

SOMERS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(expressed in United States dollars)

Assets	MAR 31, 2017	SEP 30, 2016*
Cash and cash equivalents	\$ 110,946	\$ 751,940
Other assets	140,993	82,889
Interest receivable	361,849	356,995
Loans and receivables	9,633,098	13,694,281
Financial investments	327,088,781	332,038,271
Total assets	337,335,667	346,924,376
Liabilities		
Interest payable	62,655	107,638
Other liabilities	1,403,618	1,409,263
Convertible loan notes	89,815,457	88,519,562
Interest bearing loans and borrowings	26,582,153	26,489,542
Total liabilities	117,863,883	116,526,005
Net assets	\$ 219,471,784	\$ 230,398,371
Equity		
Capital stock	\$ 1,232	\$ 1,211
Contributed surplus	169,742,358	166,915,045
Treasury shares	-	-
Accumulated other comprehensive loss	(16,917,205)	(14,161,446)
Retained earnings	66,645,399	77,643,561
Total equity	\$ 219,471,784	\$ 230,398,371

*Audited

SOMERS LIMITED

CONSOLIDATED STATEMENT OF INCOME

(expressed in United States dollars)

Income	For the three months ended		For the six months ended	
	MAR 31, 2017	MAR 31, 2016	MAR 31, 2017	MAR 31, 2016
Interest income	\$ 296,113	\$ 306,277	\$ 615,315	\$ 525,489
Interest expense	(347,954)	(128,208)	(680,782)	(221,198)
Net interest (expense) income	(51,841)	178,069	(65,467)	304,291
Dividend income	-	-	-	2,500,000
Losses on investments	(373,236)	(925,998)	(4,051,380)	(2,164,761)
Net foreign exchange gains (losses)	5,519,127	(557,789)	(1,064,190)	(1,447,729)
Total income (loss)	5,094,050	(1,305,718)	(5,181,037)	(808,199)
	89,815,457			
Expenses				
Investment management fees	558,626	131,295	688,626	261,295
Legal and professional fees	139,010	141,609	234,061	258,793
Audit and accounting fees	121,553	97,417	186,718	139,152
Directors' fees	16,250	16,250	32,500	32,500
General and administrative expenses	102,462	93,463	164,542	196,628
Total expenses	937,901	480,034	1,306,447	888,368
Income (loss) before tax	4,156,149	(1,785,752)	(6,487,484)	(1,696,567)
Income tax expense	(40,412)	-	(82,968)	-
Net income (loss)	\$ 4,115,737	\$ (1,785,752)	\$ (6,570,452)	\$ (1,696,567)

SOMERS LIMITED**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(expressed in United States dollars)

Income	For the three months ended		For the six months ended	
	MAR 31, 2017	MAR 31, 2016	MAR 31, 2017	MAR 31, 2016
Net income (loss) for the period	\$ 4,115,737	\$ (1,785,752)	\$ (6,570,452)	\$ (1,696,567)
Other comprehensive income (loss):				
Exchange differences on translation of foreign operations	1,191,028	(1,415,223)	(2,414,979)	(2,779,841)
Net gain (loss) on financial investments	327,088,781	76,427	(340,780)	(491,175)
Other comprehensive income (loss)	328,279,809	(1,338,796)	(2,755,759)	(3,271,016)
Total comprehensive income (loss)	\$ 332,395,546	\$ (3,124,548)	\$ (9,326,211)	\$ (4,967,583)