

June 22, 2023

FOR IMMEDIATE RELEASE

Somers Limited reports half year results

Somers Limited (“Somers” or “the Company”, BSX: SOMS.BH), a financial services investment holding company, is pleased to report its half year results for the six months ended March 31, 2023. Net Asset Value (“NAV”) per share at the end of March was £11.54 and shareholders’ equity was £281.7 million.

Overview of the six months ended March 31, 2023:

- Shareholders’ equity of £281.7 million as at March 31, 2023 (September 30, 2022: £303.2 million);
- Net loss of £21.4 million for the six months ended March 31, 2023 (2022: net loss of £47.0 million) resulting from unrealised foreign currency losses and a slight decrease in the market value of the investment portfolio;
- Gearing ratio of 30.5% (September 30, 2022: 24.1%); and
- NAV per share of £11.54 as at March 31, 2023 (September 30, 2022: £12.42).

Investment highlights:

- Waverton Investment Management Group Limited (“Waverton”), Somers’ largest investment, reported Funds under Management and Administration (“FUMA”) as at March 31, 2023 of £13.3 billion;
- Resimac Group Limited (“Resimac”), announced normalised net profit after tax of A\$40.7 million and home loan AuM of A\$14.7 billion for the six months ended December 31, 2022 and maintained the dividend at 4c; and
- Aura Group announced gross FUMA of A\$2.5 billion as at March 31, 2023 which is an increase of 48% year on year.

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

“The first half of the year has seen our investments adjusting to the new environment of higher interest rates and the impact that this has on their business models. We are pleased with their underlying performance and even though valuations were impacted during the first half of the

year we expect them to recover as the strength of their performance is recognised. There remain significant opportunities within the financial services sector and with its modest level of gearing, Somers is well positioned to take advantage of such opportunities.”

Summary of Somers’ results for the six months ended March 31, 2023

Introduction

Following changes in the composition of its investment portfolio, the Company has determined that its functional currency is Pound Sterling and has changed its reporting currency from US Dollar to Sterling effective October 1, 2022. The move to reporting the Company’s results in Sterling should reduce foreign exchange volatility given that over 50% of the portfolio is denominated in Sterling.

During the first half of the year, Somers’ investment portfolio reduced to £333.2 million (September 30, 2022: £338.5 million) owing to the increasing interest rate environment and the impact on the valuations of financial services companies. Consequently, the Company recorded a £13.2 million loss on its investment portfolio (2022: loss of £67.3 million). This, along with currency losses, resulted in a net loss for the six months of £21.4 million (2022: loss of £47.0 million) and the resultant loss per share was £0.87 (2022: loss per share of £2.10).

The unrealised loss was principally due to a decrease in the value of a number of the Company’s investments. However, during the first half of the year, Waverton continued to experience strong growth in its FUMA and remains Somers’ largest investment. Resimac’s share price decreased by 9.2% during the first half year despite continuing to report strong underlying financial performance. During the period the Company wrote off its investment in MJ Hudson following the sale of the business at a level that is unlikely to result in a return to shareholders once the company’s debt is repaid.

Net foreign exchange losses were £12.3 million for the half year (2022: gain of £10.2 million). As at March 31, 2023 43.5% of Somers’ investment portfolio was exposed to non GBP denominated foreign currencies, primarily the Australian Dollar. Over the course of the six months ended March 31, 2023, the Australian dollar decreased in value versus Sterling by 6.1% while the US Dollar depreciated by 11.2%. These exchange losses were primarily unrealised.

Somers’ total assets decreased over the half year to £370.0 million (September 30, 2022: £379.3 million) due to the valuation decreases and currency movements outlined above. The investment portfolio was £333.2 million as at March 31, 2023 (September 30, 2022: £338.5 million) with equity investments (£326.6 million) accounting for 98.0% of this total. The remaining portfolio investments consisted of other financial investments. Within investments, Waverton at £133.2 million, Resimac at £106.0 million, and ICM Mobility at £47.6 million together represent

86.1% of total investments. Somers' net asset value per share ended the year at £11.54 (September 30, 2022: £12.42).

Borrowings

Total borrowings were £86.3 million at March 31, 2023 (September 30, 2022: £74.2 million) resulting in an increase in the level of gearing to 30.5% (September 30, 2022: 24.1%).

Within total borrowings, loan notes were \$22.7 million at March 31, 2023. Somers repaid 2,199 loan notes at an average price of \$1.00 per loan note during the six months ended March 31, 2023.

Shareholders' Equity

Shareholders' equity was £281.7 million as at March 31, 2023 (September 30, 2022: £303.2 million). The number of shares in issue as at March 31, 2023 was 24,410,115.

Directors and Officers Interest in Somers' Share Capital

At March 31, 2023, 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 54.4% holding in Resimac Group Limited, a leading non-bank Australian financial institution with A\$14.7 billion assets under management and a 61.8% holding in Waverton Investment Management Group Limited, a UK wealth manager with £13.3 billion funds under management and administration. Somers has shareholders' funds of approximately £281.7 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.