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FOR IMMEDIATE RELEASE

Somers Limited reports record annual net income of \$197.8 million

Somers Limited (“Somers” or “the Company”, BSX: SOM.BH), a financial services investment holding company, today announces net income for the year ended September 30, 2021 of \$197.8 million, Net Asset Value (“NAV”) per share of \$27.70 and shareholders’ equity of \$617.8 million. The total annual return, including dividends was 44.2%.

Overview of the fourth quarter ended September 30, 2021:

- Shareholders’ equity of \$617.8 million as at September 30, 2021 (September 30, 2020: \$422.1 million);
- Net income for the year ended September 30, 2021 of \$197.8 million, following a net loss of \$64.9 million for the quarter (2020: gain of \$51.3 million);
- Gearing ratio of 12% (September 30, 2020: 18.0%);
- NAV per share of \$27.70 as at September 30, 2021 (September 30, 2020: \$19.78); and
- Final dividend of \$0.38 per share (2020: \$0.34 per share) bringing the total dividend for the year to \$0.86 per share (2019: \$0.55 per share), including the special dividend of \$0.24 per share.

Investment highlights:

- Resimac Group Limited (“Resimac”) announced record profit for the year of A\$104 million (an increase of 87% on the prior year) and post the quarter end it announced record home loan settlements for the July to October period of A\$2.5 billion, up 72% on the prior comparative period;
- Waverton Investment Management Group Limited (“Waverton”) reported assets under influence for the quarter of £11.8 billion;
- The Market Herald announced profit of the year increased by 97% to A\$23.0 million;
- PCF Group plc (“PCF”) shares remain suspended pending the announcement of their delayed 2020 financial statements;
- Somers completed the sale of Bermuda Commercial Bank Limited; and

- Post the quarter end, Thorn Group Limited (“Thorn”) announced the sale of its Radio Rentals business to Credit Corp Group Limited, for approximately A\$45 million, and completion is expected later in December.

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

“2021 was a record year for Somers with net income of \$197.8 million and a total return for shareholders of 44%. Our investments continue to perform extremely well in what remains a difficult economic environment. During the year, our NAV increased by over 40% to \$27.70 and shareholders’ funds increased to \$617.8 million. Our largest investment, Resimac, continues to report record results and this was rewarded with a 44% increase in its share price during the year. Other investments such as Waverton and The Market Herald have also produced excellent results in 2021.

As global central banks remove liquidity from the system, interest rates are expected to rise, and we continue to get Covid-19 developments such as the recent Omicron variant, we anticipate that market volatility will increase in 2022. However, our investee companies have shown over the last 20 months how their business models can adapt and indeed flourish and therefore we look forward cautiously to the next 12 months but remain cognizant of the potential for downside risk.

The Directors are pleased to recommend a 12% increase in the final dividend to \$0.38 per share bringing the total dividend for the year to \$0.86 per share including the special dividend of \$0.24 per share which was paid in September.”

Summary of Somers' results for the quarter ended September 30, 2021

Introduction

During the quarter, Somers recorded a \$59.6 million loss on its investment portfolio (2020: gain of \$46.8 million). The unrealised loss was principally due to a decrease in the value of the Company's largest investment, Resimac whose share price decreased by 16% during the quarter despite reporting record profits. Partially offsetting this were valuation increases at Waverton (improving financial results and increased AuM), The Market Herald (record financial results for the year) and West Hamilton (to reflect higher property valuations). This resulted in a net loss in the quarter of \$64.9 million (2020: gain of \$51.3 million) and the loss per share was \$3.29 (2020: earnings per share of \$2.41).

Net foreign exchange losses were \$13.7 million for the quarter (2020: gains of \$10.0 million). As at September 30, 2021 96.0% of Somers' investment portfolio was exposed to foreign currencies, primarily Sterling and the Australian Dollar. Over the course of the quarter, the Australian Dollar decreased in value versus the US Dollar by 3.8% while Sterling decreased by 2.5%. These exchange losses were primarily unrealised.

Somers' total assets decreased over the quarter to \$715.4 million (September 30, 2020: \$508.6 million) due to the valuation decreases and currency movements outlined above. The investment portfolio was \$660.7 million as at September 30, 2021 (September 30, 2020: \$500.9 million) with equity investments (\$652.0 million) accounting for 98.7% of this total. The remaining portfolio investments consisted of other financial investments. Total assets included a loan of \$52.8 million to Provident Holdings relating to the sale of BCB. Within investments, Resimac at \$376.3 million, Waverton at \$117.2 million, and PCF at \$37.5 million together represent 80.4% of total investments. Somers' net asset value per share ended the quarter at \$27.70 (September 30, 2020: \$19.78).

Borrowings

Total borrowings were \$77.1 million at September 30, 2021 (September 30, 2020: \$76.0 million).

Shareholders' Equity

Shareholders' equity was \$617.8 million as at September 30, 2021 (September 30, 2020: \$422.1 million). Somers bought back 56,138 shares at an average price of \$22.86 per share during the September quarter and the number of shares in issue as at September 30, 2021 was 22,303,926.

Final Dividend

The Company's Board has resolved to pay a final dividend of \$0.38 per share (2020: \$0.34 per share) bringing the total dividend for the year to \$0.86 per share (2020: \$0.55 per share). The record date for the dividend will be January 14, 2022 and the payment date will be February 7, 2022.

Directors and Officers Interest in Somers' Share Capital

At September 30, 2021, the Directors and Officers of Somers and their related interests had combined interests totaling 111,486 common shares representing 0.50% 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 September quarter.

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About Somers Limited:

Somers is a listed financial services investment holding company whose major assets include: a 62.2% holding in Resimac Group Limited, a leading non-bank Australian financial institution with over A\$16 billion assets under management; a 62.2% holding in Waverton Investment Management Group Limited, a UK wealth manager with £11.8 billion assets under influence; and a 64.4% shareholding in UK specialist bank, PCF Group plc. Somers has shareholders' funds of approximately US\$617 million. Somers' shares are publicly traded and listed on the Bermuda Stock Exchange (Ticker: SOM.BH). More details on the Company can be found at www.somers.limited.