



Independent Auditor's Review Report on Interim Financial Statements

To the shareholders of
Conduit Capital Limited and its subsidiaries

We have reviewed the condensed consolidated financial statements of Conduit Capital Limited and its subsidiaries, contained in the accompanying interim report, which comprise the condensed consolidated statement of financial position as at 31 December 2019 and the condensed consolidated statements of comprehensive income, changes in equity and cash flows for the period then ended, and selected explanatory notes.

Directors' Responsibility for the Interim Financial Statements

The directors responsible for the preparation and presentation of these interim financial statements in accordance with the International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these interim financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of Conduit Capital Limited and its subsidiaries for the period ended 31 December 2019 are not prepared, in all material respects, in accordance with the International Financial Reporting Standard, (IAS) 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa.

Emphasis of Matter - Constantia Insurance Company Limited and Constantia Life and Health Assurance Company Limited's solvency capital requirements below regulatory requirements

We draw attention to Note 10 to the interim financial statements, which refers to Constantia Insurance Company Limited and Constantia Life and Health Assurance Company Limited not meeting their minimum solvency capital requirement (SCR) of 1.00 as prescribed in terms of the Insurance Act No 18 of 2017. As explained in Note 10, should the planned initiatives not be successful, the SCR of these companies may not be restored to a minimum level of 1.00 in the short term. Our opinion is not modified in respect of this matter.

BDO South Africa Inc.

BDO South Africa Incorporated
Registered Auditors

Vianca Pretorius
Director
Registered Auditor

31 March 2020

Wanderers Office Park
52 Corlett Drive
Illovo, 219

BDO South Africa Incorporated
Registration number: 1995/002310/21
Practice number: 905526
VAT number: 4910148685

National Executive: PR Badrick • HN Bhaga-Muljee • S Dansie • BJ de Wet • HCS Lopes • SM Somaroo • ME Stewart (Chief Executive) • IM Scott • MS Willimott

The company's principal place of business is at 52 Corlett Drive, Illovo, Johannesburg, where a list of directors' names is available for inspection. BDO South Africa Incorporated, a South African personal liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.