-	19	
<b>Total including all investments</b>	<b>13</b>	<b>24</b>	<b>32</b>	<b>12</b>	<b>41</b>	<b>195</b>	<b>-</b>	<b>317</b>	<b>18.1</b>

Possible Completion EPV AUD million	FY2021	FY2022	FY2023	FY2024+	Total
Balance sheet*	253.0	587.6	253.7	1.2	1,095.5
Fund 1	-	597.9	1,268.1	521.6	2,387.6
Funds 2&3	2.0	1,304.3	1,801.7	1,041.5	4,149.5
Fund 4**	24.6	-	829.2	2,797.4	3,651.2
<b>Fund 5</b>	<b>167.3</b>	<b>271.3</b>	<b>1,166.4</b>	<b>1,378.0</b>	<b>2,983.0</b>
Fund 6	86.3	430.9	737.3	1,224.1	2,478.6
Fund 7	-	-	-	-	-
<b>Total EPV funded investments</b>	<b>533.2</b>	<b>3,192.0</b>	<b>6,056.4</b>	<b>6,963.8</b>	<b>16,745.4</b>
Change from prior quarter incl. fx movement	(57.9%)	(36.2%)	9.7%	116.3%	11.6%
Change from prior quarter excl. fx movement	(58.0%)	(36.3%)	9.3%	114.6%	11.0%

The substantially completed investments that are yet to result in recognised income, referenced on page 1 and the table on page 3 of the report, have an aggregate EPV of \$776.9 million which is included above as possible completions in FY2021 or FY2022.

\* Westgem investment where the funded claimant's action was dismissed at first instance and is now subject to appeal remains included as a funded matter with an EPV of \$250.0 million with expected completion in FY2023. The Wivenhoe EPV has been updated this quarter with the possible completion spread 50:50 across FY2021 and FY2021

\*\* A Fund 4 investment where summary judgement was entered for the defendant remains as included as a funded investment but the possible completion period has been moved to FY2024.

**PERFORMANCE:**

During the quarter, gross consolidated income of \$63.8 million was recognised from litigation investments.

There remain substantially completed investments with conditional settlements or judgments on appeal which may result in further gross consolidated income in future periods of \$204.9 million.

Income AUD million (unaudited)*	Balance Sheet	Funds						Total
		1	2 & 3	4	5	6	7	
FY 2021								
Recognised income								
Opening balance for the quarter	15.6	5.2	18.3	4.8	-	3.6	-	47.5
Recognised in quarter								
Completed investments	21.5	6.8	2.0	-	4.0	7.0	-	41.3
Ongoing investments	1.8	5.1	13.9	0.6	-	1.1	-	22.5
Total income recognised in quarter	23.3	11.9	15.9	0.6	4.0	8.1	-	63.8
Total income recognised FY2021	38.9	17.1	34.2	5.4	4.0	11.7	-	111.3

<b>Income yet to be recognised <sup>C</sup></b>								
Agreed in-principle settlements <sup>C</sup>	-	-	-	-	-	-	-	-
Binding conditional settlements <sup>C</sup>	1.6	-	-	-	-	-	-	1.6
Successful judgments <sup>C</sup>	170.0	17.8	-	-	6.0	-	-	193.8
Other <sup>C</sup>	-	9.5	-	-	-	-	-	9.5
<b>Total income yet to be recognised <sup>C</sup></b>	<b>171.6</b>	<b>27.3</b>	<b>-</b>	<b>-</b>	<b>6.0</b>	<b>-</b>	<b>-</b>	<b>204.9</b>

C – May be recognised in FY2021 or future periods and is subject to change.

\*The income recognised is based on actual completions during the period and supersedes any previous announcements.

The balance sheet income disclosed above as “yet to be recognised” includes \$170.0 million in relation to the Wivenhoe investment. This is the top-end of our estimated range of \$130 million to \$170 million, which is considered to be conservative. The case remains subject to appeal; and the final amount received may fall outside this range. Refer to various ASX announcements, in particular those of 2 March, 29 May 2020, 7 December 2020 and 26 February 2021. The Wivenhoe EPV has been updated this quarter with the possible completion spread 50:50 across FY2021 and FY2021.

EPV conversion	Balance Sheet	Funds						Total
		1	2 & 3	4	5	6	7	
Completion EPV in quarter	78.0	54.7	5.0	-	20.4 <sup>A</sup>	76.2	-	234.3
Conversion rate for quarterly completions <sup>D</sup>	44%	12%	40%	-	97% <sup>A</sup>	9%	-	30%
Completion EPV in FY2021	117.0	92.1	186.0	- <sup>B</sup>	20.4	n/a	-	415.5
Conversion rate for FY2021 completions <sup>D</sup>	42%	16%	10%	- <sup>B</sup>	97%	n/a	-	25%

<sup>A</sup> This relates to completion of a claim monetisation/purchased investment where Fund 5 is entitled to the full amount of the judgment sum and costs award.

<sup>B</sup> The early completion in the December 2020 quarter resulted in a unique comparative of income to EPV and is excluded from the above.

<sup>D</sup> The conversion rate calculation of income/EPV for investments that completed in the period includes the total income recognised over the investments' life.

## Portfolio and Funds review

### BALANCE SHEET:

Wivenhoe (Brisbane Floods Class Action) update:

The State of Queensland and Sunwater have settled their collective 50% share of the liability in the Wivenhoe Dam class action for A\$440 million. The settlement is subject to court approval, to be heard on 3 and 4 May 2021.

There is no settlement at this stage of the 50% portion of the liability allocated to Seqwater.

The appeals from the first instance judgment are due to be heard commencing on 17 May 2021 whilst in parallel, the court ordered referee process to assess the damages of 264 group members continues.

In light of the settlement referred to above the EPV has been adjusted in this quarter and apportioned equally between FY21 and FY22 as the possible completion periods.

Westgem update:

This investment continues to be considered as a funded case whilst the appeal process continues with an EPV of \$250.0 million and possible completion period FY2023.

### Investment status:

Year of Investment	#	EPV \$ million	Possible Completion EPV AUD million			
			FY2021	FY2022	FY2023	FY2024 +
OBE Group	5	6.8	-	1.9	3.7	1.2
FY 2015 and earlier*	2	756.0	253.0	253.0	250.0	-
FY 2016	4	260.2	-	260.2	-	-
FY 2017 and later	2	72.5	-	72.5	-	-
<b>Total</b>	<b>13</b>	<b>1,095.5</b>	<b>253.0</b>	<b>587.6</b>	<b>253.7</b>	<b>1.2</b>
Change from prior quarter	(7.1%)	3.0%	(46.1%)	75.3%	(1.5%)	33.3%

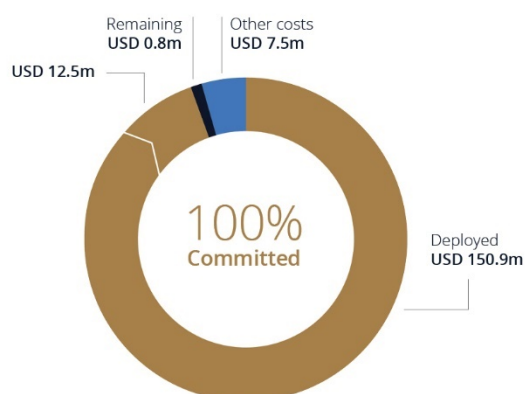
Data has been combined where appropriate so as not to disclose the EPV of individual investments.

\* Includes the Westgem and Wivenhoe investments.

Movement for quarter	Total		United States		Australia		EMEA	
	#	EPV AUD million	#	EPV AUD million	#	EPV AUD million	#	EPV AUD million
Opening	14	1,063.2	3	106.9	6	944.0	5	12.3
Additions	-	-	-	-	-	-	-	-
Completions	(1)	(78.0)	-	-	(1)	(78.0)	-	-
Withdrawn / Terminated	-	-	-	-	-	-	-	-
Updates / FX adjustment	-	110.3	-	1.3	-	114.5	-	(5.5)
<b>Quarter end</b>	<b>13</b>	<b>1,095.5</b>	<b>3</b>	<b>108.2</b>	<b>5</b>	<b>980.5</b>	<b>5</b>	<b>6.8</b>

## FUND 1 – USA

### Commitment status:



### Fund 1

Start date – 10 Feb 2017

Fund Size – USD 171.7m

Investments Committed – USD 163.4m

Investments Deployed – USD 150.9m

- Committed (fully funded, IC approved, conditionally funded)
- Remaining for investment
- Other costs

Fund 1 is fully committed, and new US investments are being financed by Fund 4.

The investor has agreed to cover overages on specific investments. We anticipate however, that committed capital for some investments will not be fully drawn so that the additional capacity is unlikely to be required.

### Investment status:

Year of Investment	#	EPV AUD million	Possible Completion EPV AUD million			
			FY2021	FY2022	FY2023	FY2024 +
FY 2015 and earlier	4	243.1	-	225.5	17.6	-
FY 2016	8	934.3	-	260.8	620.8	52.7
FY 2017	3	239.3	-	107.6	131.7	-
FY 2018	7	666.7	-	4.0	412.4	250.3
FY 2019 and later	2	304.2	-	-	85.6	218.6
<b>Total</b>	<b>24</b>	<b>2,387.6</b>	<b>-</b>	<b>597.9</b>	<b>1,268.1</b>	<b>521.6</b>
Change from prior quarter	(14.3%)	0.1%	(100.0%)	(66.0%)	334.7%	94.5%

There have been further delays in expected completions. Despite the delay in completion dates we remain confident in a positive return to OBL and the investors from this Fund. The movement between the financial years does not necessarily reflect a one-year delay in the investments but is rather predominantly due to movement across year ends. If the investments were to complete in line with the revised possible completion schedule, the external investor would receive the balance of its capital and its preferred entitlements and OBL would receive its capital and a return during FY2022/3; with profit sharing in later years.

The decrease in FY2021 EPV is due to a completion and the shift of an investment completion to FY2022. The decrease in FY2022 possible completions reflects one completion and nine anticipated investment completions being shifted to FY2023 or FY2024.

### Movement from the previous quarter is reconciled as follows:

Movement for quarter	#	EPV AUD million
Opening	28	2,384.3
Additions	-	-
Completions* / Updates	(3)	(24.4)
Withdrawn / Terminated	(1)	-
Impairment	-	-
FX adjustment	-	27.7
<b>Quarter end</b>	<b>24</b>	<b>2,387.6</b>

Data has been combined where appropriate so as not to disclose the EPV of individual investments.

\* # is the number of Completions

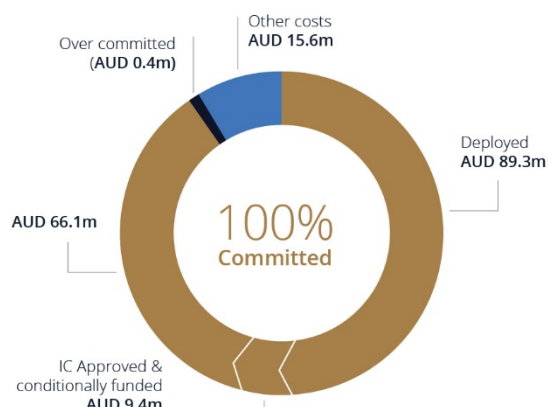
## Capital status:

Capital Called			Uncalled Capital			Accumulated Preferred Return	Accumulated Special Distribution	Accumulated Management Fee
USD million								
Total	Investor	Omni	Total	Investor	Omni	Investor	Investor	Omni
166.7	125.0	41.7	5.0	3.8	1.2	43.4	1.8	5.2
Distributions	(72.3)	–	n/a	n/a	n/a	(8.3)	–	–
Total USD	52.7	41.7	5.0	3.8	1.2	35.1	1.8	5.2
AUD equivalent	69.4	54.9	6.5	4.9	1.6	46.2	2.3	6.8
Change	(3.7%)	1.2%	1.9%	0.8%	(1.2%)	10.3%	0.6%	4.4%

Amounts in the capital status table do not reflect the anticipated Fund 1 completions in the performance section on page 3. These will be included when the investment completions occur.

## FUNDS 2 &amp; 3 – REST OF WORLD (ROW)

## Commitment status:



## Fund 2&amp;3

Start Date – 3 Oct 2017

Fund Size – AUD 180.0m

Investments Committed – AUD 164.8m

Investments Deployed – AUD 89.3m

- Committed (fully funded, IC approved, conditionally funded)
- Remaining for investment
- Other costs

At 31 March 2021, Funds 2&3 had committed 100% of its available capacity. Fund 5 will make all future RoW investments, save in the event that committed amounts from Fund 2&3 investments are released due to early completions or IC approved matters not proceeding, in which case further investments will be made in Funds 2&3 in priority to Fund 5 to utilise this capacity

## Investment status:

Year of Investment	#	EPV AUD million	Possible Completion EPV million			
			FY2021	FY2022	FY2023	FY2024 +
FY 2018	5	479.7	-	350.0	129.7	-
FY 2019	14	1,541.3	2.0	754.0	472.6	312.7
FY 2020 and later	11	2,128.5	-	200.3	1,199.4	728.8
<b>Total</b>	<b>30</b>	<b>4,149.5</b>	<b>2.0</b>	<b>1,304.3</b>	<b>1,801.7</b>	<b>1,041.5</b>
Change from prior quarter	3.4%	39.7%	(99.2%)	(13.9%)	53.0%	3348.7%

Two new investments were made during the quarter with total EPV of \$1.4 billion and possible completions in FY2023 and in FY2024+. There has also been a shift in the completion of one anticipated investment from FY2023 to FY2024.

The decrease in value of possible completions for FY2021 is due to (i) one completion, (ii) two investments shifting from FY2021 (to FY2022 and to FY2023) and (iii) the impairment of the EPV of investment with an adverse outcome in April 2021.

## Movement from the previous quarter is reconciled as follows:

Movement for quarter	#	EPV AUD million
Opening	29	2,970.8
Additions	2	1,392.4
Completions* / Updates	(1)	(89.7)
Withdrawn / Terminated	-	-
Impairment	-	(126.3)
FX adjustment	-	2.3
<b>Quarter end</b>	<b>30</b>	<b>4,149.5</b>

Data has been combined where appropriate so as not to disclose the EPV of individual investments.

\* # is the number of Completions

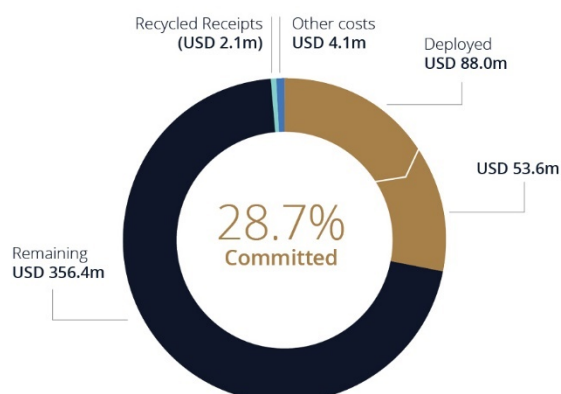
## Capital status:

Capital Called			Uncalled Capital			Accumulated Preferred Return	Accumulated Special Distribution	Accumulated Management Fee
AUD million								
Total	Investors	Omni	Total	Investors	Omni	Investors	Investors	Omni
114.5	91.6	22.9	65.5	52.4	13.1	21.7	4.6	2.5
Distributions	(41.6)	–	n/a	n/a	n/a	–	–	–
Total AUD	50.0	22.9	65.5	52.4	13.1	21.7	4.6	2.5
Change	62.9%	31.6%	(29.6%)	(29.7%)	(29.6%)	18.8%	17.9%	46.7%



## FUND 4 – USA

## Commitment status:



## Fund 4

Start date – 1 Apr 2019

Fund Size – USD 500m

Investments Committed – USD 141.6m

Investments Deployed – USD 88.0m

Recycled Receipts – (USD 2.1m)

- Committed (fully funded, IC approved, conditionally funded)
- Remaining for investment
- Recycled receipts
- Other costs

## Investment status:

Year of Investment	#	EPV AUD million	Possible Completion EPV AUD million			
			FY2021	FY2022	FY2023	FY2024 +
FY 2019 and later	12	3,651.2	24.6	-	829.2	2,797.4
<b>Total</b>	<b>12</b>	<b>3,651.2</b>	<b>24.6</b>	<b>-</b>	<b>829.2</b>	<b>2,797.4</b>
Change from prior quarter	9.1%	9.1%	1.2%	(100.0%)	(66.1%)	264.0%

The increase in total EPV and possible completions in FY2024+ is due to two new unconditional investments and a shift in the completion of two anticipated investments from FY2023 to FY2024.

The investment with a negative summary judgment during the December 2020 quarter continues to be considered as a funded investment with an EPV and possible completion period FY2024.

## Movement from the previous quarter is reconciled as follows:

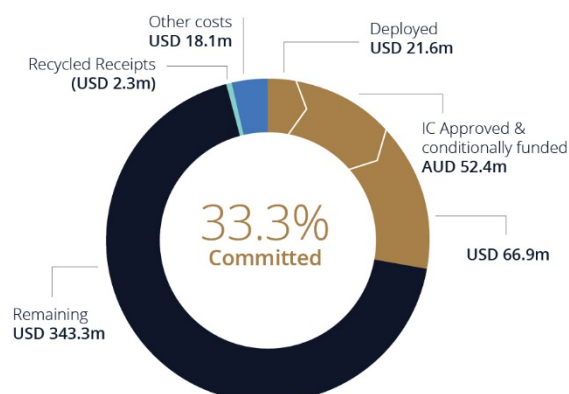
Movement for quarter	#	EPV AUD million
Opening	11	3,345.6
Additions	2	372.1
Completions / Updates	-	-
Withdrawn / Terminated	(1)	(104.2)
FX adjustment	-	37.7
<b>Quarter end</b>	<b>12</b>	<b>3,651.2</b>

## Capital status:

Capital Called			Uncalled Capital			Recycled Proceeds		
USD million								
Total	Investors	Omni	Total	Investors	Omni	Total	Investors	Omni
105.1	84.2	20.9	394.9	315.8	79.1	-	-	-
	n/a	n/a	n/a	n/a	n/a	19.7	15.8	3.9
Distributions	-	-	n/a	n/a	n/a	-	-	-
Total USD	84.2	20.9	394.9	315.8	79.6	19.7	15.8	3.9
AUD equivalent	110.9	27.6	520.1	416.0	104.2	30.4	24.4	6.0
Change	5.5%	5.2%	0.4%	0.4%	0.5%	(3.5%)	(3.6%)	(2.9%)

## FUND 5 – ROW

## Commitment status



## Fund 5

Start date – 27 Sep 2019

Fund Size – USD 500m

Investments Committed – USD 140.9m

Investments Deployed – USD 21.6m

- Committed (fully funded, IC approved, conditionally funded)
- Remaining for investment
- Recycled receipts
- Other costs

The data reports 100% of Fund 5 including the outside investors' interests. OBL has a 20% commitment participation for Fund 5. Fund 5 is not consolidated within OBL's financial result, but OBL's 20% interest is included within the group financial statements.

There was one Australian class action funded during the quarter, another conditionally funded, and two IC approved under the new regulatory regime for class actions. These have a total EPV of \$416.1 million. The managed investment schemes for two of these class actions had their Product Disclosure Statements (PDS) in use by 31 March 2021 and a further was in use by the date of this report. The three PDS that are in use relate to (i) Freedom Foods Group Litigation Funding Scheme (ARSN 646 754 367), (ii) The Certain Underwriters at Lloyds Litigation Funding Scheme (ARSN 647 497 229) and (iii) The Prawn White Spot Litigation Funding Scheme (ARSN 647 887 027).

## Investment status:

Year of Investment	#	EPV AUD million	Possible Completion EPV AUD million			
			FY2021	FY2022	FY2023	FY2024 +
FY 2020	10	636.6	167.3	182.3	271.4	15.6
FY 2021	17	2,346.4	-	89.0	895.0	1,362.4
<b>Total</b>	<b>27</b>	<b>2,983.0</b>	<b>167.3</b>	<b>271.3</b>	<b>1,166.4</b>	<b>1,378.0</b>
Change from prior quarter	12.5%	7.7%	(34.2%)	(67.6%)	124.8%	18.8%

Increase in EPV is mainly due to four new investments during the quarter. FY2021 possible completions have decreased due to the investment completion in the quarter and the shift of an investment's anticipated completion date to FY2022. The decrease in FY2022 completions is due to the shift of two anticipated completions to FY2023.

## Movement from the previous quarter is reconciled as follows:

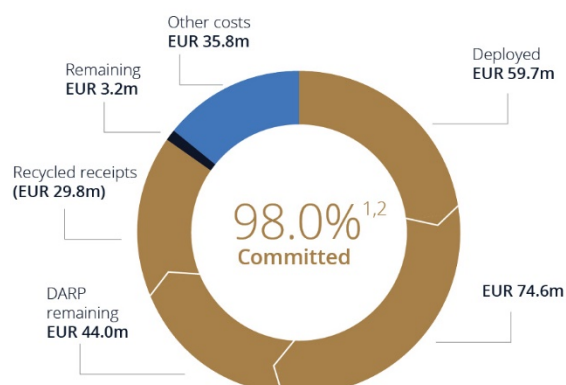
Movement for quarter	#	EPV AUD million
Opening	24	2,769.2
Additions	4	211.1
Completions / Updates	(1)	(11.0)
Withdrawn / Terminated	-	-
Updates	-	-
FX adjustment	-	13.7
<b>Quarter end</b>	<b>27</b>	<b>2,983.0</b>

## Capital status:

Capital Called			Uncalled Capital			Recycled Proceeds		
USD million								
Total	Investors	Omni	Total	Investors	Omni	Total	Investors	Omni
57.0	45.6	11.4	443.0	354.4	88.6	-	-	-
	n/a	n/a	n/a	n/a	n/a	-	-	-
Distributions	-	-	n/a	n/a	n/a	-	-	-
Total USD	45.6	11.4	443.0	354.4	88.6	-	-	-
AUD equivalent	60.1	15.0	583.5	466.8	116.7	-	-	-
Change	17.1%	16.5%	(0.6%)	(0.6%)	(0.5%)	-	-	-

## FUND 6 – OBE

## Commitment status



## Fund 6

Start Date – 2017

Fund Size – EUR 150.0m

Investments Committed – EUR 178.3m

Investments Deployed – EUR 59.7m

- Committed (fully funded, IC approved, conditionally funded)
- Remaining for investment
- Other costs

1 At 31 December 2020

2 Investment commitments include allowances for adverse costs and enforcement of some awards. The fund has insurance policies to cover adverse costs for some investments and in some instances the capital commitments of investments are also covered by insurance. A 25% over commitment allowance provides for the release of any of these unused commitments.

Fund 6's 98% commitment level includes full allowance for Fund 7 as well as allowance for adverse costs and awards on certain investments. Discussions are ongoing with the investor to ensure appropriate funding capacity is available.

## Investment status:

Year of Investment	#	EPV AUD million	Possible Completion EPV AUD million			
			FY2021	FY2022	FY2023	FY2024 +
n/a	185	2,478.6	86.3	430.9	737.3	1,224.1
<b>Total</b>	<b>185</b>	<b>2,478.6</b>	<b>86.3</b>	<b>430.9</b>	<b>737.3</b>	<b>1,224.1</b>
Change from prior quarter	2.8%	0.2%	(57.1%)	(4.1%)	(11.3%)	23.4%

## Movement from the previous quarter is reconciled as follows:

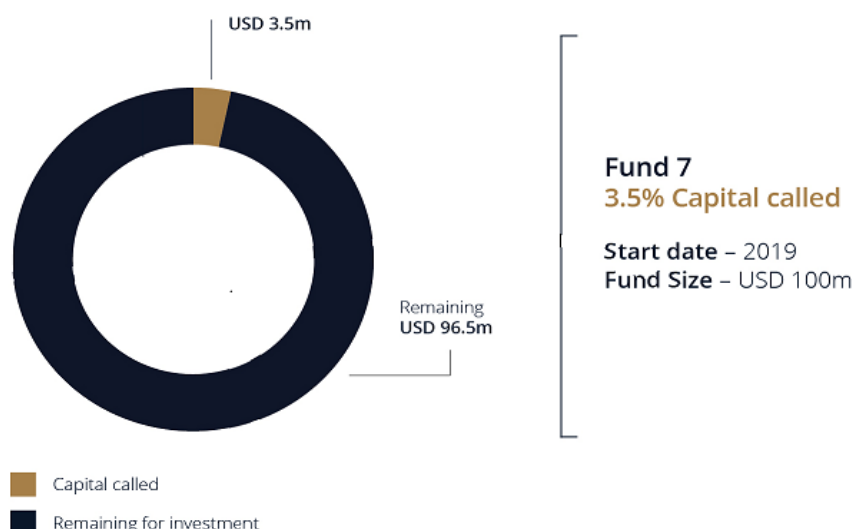
	Number	Cost AUD million	PPA AUD million	Consolidated Total AUD million
Acquisition date	178	59.8	103.5	163.3
Additions	46	6.2	-	6.2
Completions	(32)	(8.0)	(12.1)	(20.1)
Withdrawn/terminated	(7)	-	-	-
Additional amounts invested	-	10.9	(2.3)	8.6
FX adjustment	-	(2.5)	(4.3)	(6.8)
<b>Total</b>	<b>185</b>	<b>66.4</b>	<b>84.8</b>	<b>151.2</b>

## Capital status:

Capital Called			Uncalled capital			Recycled Proceeds		
EUR million								
Total	Investors	Omni	Total	Investors	Omni	Total	Investors	Omni
70.0	66.5	3.5	80.0	76.0	4.0	-	-	-
	n/a	n/a	n/a	n/a	n/a	29.8	28.3	1.5
Distributions	-	-	n/a	n/a	n/a	-	-	-
Total EUR	66.5	3.5	80.0	76.0	4.0	29.8	28.3	1.5
AUD equivalent	102.6	5.4	123.4	117.3	6.2	46.0	43.7	2.3
Change	(2.1%)	1.9%	(5.0%)	(4.8%)	(7.9%)	5.7%	5.7%	5.2%

## FUND 7 – DISTRESSED ASSET RECOVERY PROGRAM (DARP)

## Commitment status:



## Investment status:

Fund 7 is joint venture project with the World Bank / International Finance Corporation to assist banks with the funding and international legal workout of non-performing loans.

The data reports the entire 100% of Fund 7 including the outside investors' interest. Fund 6 has a capital commitment to Fund 7 of USD 50.0 million being 50% of Fund 7's capacity. Fund 7 is not consolidated within OBL's group financial result but OBL's interest is reported in the financial statements.

The Fund commenced operations during the March 2020 quarter. As at 31 March 2021,, several portfolio investments are in final stages of due diligence, but no investments have been made. COVID-19 has severely restricted the ability to progress investments given the physical files and local due diligence requirements. COVID-19 also impacted the value of loans in the MENA region over the last year. Whilst this has delayed the commitment to investments it has not negatively impacted the Fund as it was in its start-up phase with nominal drawn capital and no investments at the commencement of the pandemic. The investment opportunity is as strong or even stronger today as before the pandemic, with the potential investment universe remaining as it was if not larger and at possibly lower cost.

Capital Called			Uncalled capital			Recycled Proceeds		
USD million								
Total	Investors	Fund 6	Total	Investors	Fund 6	Total	Investors	Fund 6
3.5	1.0	2.5	96.5	49.0	47.5	-	-	-
Distributions	-	-	n/a	n/a	n/a	-	-	-
Total USD	1.0	2.5	96.5	49.0	47.5	-	-	-
AUD equivalent	1.3	3.3	127.1	64.5	62.6	-	-	-
Change	1.3%	(0.2%)	1.1%	1.2%	1.2%	-	-	

## Funds' performance review

Completed and current investments, excluding withdrawals and overheads are shown below. The ROIC and IRR do not capture capitalised overheads or the operational costs of running the business.

	Current Investments			Completed Investments								
	#	Avg. duration (years)	EPV AUD million	#	Avg. duration (years)	EPV AUD million	EPV conversion rate (%)	Success rate (%)			ROIC (excl. overheads) (%)	IRR (excl. overhead s) (%)
								Legal outcome	Financial outcome			
								# of investments	# of investments	\$ weighted avg.		
Fund 1	24	4.4	2,387.5	24	2.6	942.1	11	88	67	68	18	14
Funds 2&3	30	1.9	4,149.5	12	1.3	395.2	18	83	83	54	164	160
Fund 4 (Series I)	12	0.9	3,651.2	2	0.4	198.7	15	100	100	100	22	201
Fund 5 (Series I)	27	0.7	2,983.0	1	0.9	20.4	97	100	100	100	28	5
Fund 6	185	5.1	2,478.6	161	3.6	n/a	n/a	n/a	68	77	345	160
Fund 7	–	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

## Cash reporting

	AUD million
<b>Cash Held</b>	
Group (excluding Funds)	135.7
Funds 1, 2&3, 4 <sup>A</sup>	37.5
Fund 5 <sup>B</sup>	23.8
Fund 6	3.3
Fund 7	-
<b>Total</b>	<b>200.3</b>
<b>Receivables</b>	
Group (excluding Funds)	17.2
Funds 1, 2&3, 4	32.6
Fund 5	4.0
Fund 6	14.6
Fund 7	-
<b>Total</b>	<b>68.4</b>
<b>Total Cash and Receivables</b>	<b>268.7</b>

A - Includes 100% of Fund 4 cash attributable to investors and Omni.

B - Fund 5 (entire 100% including outside investor interest).

Authorised by the Disclosure Committee

## Notes

This announcement is for the use of Omni Bridgeway's public shareholders and is not an offering of any private fund.

The financial data included in this report has not been audited. Neither this report in its aggregate form nor any of its component information, whether in combination or otherwise, including EPV, Long Term Conversion Factor, Possible Completion Periods, ROIC and IRR, comprise earnings guidance for the company or the group for current or future financial periods.

### REPORTING FORMAT

#### GROUP – EPV

Omni Bridgeway continues to report all investments using only EPV in the quarterly investment reports.

The EPV for investments which are the subject of conditional settlements or appealable judgments or which are impaired, have not been removed from the portfolio. They will remain within the portfolio until they become unconditional completions. The EPV of any impaired investment reflects consideration of the impairment and view of ultimate value.

#### OBE GROUP – EPV (AND CAPITAL INVESTED)

Whilst the EPV is our current estimate, the adoption of an EPV for the OBE Group remains relatively new and subject to ongoing integration, it is likely that it will be refined over time. Consistent with prior periods, we have also reported the capital invested.

#### Accounting Consolidation of Investments and Investment Vehicles

Funds 1, 2 & 3, and the investments of Funds 4 and 6 are consolidated within the group's financial statements, with the respective external investors' interests reflected as Non-Controlling interests. Fund 5 and Fund 7 are not consolidated within the group's financial statements.

Regardless of consolidation, the entirety of all investments, including the proportionate share of external Fund investors are included in this quarterly investment portfolio report.

Where investments are co-funded with an entity which is not affiliated with the Omni Bridgeway Group, the co-funded proportion of the applicable investment is excluded from this quarterly investment portfolio report.

#### Investments Included in Portfolio

The investment portfolio includes investments with an unconditional commitment to fund and may include investments where a previously conditional funding agreement has become unconditional. It may include investments that have settled or have appealable judgments until they have finally completed and the associated income has been recognised. Investments in class actions included in the portfolio as unconditional may still be subject to a court process, where there are competing class actions claims, to determine which case proceeds.

#### Past Performance

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 (**Long Term Conversion Rate**).

The group's completed investment data has been reviewed by our auditor to 31 December 2020. This data generates a ROIC of 1.3 x.

#### Possible Completion Periods

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.

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 case investments the EPV may be split across multiple 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.

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.

### DEFINITIONS

**ROIC** (return on invested capital) is calculated on completed investments across their entire life (not on an annualised basis). It excludes consideration of capitalised overheads, and withdrawals. It is calculated as gross income to the group less all total expenditure (including any adverse costs), divided by total investment expenditure (excluding any adverse costs).

**Income v Revenue Terminology** Income and revenue are used interchangeably throughout this announcement.

**IRR** (internal rate of return) 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).

The Long-Term Conversion Rate, ROIC and 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.

**EPV** (Estimated Portfolio Value) is the group's current estimate. For an investment where the funding entity earns:

- (i) 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,
- (ii) a funding commission calculated as a multiple of capital invested; EPV is arrived at by taking the estimated potential income return from the investment and



grossing this up to an EPV using the Long-Term Conversion Rate, and

- (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.

OBE Group's EPV has been estimated on a conceptually consistent basis, 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.

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 applicable local currency and the Australian dollar. Possible EPV's are reviewed and updated where necessary.

The portfolio's value is the aggregation of individual investments' EPVs as determined above.

**Invested Capital** is equal to the total capital invested to investments, translated to Australian dollars at the foreign exchange spot rate prevailing on the reporting date.

**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.

**Rest of the World/Non-USA** includes all regions excluding the USA in which the group has commitments currently being Australia, Canada, Asia and EMEA.

**Investment Commitments** (i) Fund 1 & 4 are the amounts committed to conditionally & unconditionally funded investments and are generally fixed; (ii) Funds 2 & 3 and Fund 5 are the investment budget amounts of conditionally & unconditionally funded investments.

**Other Costs** Include 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.

**EMEA** Europe, Middle East and Africa.

**OBE Group** means Omni Bridgeway Holdings BV and subsidiary; it includes Fund 6 & Fund 7.

## US OWNERSHIP RESTRICTION

The ordinary shares (**Shares**) of Omni Bridgeway Limited (**OBL**) are subject to ownership restrictions applying to residents of the United States.

The Shares have not been registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. In addition, OBL has not been registered under the US Investment Company Act of 1940 in reliance on an exemption from registration.

Accordingly, the Shares may not be offered or sold in the United States or to, or for the account or benefit of US Persons except in accordance with an available exemption from, or a transaction not subject to, the registration requirements of the US Securities Act, the US Investment Company Act and applicable US state securities laws.

In order to qualify for an exemption under the US Investment Company Act, the constitution of OBL provides that where a holder is an Excluded US Person:

- OBL may refuse to register a transfer of Shares to that Excluded US Person; and
- the Excluded US Person may be requested to sell such person's Shares and, if the Excluded US Person fails to do so within 30 business days, to be divested of such Shares and to receive the proceeds of sale (net of transaction costs, including any applicable brokerage) as soon as practicable after the sale.

In addition, OBL's constitution provides that a holder may be required to complete a statutory declaration in relation to whether they (or any person on whose account or benefit it holds Shares) are an Excluded US Person. Any holder who does not comply with such a request will be deemed to be an Excluded US Person.

The Shares are issued on terms under which each holder who is or becomes an Excluded US Person agrees to the above terms and irrevocably appoints OBL as that holder's agent and attorney to do all acts and things and execute all documents which OBL considers necessary, desirable or reasonably incidental to effect the above actions.

## DEFINITIONS

An "**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.

The term "**Knowledgeable Employee**" has the meaning given in Rule 3c-5 under the US Investment Company Act of 1940.

The term "**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.

The term "**US Person**" has the meaning given in Rule 902(k) of Regulation S under the US Securities Act of 1933.