

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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To the members of Fidelity Life Assurance of Zimbabwe Limited and its Subsidiaries

We have reviewed the accompanying interim condensed consolidated inflation adjusted statement of financial position of Fidelity Life Assurance of Zimbabwe Limited and its Subsidiaries (the "Group") as at 30 June 2023 and the related consolidated inflation adjusted statement of profit or loss and other comprehensive income, consolidated inflation adjusted statement of changes in equity and consolidated inflation adjusted statement of cash flows for the six-month period then ended, and a summary of significant group accounting policies and other explanatory notes.

Responsibilities of Management and Those Charged with Governance for the interim condensed consolidated inflation adjusted financial statements

Management is responsible for the preparation and fair presentation of these interim condensed consolidated inflation adjusted financial statements in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting and the Group's accounting policies, this includes the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of interim condensed consolidated inflation adjusted financial statements that are free of material misstatements whether due to fraud or error.

Our responsibility is to express a conclusion on these interim condensed consolidated inflation adjusted financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other

review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Adverse Conclusion

Inclusion of unaudited opening balances and comparative financial information of Vanguard Life Assurance Limited in the interim condensed consolidated inflation adjusted financial statements of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries

The prior year consolidated inflation adjusted financial statements for the year ended 31 December 2022 included unaudited financial results of Vanguard Life Assurance Limited, a significant component of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries. We were unable to satisfy ourselves that all necessary adjustments and disclosures were made to the unaudited financial statements of Vanguard Life Assurance Limited for the year ended 31 December 2022. The opinion on the prior year consolidated inflation adjusted financial statements for the year ended 31 December 2022 was modified in respect of this matter. As a result, the opening balances as at 1 January 2023 and comparative information in these interim condensed consolidated inflation adjusted financial statements may be misstated. The effects on these interim condensed consolidated inflation adjusted financial statements of any possible misstatement have not been determined.

Valuation of investment property

The opening balances for investment property of the Group as at 1 January 2022, recognised in the prior year consolidated inflation adjusted financial statements for the year ended 31 December 2022 were misstated. Management could not provide sufficient appropriate audit evidence to support the valuator's assumptions applied in the valuation of the properties as at 31 December 2021. As a result of the misstatement of the opening balances, the fair value gains on properties recognised in the comparative interim condensed consolidated inflation adjusted statement of profit or loss and other comprehensive income for the six months ended 30 June 2022 are misstated.

The opinion for the year ended 31 December 2022 was modified in respect of this matter, and the misstatements have not been corrected in these interim condensed consolidated inflation adjusted financial statements in accordance with the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

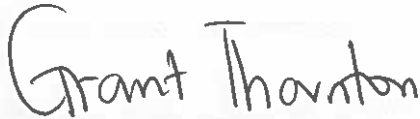
Adverse Conclusion

Based on our review, because of the significance of the matters described in the Basis for Adverse Conclusion section of our report, the accompanying interim condensed consolidated inflation adjusted financial statements do not present fairly, in all material respects the financial position of Fidelity Life Assurance of Zimbabwe Limited and its subsidiaries as at 30 June 2023, and of its financial performance and its cash flows for the six months then ended in accordance with International Accounting Standard (IAS) 34.

Emphasis of Matter

Without modifying our conclusion, we draw attention to **note 3.3** to these interim condensed consolidated inflation adjusted financial statements, which describes the change in accounting policy resulting from the adoption of IFRS 17 - *Insurance Contracts* by the Group with effect from 1 January 2023. To comply with IAS 8 - *Accounting Policies, Changes in Accounting Estimates and Errors*, the Group has restated comparative amounts relating to insurance contracts and presented a third inflation adjusted statement of financial position as at 1 January 2022. However, the amounts relating to insurance contracts disclosed in the interim condensed consolidated inflation adjusted financial statements may change should there be any modifications to the IFRS 17 model.

The engagement partner on the review engagement resulting in this independent review conclusion is Farai Chibisa.



Farai Chibisa

Partner

Registered Public Auditor (PAAB No: 0547)

Grant Thornton

Chartered Accountants (Zimbabwe)

Registered Public Auditors

HARARE

28 September 2023