

Secondary Market Sale of Partial Interest in Investment

Omni Bridgeway Limited (**Omni Bridgeway**) announces the sale of a 30% interest in the Combustible Cladding (AU) investment for an amount of \$19.5 million (**Secondary Sale**) to a fund managed by Gerchen Capital Partners (**GCP**).

Omni Bridgeway retains the balance of the investment in Fund 2/3, which will have a reduced cost base of \$7 million, and have an obligation to fund the remaining costs. The risks associated with any adverse costs will be shared on the same proportions between GCP and Fund 2/3. As previously disclosed, Funds 2/3 carry a portfolio adverse costs insurance policy.

The financial return details on the Secondary Sale are provided below.

	Cash Basis (\$m)	P&L Basis after capitalized overheads (\$m)
Gross income (excluding GST)	19.5	19.5
Profit	16.5	16.0
ROIC	5.7 x	4.6 x
IRR%	168%	149%

Managing Director & CEO and Chief Strategy Officer – US, Andrew Saker, said “this transaction reflects an evolution in the litigation finance industry, where secondary market demand for mid-cycle, quality legal risk assets recognises the value created through our sourcing and underwriting processes and de-risks us from completion and duration uncertainty, whilst retaining the majority of the upside potential. We will endeavour to use these transactions for both single and portfolios of investments to accelerate realizations and improve liquidity.

Omni Bridgeway remains highly committed to its investment in the Combustible Cladding claims in Australia, retaining both a majority interest in, and management of, the investment.”

GCP Chief Executive Officer, Adam Gerchen added: “GCP is excited to partner with Omni Bridgeway, a pioneer and industry-leading investor in the litigation finance space. Litigation finance as an asset class has continued to evolve over the past several years, and part of that evolution involves the development of a secondary market for allocation of new capital. GCP looks forward to continuing to be a capital partner to litigation funders and other asset managers and investors seeking liquidity.”

This announcement is authorised for release to the market by the Disclosure Committee.

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