



BANKING | ASSET FINANCING | WEALTH MANAGEMENT

Somers is a financial services investment company with strong assets and minimal leverage.

OVERVIEW OF SOMERS LIMITED

- Somers Limited is a Bermuda Stock Exchange listed financial services investment holding company with interests primarily in Australia, Bermuda, and the UK
- Established in 2012 with Shareholders' Funds of approximately US\$400 million and minimal debt
- Somers is managed by ICM Limited, a Bermuda based global fund manager and corporate finance adviser which manages approximately \$20 billion in funds, directly and indirectly, in a range of mandates
- Somers is a long term investor

LONG TERM TOTAL SHAREHOLDER RETURN

- Somers' objective is to deliver superior shareholder total returns through either capital appreciation and/or income
- Aim to maximize value by holding a reasonably concentrated portfolio of investments
- Look to achieve synergistic benefits in terms of revenue and costs but do not look to merge investments
- Investments are in both listed and unlisted companies in a range of financial related sectors and markets
- Increased focus on fund and asset management businesses due to annuity style income and lower capital requirements

SHAREHOLDERS' FUNDS

US\$400
MILLION

ASSETS UNDER MANAGEMENT

US\$20
BILLION

CONCENTRATED PORTFOLIO INTERESTS IN

- AUSTRALIA
- BERMUDA
- UNITED KINGDOM



SOMERS LIMITED

SELECTED INVESTMENTS

Homeloans

61.8%

Non-bank Lender

Australian and New Zealand mortgage securitization business
Loan portfolio in excess of A\$11.1 billion

- ASX listed residential mortgage lender and multi-channel distribution business specializing in prime and specialist lending in Australia and New Zealand
- Business formed by a merger of Homeloans Limited and RESIMAC Limited in October 2016
- Funding provided by a combination of warehouse facilities, term securitizations, wholesale funding partners and a corporate debt facility
- Market capitalization of A\$208 million, AuM of A\$11.1 billion
- Strong financial results for the six months ended December 31, 2017:
 - Normalized profit after tax of A\$12.9 million;
 - Net interest income of A\$51 million (yoy increase of 27%)



100.0%

Banking

Licensed bank in Bermuda with total assets of \$485 million
Focus on commercial banking and private banking / wealth management

- Bermuda Commercial Bank was established in 1969 and is one of Bermuda's four licensed banks
- Focused on commercial banking and private banking/wealth management
- Banking solutions include private banking and wealth management, business banking, corporate administration, global custody and brokerage, estate planning and trust administration
- Total assets of US\$485 million
- Tier 1 ratio of 23.3%
- 100% owned by Somers since 2012



62.5%

Wealth Management

UK Private wealth management business
Assets under management of over US\$5.5 billion

- UK private wealth management business (formerly JO Hambro Investment Management)
- Acquired by Somers and management/employees from Credit Suisse in 2013
- Located in London with over 100 employees
- AuM of £5.5 billion – strong recent investment management performance



65.7%

Banking

A London Stock Exchange listed asset financing company
Focus on retail savings products, consumer and business finance

- AIM listed bank based in the UK
- 66% owned by the Somers group (55% by BCB and 11% directly by Somers)
- Market capitalization of £83 million and Tier 1 ratio of 21.6%
- Portfolio of finance receivables of £179 million split over 13,000 customers and across two divisions:
 - Consumer Finance – vehicle financing
 - Business Finance – SME lending
- Strong credit underwriting with low loan losses
- Strategy is focused on increasing portfolio to £350 million by 2020 and £750 million by 2022
- Retail deposits over £100 million

MACRO TRENDS AFFECTING FINANCIAL SERVICES

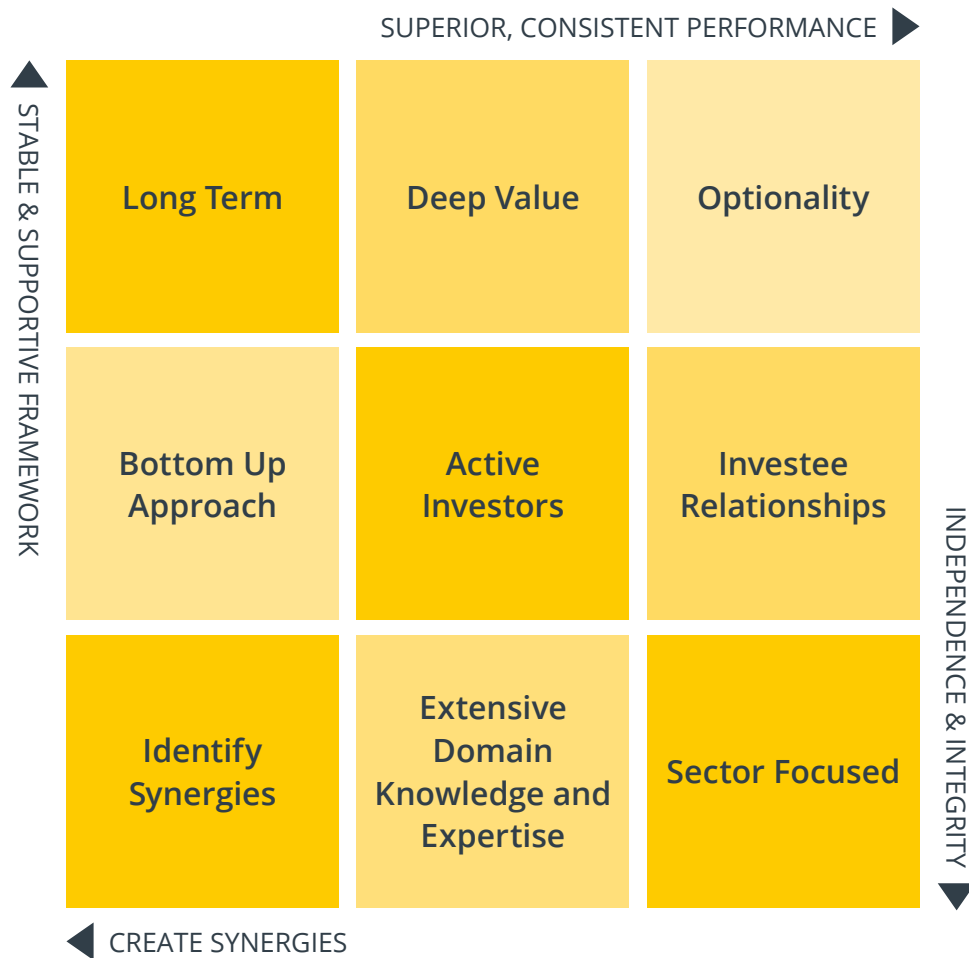
	DIGITISATION AND AUTOMATION	<ul style="list-style-type: none"> Increasing disruption by AI and automation Commoditization of finance E-commerce and mobile push in an environment of demonetization and smart phone penetration
	FINTECH	<ul style="list-style-type: none"> Focus on growth in new platforms for social, mobile, hyperlocal and predictive personalization Multiple value chains continually being aggregated across the sector Evolution of payments, blockchain/distributed ledger and cryptocurrency to change the long term landscape Consumers demand cheaper, efficient service
	CYBERSECURITY	<ul style="list-style-type: none"> Cyber attacks require investment in protection from wide scale privacy and data breaches Reputational risk is key in an era of increased transparency demand, and decreased trust with companies Increase in cyber-crime penalties Concerns over voice, facial and biometric protocols
	MONETARY POLICY	<ul style="list-style-type: none"> Era of low interest rates, low inflation, record stock markets and asset valuations, and increased global government debt Trend to chase higher yielding assets thereby causing asset prices to increase and heightening risks Risk to global economy and market volatility, as central banks continue to remove quantitative easing and initiate interest rate rises
	REGULATORY AND COMPLIANCE	<ul style="list-style-type: none"> Post the 2008 crisis, increased global focus on regulation is shaping technology driven customer interaction Financial institutions are stronger post crisis, due to increased capital requirements Stronger regulation of established institutions is encouraging smaller, newer companies to compete and grow

PORTFOLIO

	Company	Country	Fair Value (\$)	% of Total Investments
1	Homeloans Limited	Australia	138,153,926	35.0%
2	Bermuda Commercial Bank Limited	Bermuda	101,845,203	25.8%
3	Waverton Investment Management Limited	UK	91,217,791	23.1%
4	West Hamilton Holdings Limited	Bermuda	27,364,267	6.9%
5	PCF Group plc	UK	10,366,166	2.6%
6	Stockdale Securities Limited	UK	8,569,030	2.2%
7	MJH Group Holdings Limited	Jersey	5,233,452	1.3%
	Significant investments		382,749,836	97.0%
	Other investments		12,017,721	3.0%
	Total Investments		394,767,557	100.0%

Fair value figures are based on fair values as at March 31, 2018.

We seek out and make compelling investments



The information presented on this document is solely for information purposes and is not intended to be, and should not be construed as an offer or recommendation to buy and sell investments. If you are in any doubt as to the appropriate course of action, we would recommend that you consult your own independent financial adviser, stockbroker, solicitor, accountant or other professional adviser.

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