

December 15, 2022

FOR IMMEDIATE RELEASE

Somers Limited reports full year results

Somers Limited (“Somers” or “the Company”, BSX: SOMS.BH), a financial services investment holding company, is pleased to report its full year results for the year ended September 30, 2022. Net Asset Value (“NAV”) per share at the end of September was \$13.82 and shareholders’ equity was \$337.4 million.

Overview of the six months ended September 30, 2022:

- Shareholders’ equity of \$337.4 million as at September 30, 2022 (September 30, 2021: \$617.8 million);
- Net loss of \$147.7 million for the second half of the year (2021: net loss of \$5.3 million) resulting from a decrease in the market value of the investment portfolio;
- Gearing ratio of 24.1% (September 30, 2021: 13.1%); and
- NAV per share of \$13.82 as at September 30, 2022 (September 30, 2021: \$27.70) which is after a special dividend in August of \$4.55 per share.

Investment highlights:

- Waverton Investment Management Group Limited (“Waverton”), Somers’ largest investment, reported Funds under Management and Administration (“FUMA”) as at September 30, 2022 of £12.4 billion;
- Resimac Group Limited (“Resimac”), announced record annual home loan settlements of A\$6.3 billion, home loan AuM of A\$15.3 billion and normalised net profit after tax of A\$104.4 million for the year ended June 30, 2022;
- Thorn Group Limited (“Thorn”) announced as part of its capital management initiatives a special dividend of A\$0.03 per share and a capital distribution of A\$0.12 per share;
- Aura Group announced gross FUMA of A\$2.2 billion as at September 30, 2022; and
- Post the year end Somers completed the acquisition of a 40% holding in ICM Mobility, a holding company for a number of payments businesses, for £45.6 million.

Commenting on the financial results, Peter Durhager, Chairman of Somers said:

“The recently completed financial year was a difficult one as our investments have been impacted by stock market volatility and foreign currency volatility which has negatively impacted our valuations. This has been caused by the tightening of financial conditions by the world’s central banks as they try to combat significant inflationary pressures. However, it is pleasing to note that for the most part our investments continue to perform well and in a number of cases outperform their competition. We believe that with its low level of gearing Somers is well positioned to take advantage of the opportunities that are likely to emerge over the coming 12 months.”

Summary of Somers' results for the six months ended September 30, 2022

Introduction

During the second half of the year, Somers' investment portfolio reduced to \$376.7 million (March 31, 2022: \$583.8 million) owing to the current stock market volatility and foreign currency volatility. Consequently, the Company recorded a \$81.5 million loss on its investment portfolio (2021: gain of \$7.0 million). This resulted in a net loss for the six months of \$147.7 million (2021: loss of \$5.3 million) and the resultant loss per share was \$6.51 (2021: loss per share of \$0.24).

The unrealised loss was principally due to a decrease in the value of a number of the Company's investments. However, during the second half of the year, Waverton experienced strong growth in its FUMA and is now Somers' largest investment. Resimac's share price decreased by 43% during the half year despite continuing to report strong underlying financial performance. Most of the Company's listed investments decreased in value in line with the broader stock market.

Net foreign exchange losses were \$76.3 million for the half year (2021: loss of \$17.4 million). As at September 30, 2022, 93.7% of Somers' investment portfolio was exposed to foreign currencies, primarily Sterling and the Australian Dollar. Over the course of the six months ended September 30, 2022, the Australian dollar decreased in value versus the US Dollar by 14.2% and Sterling fell by 15.3%. These exchange gains were primarily unrealised.

Somers' total assets decreased over the half year to \$422.2 million (September 30, 2021: \$715.4 million) due to the valuation decreases and currency movements outlined above. The investment portfolio was \$376.7 million as at September 30, 2022 (September 30, 2021: \$660.7 million) with equity investments (\$369.4 million) accounting for 98.1% of this total. The remaining portfolio investments consisted of other financial investments. Within investments, Waverton at \$144.8 million, Resimac at \$136.9 million, and Thorn at \$27.9 million together represent 82.2% of total investments. Somers' net asset value per share ended the year at \$13.82 (September 30, 2021: \$27.70) after the special dividend in August 2022 of \$4.55 per share.

Borrowings

Total borrowings were \$82.6 million at September 30, 2022 (September 30, 2021: \$82.0 million). Gearing remains at a modest 24.1% with the increase relating to the decrease in the Company's shareholders' equity (September 30, 2021: 13.1%).

Within total borrowings, loan notes were \$22.7 million at September 30, 2022. Somers repaid 48,595 loan notes at an average price of \$1.00 per share during the six months ended September 30, 2022.

Shareholders' Equity

Shareholders' equity was \$337.4 million as at September 30, 2022 (September 30, 2021: \$617.8 million). The number of shares in issue as at September 30, 2022 was 24,410,115.

Directors and Officers Interest in Somers' Share Capital

At September 30, 2022, the Directors and Officers of Somers and their related interests had combined interests totaling 119,000 common shares representing 0.5% of Somers' issued share capital.

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About Somers Limited:

Somers is a listed financial services investment holding company whose major assets include: a 54.0% holding in Resimac Group Limited, a leading non-bank Australian financial institution with over A\$16 billion assets under management; and a 61.8% holding in Waverton Investment Management Group Limited, a UK wealth manager with £12.4 billion funds under management and administration. Somers has shareholders' funds of approximately \$337 million. Somers' shares are publicly traded and listed on the Mezzanine Market of the Bermuda Stock Exchange (Ticker: SOMS.BH). More details on the Company can be found at www.somers.limited.