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FOR IMMEDIATE RELEASE

Somers Limited reports record quarterly net income of \$190.0 million

Somers Limited (“Somers” or “the Company”, BSX: SOM.BH), a financial services investment holding company, today announces net income of \$190.0 million for the quarter ended December 31, 2020.

NAV per share at the end of December is \$28.35 per share, an increase of 43.3% over the quarter, and shareholders’ equity was \$605.0 million.

Overview of the quarter ended December 31, 2020:

- Net income of \$190.0 million for the quarter (2019: \$74.6 million);
- Gearing reduced to 12.8%;
- Net asset value (“NAV”) per share of \$28.35 as at December 31, 2020 (September 30, 2020: \$19.78); and
- Shareholders’ equity of \$605.0 million as at December 31, 2020 (September 30, 2020: \$422.1 million).

Investment highlights:

- Resimac Group Limited (“Resimac”), Somers largest investment, increased significantly in value during the quarter by \$160.9 million to \$419.8 million. In addition, Resimac announced the settlement during the quarter of a A\$1 billion Residential Mortgage Backed Security (“RMBS”) transaction, their fourth “RMBS” transaction in 2020;
- Somers announced the sale of Bermuda Commercial Bank Limited (“BCB”) on 19 November 2020 subject to Government and Regulatory approval; and
- Waverton Investment Management Group Limited (“Waverton”) reported assets under influence for the quarter of £9.9 billion.

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

“Somers had an excellent first quarter of the financial year recording our highest ever quarterly profit. Global markets finished 2020 strongly and this was reflected in the increased valuations of a number of our investments and in particular, Resimac, our largest investment, whose share price increased materially from A\$1.42 to A\$2.14 over the quarter. With favourable foreign currency movements, Somers reported a quarterly profit of \$190.0 million and a net asset value per share of \$28.35, an increase of over 40% for the quarter.

Our investments have performed strongly against the prolonged backdrop of Covid-19. We recognise that the road ahead may well be volatile as Covid-19 vaccinations are rolled out and new strains of the virus emerge, but our investments are well positioned to grow further as the global economy continues its recovery in the current ultra low interest rate environment.”

Summary of Somers' results for the quarter ended December 31, 2020

Introduction

Somers recorded net income of \$190.0 million (2019: \$74.6 million) in the quarter and the earnings per share was \$8.90 (2019: \$3.61). Somers' net asset value per share ended the quarter at \$28.35 (September 30, 2020: \$19.78).

During the quarter, Somers recorded a \$179.9 million gain on its investment portfolio (2019: \$71.1 million). The majority of the Company's investments increased in value during the quarter although the gain was driven principally by an increase in the value of the Company's largest investment in Resimac, whose share price increased by 50.7% during the quarter in response to its strong results for the year ended June 30, 2020. In addition, there were valuation increases at PCF, Waverton, MJ Hudson and BCB.

Net foreign exchange gains were \$25.0 million for the quarter (2019: \$13.2 million). As at December 31, 2020, 85.9% of Somers' investment portfolio was exposed to foreign currencies, primarily the Australian Dollar and Sterling. Over the course of the quarter, the Australian Dollar increased in value versus the US Dollar by 7.6% while Sterling increased by 5.8%. These exchange gains were primarily unrealised.

Somers' total assets increased to \$711.6 million (September 30, 2020: \$508.6 million) due to the valuation uplift and favourable currency movements outlined above. The investment portfolio was \$706.0 million as at December 31, 2020 (September 30, 2020: \$500.9 million) with equity investments (\$699.9 million) accounting for 99.1% of this total, of which 74.4% are listed investments. The remaining portfolio investments, amounting to 0.9% (\$6.1 million) consist of other financial investments. Within investments, Resimac at \$419.8 million, Waverton at \$84.4 million, BCB at \$70.1 million, and PCF at \$55.8 million together represent 89.3% of total investments.

Borrowings

Total borrowings were \$77.2 million at December 31, 2020 (September 30, 2020: \$76.0 million) with the level of gearing reducing to 12.8% (September 30, 2020: 18.0%).

Shareholders' Equity

Shareholders' equity increased to \$605.0 million as at December 31, 2020 (September 30, 2020: \$422.1 million). Somers did not buy back any shares during the December quarter and the number of shares in issue as at December 31, 2020 was 21,341,482.

Directors and Officers Interest in Somers' Share Capital

At December 31, 2020, the Directors and Officers of Somers and their related interests had combined interests totaling 156,882 common shares representing 0.74% of Somers' issued share capital. No rights to subscribe to shares or debt securities in Somers have been granted to, or exercised by, any Director or Officer of Somers during the December quarter.

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About Somers Limited:

Somers is a listed financial services investment holding company whose major assets include: a 62.4% holding in Resimac Group Limited, a leading non-bank Australian financial institution with almost A\$15 billion assets under management; a 100% shareholding in Bermuda Commercial Bank Limited, one of Bermuda's four licensed banks, a direct and indirect 64.6% shareholding in UK specialist bank, PCF Group plc; and, a 62.5% holding in Waverton Investment Management Group Limited, a UK wealth manager with £9.9 billion assets under influence. Somers has shareholders' funds of approximately US\$605 million. Somers' shares are publicly traded and listed on the Bermuda Stock Exchange (Ticker: SOM.BH). More details on Somers can be found at www.somers.limited