

Investment Portfolio at 31 December 2020 (unaudited)

Highlights

Income

- During the quarter gross consolidated income from litigation investments of \$26.4 million was recognised from 11 partially and 11 fully completed investments. The investments that fully completed had an aggregate EPV of \$559.0 million. One of these completions was a loss and one was a termination which had a unique EPV to income correlation (refer to Fund 4 section below). The other nine completions had income of \$15.7 million and an aggregate EPV of \$76.4 million.
- The slow-down in completions in the US experienced in the September quarter has continued through this period with COVID-19 and political events prevalent. This was particularly so in Fund 1, which saw the expected completion date on six investments delayed from FY2021 to FY2022. Whilst this is disappointing, timing of completion is a factor that we do not control in our investments. Regardless, we remain confident of extracting a positive return for OBL and the external investors from this Fund.
- There is further gross income from investments of approximately \$204.9 million that may be recognised in future periods. This potential income is from six investments (albeit a major proportion relates to Wivenhoe) which had substantially completed prior to 31 December but have not fully satisfied the revenue recognition accounting standards and our policies. These investments have an aggregate EPV of \$554.7m which is included in this report as possible completions in FY2021.

Investments

- We have experienced a 10% increase in the number of funding applications in the six months to 31 December 2020 compared to the first half of FY2020 (excluding OBE to ensure a like for like comparison).
- During the quarter the group made 16 unconditional commitments to investments of \$92.2 million with an EPV of \$2.1 billion.
- The total EPV at 31 December 2020 for funded investments has increased to \$15.0 billion and in total to \$17.6 billion. This reflects a net increase of 10% for funded investments and 4% in total from last quarter.
- There are 29 conditionally funded and IC approved investments with an aggregate investment commitment of \$82.1 million and an EPV of \$2.6 billion.
- At 31 December 2020 the carrying value of litigation investments across the investment portfolio total \$637.3 million. This reflects a net decrease of 1% from last quarter.
- The Westgem investment, which is on appeal by the funded claimant, continues to be included as a funded matter with an EPV of \$250.0 million; but the possible completion period has moved back to FY2023.
- As announced to the ASX on 7 January 2021, summary judgement was entered for the defendant in a Fund 4 investment. The funded claimant has now filed a notice of appeal. Reflective of our views on the investment, it continues to be held as an on-going investment in this report.
- Fund 6's 96.6% 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 investors to ensure appropriate funding capacity is available.

Overview

Portfolio:

The total EPV at 31 December 2020 for funded investments had increased to \$15.0 billion and in total to \$17.6 billion. This reflects a net increase of 10% for funded investments and 4% in total from last quarter.

Movement for quarter	Balance Sheet	Funds						Total	EPV
		1	2&3	4	5	6	7		
	#	#	#	#	#	#	#	#	AUD billion
Funded investments (opening)	16	29	30	9	16	183	-	283	13.6
New investments	-	-	-	3	8	5	-	16	
Completed investments	(2)	(1)	(1)	(1)	-	(6)	-	(11)	
Withdrawn / Terminated	-	-	-	-	-	(2)	-	(2)	
Funded investments (closing)	14	28	29	11	24	180	-	286	15.0
Conditionally funded investments	-	-	2	-	3	2	-	7	
IC approved investments	-	-	1	-	9	10	2	22	
Total including all investments	14	28	32	11	36	192	2	315	17.6

Possible Completion EPV AUD million	FY2021	FY2022	FY2023	FY2024 +	Total
Balance Sheet*	469.5	335.2	257.6	0.9	1,063.2
Fund 1	67.7	1,756.7	291.7	268.2	2,384.3
Funds 2 & 3	249.1	1,514.0	1,177.5	30.2	2,970.8
Fund 4**	24.3	108.5	2,444.2	768.6	3,345.6
Fund 5	254.3	836.3	518.8	1,159.8	2,769.2
Fund 6	201.4	449.2	831.0	992.2	2,473.8
Fund 7	-	-	-	-	-
Total EPV funded investments	1,266.3	4,999.9	5,520.8	3,219.9	15,006.9
Change from prior quarter incl. fx movement	(58.4%)	(1.2%)	53.5%	68.2%	10.2%
Change from prior quarter excl. fx movement	(57.1%)	2.3%	60.3%	72.7%	10.5%

The \$1,266.3 million expected to complete in FY2021 includes the EPV of \$554.7 million relating to the \$204.9 million of income yet to be recognised.

* Westgem investment where the funded claimant's action was dismissed at first instance and is now subject to appeal is included as a funded matter with an EPV of \$250.0 million but the possible completion period has been moved back from FY21 to FY2023 to take account of the appeal.

**A Fund 4 investment where summary judgement was entered for the defendant is included as a funded matter expected to be realised in FY2023.

Performance:

During the quarter, gross consolidated income/revenue of \$26.4 million was recognised from litigation investments.

Income AUD million (unaudited)*	Balance Sheet	Funds						Total
		1	2 &3	4	5	6	7	
FY 2021								
Recognised income								
Opening balance for the quarter	0.2	3.2	17.3	-	-	0.4	-	21.1
Recognised in quarter								
Completed investments	15.4	0.2	0.1	2.4	-	0.6	-	18.7
Ongoing investments	-	1.8	0.9	2.4	-	2.6	-	7.7
Total income recognised in quarter	15.4	2.0	1.0	4.8	-	3.2	-	26.4
Total income recognised FY2021	15.6	5.2	18.3	4.8	-	3.6	-	47.5

There remain conditional settlements plus appealable judgments which may result in the recognition in FY2021 or future periods of further gross consolidated income of \$204.9 million.

Income AUD million (unaudited)*	Balance Sheet	Funds						Total
		1	2 &3	4	5	6	7	
FY 2021								
Income yet to be recognised								
Brought forward								
Agreed in-principle settlements	1.9	-	-	-	-	-	-	1.9
Binding conditional settlements	-	-	-	-	-	-	-	-
Successful judgments	169.6	-	-	-	-	-	-	175.2
Current quarter activity								
Agreed in-principle settlements ^C	-	-	-	-	-	-	-	-
Binding conditional settlements ^C	1.6	-	-	-	-	-	-	1.6
Successful judgments ^C	20.0	-	-	-	-	-	-	20.0
Other ^C	-	-	-	-	-	-	-	6.2
Total income yet to be recognised ^C	193.1	-	-	-	-	-	-	204.9

*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. 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 and 7 December 2002.

C - Subject to change.

Portfolio and funds review

BALANCE SHEET

Wivenhoe (Brisbane Floods Class Action) update:

There has been no change to the EPV of this investment during the quarter, notwithstanding the receipt of a positive judgment on certain damages issues. The appeals from the first instance judgment are due to be heard commencing in May 2021 whilst in parallel, the court ordered referee process to assess the damages of 264 group members continues.

Westgem update:

Omni Bridgeway has received the opinion of senior counsel as to the prospects on appeal which has now been delivered to the company auditors. Discussions are taking place with the auditors as to the appropriate level of impairment, if any, regarding this intangible asset. Any impairment will be brought to account in the upcoming half yearly report. From a portfolio perspective, this investment continues to have an EPV of \$250.0 million but the possible completion period has been moved back from FY21 to FY2023 to take account of the appeal.

Investment status:

Year of Investment	#	EPV \$ million	Possible Completion EPV AUD million			
			FY2021	FY2022	FY2023	FY2024 +
OBE Group	5	12.3	-	3.8	7.6	0.9
FY 2015 and earlier*	2	641.5	391.5	-	250.0	-
FY 2016	4	258.9	-	258.9	-	-
FY 2017 and later	3	150.5	78.0	72.5	-	-
Total	14	1,063.2	469.5	335.2	257.6	0.9
Change from prior quarter	(12.5%)	(4.5%)	(20.3%)	26.9%	(0.7%)	(10.0%)

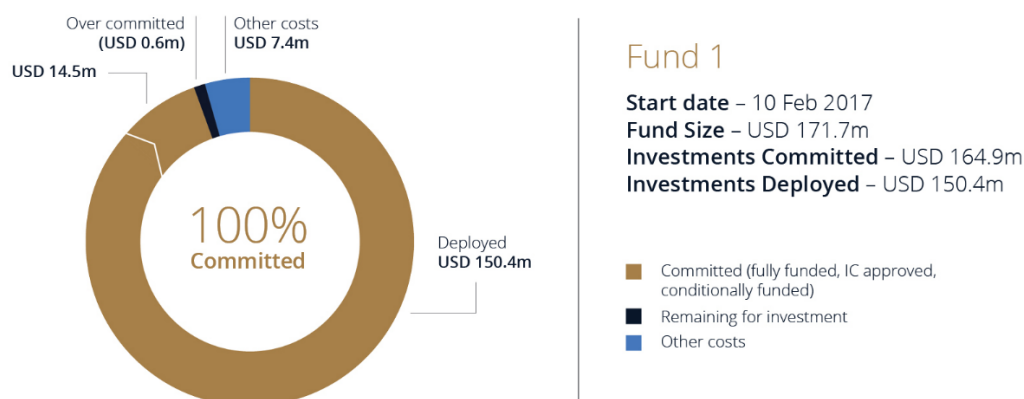
Data has been combined where appropriate so as not to disclose the EPV of individual investments.

* Westgem investment where the funded claimant's action was dismissed at first instance and is now subject to appeal is included as a funded matter with an EPV of \$250.0 million but the possible completion period has been moved back from FY21 to FY2023 to take account of the appeal.

Movement for quarter	Total		United States		Australia		EMEA	
	#	EPV AUD million	#	EPV AUD million	#	EPV AUD million	#	EPV AUD million
Opening	16	1,113.3	3	115.3	8	983.0	5	15.0
Additions	-	-	-	-	-	-	-	-
Completions	(2)	(39.0)	-	-	(2)	(39.0)	-	-
Withdrawn / Terminated	-	-	-	-	-	-	-	-
Updates / FX adjustment	-	(11.1)	-	(8.4)	-	-	-	(2.7)
Quarter end	14	1,063.2	3	106.9	6	944.0	5	12.3

FUND 1 - USA

Commitment status:



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	6	255.8	15.6	240.2	-	-
FY 2016	8	923.6	-	753.0	118.5	52.1
FY 2017	3	236.6	52.1	184.5	-	-
FY 2018	7	628.5	-	455.3	173.2	-
FY 2019 and later	4	339.8	-	123.7	-	216.1
Total	28	2,384.3	67.7	1,756.7	291.7	268.2
Change from prior quarter	(3.4%)	(10.6%)	(94.1%)	79.6%	17.5%	(7.2%)

The anticipated completion dates of six Fund 1 investments have been delayed from FY2021 to FY2022 reflecting the fact that in the US most commercial disputes are decided by a jury and most jury sittings have been delayed or disrupted due to COVID-19. There remains uncertainty around court diaries and scheduling. The commencement of trial and the immediate build up are often seen as triggers for settlement.

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 rather a move across 30 June 2021. 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; with profit sharing in later years.

Movement from the previous quarter is reconciled as follows:

Movement for quarter	#	EPV AUD million
Opening	29	2,666.1
Additions	-	-
Completions* / Updates	(1)	(102.0)
Withdrawn / Terminated	-	-
Impairment	-	-
FX adjustment	-	(179.8)
Quarter end	28	2,384.3

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

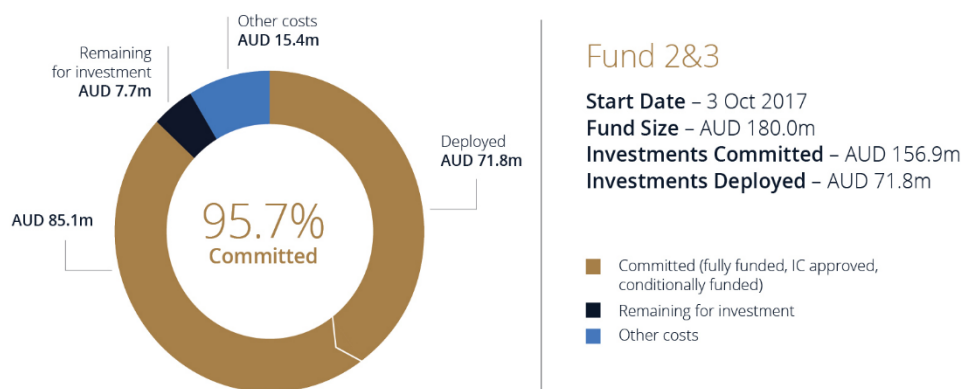
* # is the number of Completions

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	40.5	1.8	5.0
Distributions	(69.6)	-	n/a	n/a	n/a	(8.3)	-	-
Total USD	55.4	41.7	5.0	3.8	1.2	32.2	1.8	5.0
AUD equivalent	72.1	54.3	6.4	4.9	1.6	41.9	2.3	6.5
Change	(7.2%)	(7.2%)	(6.6%)	(7.9%)	(8.1%)	2.3%	(8.5%)	(0.7%)

FUNDS 2 & 3 – Rest of World (RoW)

Commitment status



Certain conditionally funded matters in Fund 2&3 were terminated during the quarter releasing further investment capacity in these funds. The allocation rules in place for RoW investments, require that this capacity is first filled prior to reverting to funding all RoW investments through Fund 5.

Investment status:

Year of Investment	#	EPV AUD million	Possible Completion EPV million			
			FY2021	FY2022	FY2023	FY2024 +
FY 2018	5	605.4	126.3	350.0	129.1	-
FY 2019	14	1,612.7	122.8	911.5	578.4	-
FY 2020 and later	10	752.7	-	252.5	470.0	30.2
Total	29	2,970.8	249.1	1,514.0	1,177.5	30.2
Change from prior quarter	(3.3%)	(4.1%)	(63.1%)	(5.6%)	49.8%	(4.1%)

The decrease in possible completions for FY2021 is due to one completion and three on-going investments being pushed to a possible completion in FY2022. Approximately 87% of the movement relates to these delays.

The increase in possible completions in FY2023 is due to the shift of two investments from FY2022 to FY2023.

Movement from the previous quarter is reconciled as follows:

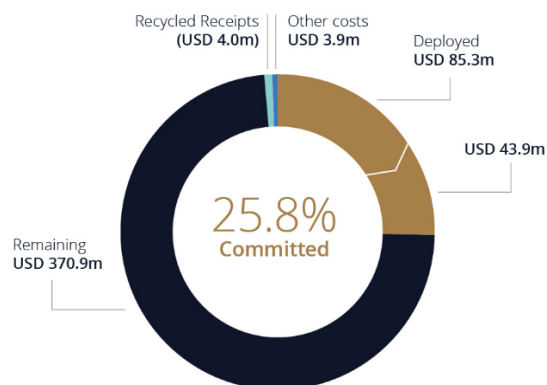
Movement for quarter	#	EPV AUD million
Opening	30	3,096.7
Additions	-	-
Completions* / Updates	(1)	(52.0)
Withdrawn / Terminated	-	-
Impairment	-	-
FX adjustment	-	(73.9)
Quarter end	29	2,970.8

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
Total	Investors	Omni	Total	Investors	Omni	Investors	Investors	Omni
AUD million								
100.9	80.7	20.2	79.1	63.3	15.8	19.8	4.3	2.1
Distributions	(41.1)	-	n/a	n/a	n/a	-	-	-
Total AUD	39.6	20.2	79.1	63.3	15.8	19.8	4.3	2.1
Change	29.0%	16.1%	(15.0%)	(15.0%)	(15.1%)	8.2%	10.3%	22.4%

FUND 4 – USA**Commitment status:****Fund 4**

Start date – 1 Apr 2019

Fund Size – USD 500m

Investments Committed – USD 129.2m

Investments Deployed – USD 85.3m

Recycled Receipts – (USD 4m)

■ 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	11	3,345.6	24.3	108.5	2,444.2	768.6
Total	11	3,345.6	24.3	108.5	2,444.2	768.6
Change from prior quarter	22.2%	(9.6%)	(75.0%)	(92.7%)	90.3%	(7.2%)

The decrease in possible completions during FY2021 is due to the delay of one investment's completion date related to COVID-19 delays, whilst another has been brought forward.

The decrease in FY2023 is due to the completion that occurred during the period.

As announced to the ASX on 7 January 2021, summary judgement was entered for the defendant in a Fund 4 investment. The funded claimant has now filed a notice of appeal. Reflective of our views on the investment, it continues to be held as an on-going investment in this report.

Movement from the previous quarter is reconciled as follows:

Movement for quarter	#	EPV AUD million
Opening	9	3,699.3
Additions	3	311.4
Completions / Updates	(1)	(430.6)
Withdrawn / Terminated	-	-
FX adjustment	-	(234.5)
Quarter end	11	3,345.6

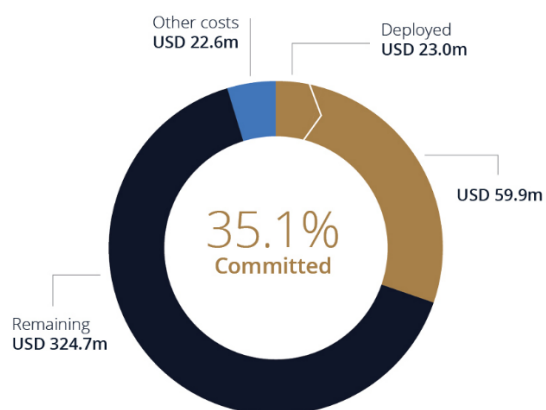
The completion during the period reflects the funding being terminated by the claimant with a return of our full entitlement before the litigation could occur as the claimant was acquired and the new owner had no desire for funding. The investment had been anticipated to complete in FY2023 with an EPV reflecting our anticipated return from a successful litigation at that point in time. As set out in the highlights section this early completion resulted in a unique comparative of income to EPV.

Capital status:

Capital Called			Uncalled Capital			Recycled Proceeds		
USD million								
Total	Investors	Omni	Total	Investors	Omni	Total	Investors	Omni
102.2	81.8	20.4	397.8	318.2	79.6	-	-	-
	n/a	n/a	n/a	n/a	n/a	19.7	15.8	3.9
Distributions	(1.1)	(0.3)	n/a	n/a	n/a	-	-	-
Total USD	80.7	20.1	397.8	318.2	79.6	19.7	15.8	3.9
AUD equivalent	105.1	26.2	518.0	414.3	103.6	31.5	25.3	6.2
Change	(1.8%)	(2.3%)	(8.4%)	(8.4%)	(8.4%)	3.3%	3.6%	2.3%

FUND 5 – ROW

Commitment status:

**Fund 5**

Start date – 27 Sep 2019

Fund Size – USD 500m

Investments Committed – USD 152.7m

Investments Deployed – USD 23.0m

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

The below 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.

Similarly to the RoW investments in Funds 2&3, a number of investments in Fund 5 are now co-funded with Fund 6 reflecting the need for both merits and enforcement expertise.

Investment status:

Year of Investment	#	EPV AUD million	Possible Completion EPV AUD million			
			FY2021	FY2022	FY2023	FY2024 +
FY 2020	11	647.2	254.3	113.1	264.5	15.3
FY 2021	13	2,122.0	-	-	254.3	1,144.5
Total	24	2,769.2	254.3	836.3	518.8	1,159.8
Change from prior quarter	50.0%	164.6%	(8.9%)	347.7%	23.0%	630.8%

Movement from the previous quarter is reconciled as follows:

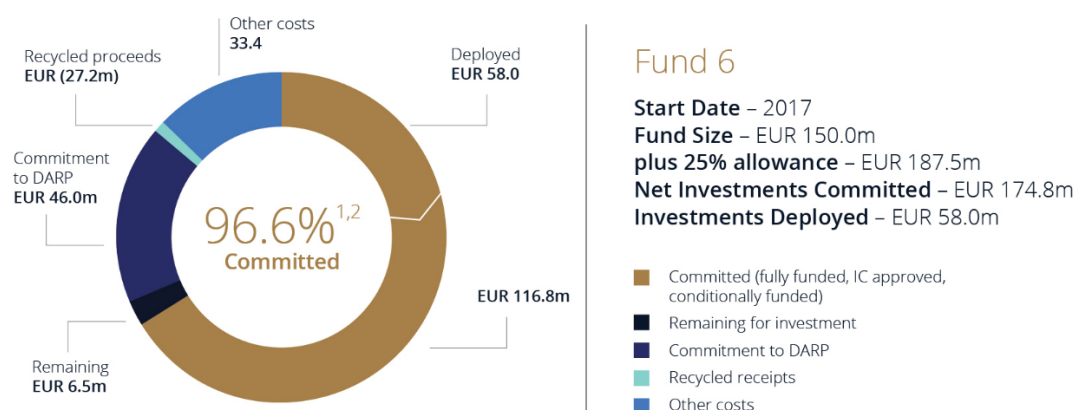
Movement for quarter	#	EPV AUD million
Opening	16	1,046.4
Additions	8	1,775.6
Completions	-	-
Withdrawn / Terminated	-	-
Updates	-	-
FX adjustment	-	(52.8)
Quarter end	24	2,769.2

Capital status:

Capital Called			Uncalled Capital			Recycled Proceeds		
USD million								
Total	Investors	Omni	Total	Investors	Omni	Total	Investors	Omni
49.3	39.4	9.9	450.7	360.6	90.1	-	-	-
	n/a	n/a	n/a	n/a	n/a	-	-	-
Distributions	-	-	n/a	n/a	n/a	-	-	-
Total USD	39.4	9.9	450.7	360.6	90.1	-	-	-
AUD	51.3	12.9	586.8	469.5	117.3	-	-	-
Change	8.5%	9.2%	(8.6%)	(8.6%)	(8.7%)	-	-	-

FUND 6 – OBE

Commitment status:



1 At 30 September 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 96.6% 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	180	2,473.8	201.4	449.2	831.0	992.2
Total	180	2,473.8	201.4	449.2	831.0	992.2
Change from prior quarter	(1.6%)	24.0%	(21.4%)	(16.3%)	39.2%	63.6%

The decrease in possible completions during FY2021 is due to a combination of investment completions and delay of investments' expected completion dates related to COVID-19 delays.

Movement from acquisition is reconciled as follows:

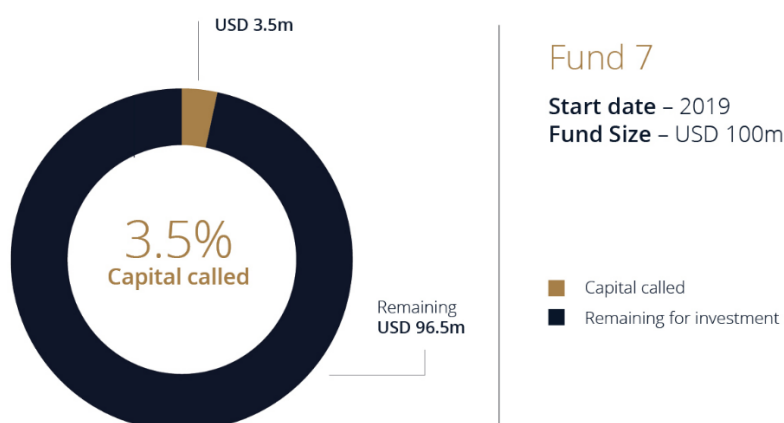
	Number	Cost AUD million	PPA AUD million	Consolidated Total AUD million
Acquisition date	178	59.8	103.5	163.3
Additions	34	4.9		4.9
Completions	(25)	(5.5)	(13.5)	(19.0)
Withdrawn/terminated	(7)	0.6	0.7	1.3
Additional amounts		9.2	(2.9)	6.3
FX adjustment		(0.4)	(0.7)	(1.1)
Total	180	68.6	87.1	155.7

Capital status:

Capital Called			Uncalled capital			Recycled Proceeds		
EUR million								
Total	Investors	Omni	Total	Investors	Omni	Total	Investors	Omni
68.8	65.5	3.3	81.2	77.0	4.2	-	-	-
	n/a	n/a	n/a	n/a	n/a	27.2	25.8	1.4
Distributions	-	-	n/a	n/a	n/a	-	-	-
Total EUR	65.5	3.3	81.2	77.0	4.2	27.2	25.8	1.4
AUD equivalent	104.8	5.3	129.9	123.2	6.7	43.5	41.3	2.2
Change	5.4%	7.8%	(8.9%)	(8.9%)	(9.2%)	76.2%	75.7%	86.7%

FUND 7 – Distressed Asset Recovery Program (DARP)

Commitment 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 below 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 December 2020, no investments have been made.

Capital status:

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	125.7	63.8	61.8	-	-	-
Change	(7.0%)	(7.0%)	(7.2%)	(7.1%)	(7.1%)	-	-	-

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						
	#	Average age (years)	EPV AUD million	#	Average length (years)	EPV AUD million	Success rate		ROIC (excl. overheads) (%)	IRR (excl. overheads) (%)
							\$ weighted average (%) [*]	Legal outcome (%)		
Fund 1	28	4.2	2,384.3	21	2.3	887.4	67	86	15	13
Funds 2&3	29	1.8	2,970.8	11	1.3	629.3	54	82	101	190
Fund 4 (Series I)	11	0.8	3,345.6	2	0.4	385.6	100	100	22	201
Fund 5 (Series I)	24	0.5	2,769.2	-	n/a	n/a	n/a	n/a	n/a	n/a
Fund 6	180	5.2	2,473.8	153	3.1	n/a	73	65	330	158
Fund 7	-	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

* Costs for successful investments compared to total costs for completions.

Cash reporting

	AUD million
Cash Held	
Group (excluding Funds)	109.8
Funds 1, 2&3, 4 ^A	48.6
Fund 5 ^B	9.0
Fund 6	11.0
Fund 7	-
Total	178.4
Receivables	
Group (excluding Funds)	37.3
Funds 1, 2&3, 4	16.9
Fund 5	-
Fund 6	7.5
Fund 7	-
Total	61.7
Total Cash and Receivables	240.1

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 announcement has not been audited.

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 the impairment.

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, EY, to 30 June 2020. It has been updated to 31 December by management and has not yet been reviewed by EY; it will be as part of the half year review. This data generates a ROIC of 1.3x.

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.