

prime ENERGY 



ABRIDGED PROSPECTUS

Prime Energy PLC

**Incorporated in the Republic of Rwanda under the
Companies' Law No. 007/2021 of 05/02/2021 with
Registration No. 103231736**

("PRIME" or "the Company")

Prospectus for Public Offer

March 2024

Rwandan Franc nine billion and five hundred million
(FRW 9,500,000,000) of Long Term, Unsecured and
Fixed Rate Green Bond.

This Prospectus is issued in compliance with all
Applicable Laws including the Companies Law, the
Capital Markets Law, and the Rwanda Stock Exchange
Listing Manual.

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1 Introduction

Abridged prospectus in respect of:

Rwandan Franc nine billion and five hundred million (FRW 9,500,000,000) of Long Term, Unsecured and Fixed Rate Green Bonds. The offer is a public offer that will be listed and commence trading on the Rwanda Stock Exchange (RSE) on 17th May 2024. The fact that the RSE may list the securities of the Company should not be taken in any way as an indication of the merits of the Company or the listed securities.

The abridged prospectus is issued in compliance with the Law No. 11/2011 of 18/05/2011 establishing the Capital Markets Authority, Law No. 01/2011 of 10/02/2011 Regulating the Capital Market and Regulation No. 07 on Capital Markets (Public Offer and Issue of Securities), 2012.

Permission has been granted by CMA for the Company to offer to the public the bond. As a matter of policy, the Capital Markets Authority assumes no responsibility for the correctness of any statements or opinions made or reports contained in this Abridged Prospectus. Approval of the issue is not to be taken as an indication of the merits of the issuer of the securities. The securities offered have been approved or disapproved by the Authority.

Important Notice

The Abridged Prospectus provides a summary of the information about the Company and the Offer contained in the full version of the Prospectus issued by the Company dated March 2024. Potential investors in respect of the Offer are advised to read this document, the full version of the Prospectus and Pricing Supplement carefully and retain it for future reference.

In the event that a potential investor is not clear about the action to take, he/she should consult his/her stock broker, banker, lawyer, auditor or any other financial, legal and tax advisor for guidance and carefully review the risks highlighted in the full version of the Prospectus.

2 Company Overview

Prime Energy Plc

Prime Energy Plc is a leading renewable energy company in Rwanda, with a focus on hydropower generation. The company was registered and established operations in 2014 as a pioneer of private power generation industry in the country.

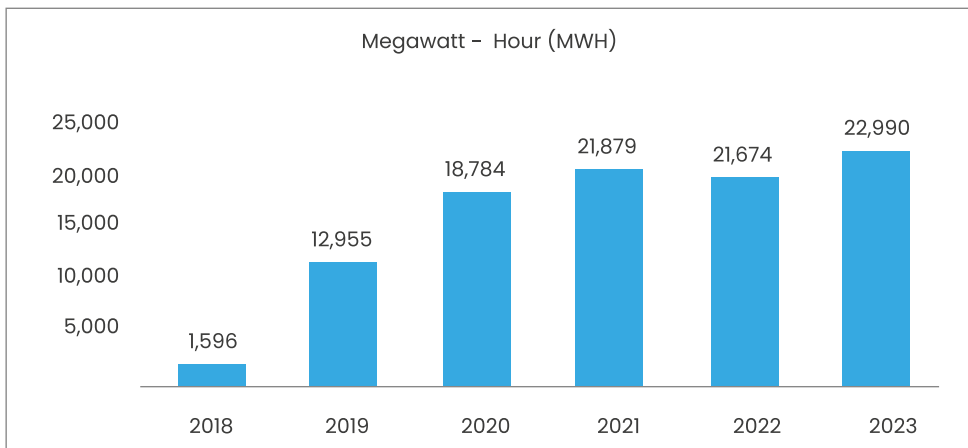
The Ministry of Infrastructure (MINIFRA) and Rwanda Development Board (RDB) awarded Prime Energy Plc a twenty-five-year concession to upgrade, operate and maintain four Hydro-Power Plants (HPPs) through a transparent and international tendering process. The four HPPs are Gashashi, Gisenyi, Mukungwa II and Rukarara II.

The company also signed Power Purchase Agreements with Energy Utility Corporation Limited ("EUCL") for the four power plants. The four power plants have an installed capacity of 7.8 MW. The company is currently developing a run of river hydropower project in Rwanda, Rukarara VI, with an installed capacity of 9.76 megawatts.

Overview of Power Plants

The company has 4 hydro power plants located in the Western, Southern and Northern provinces with 25-year concession agreements with the government and Power Purchase Agreements (PPAs) with Energy Utility Corporation Limited (EUCL).

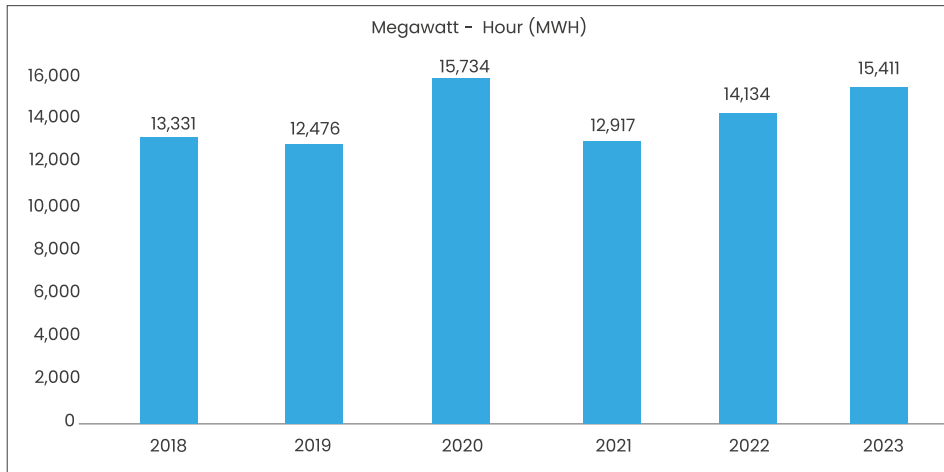
Mukungwa II



It's the largest of the 4 power plants with installed capacity of 3.6 MW. Located in Musanze district in the Northern Province. Rehabilitation of the plant took 10 months from February to November 2018. Commercial operation date was January 2019.

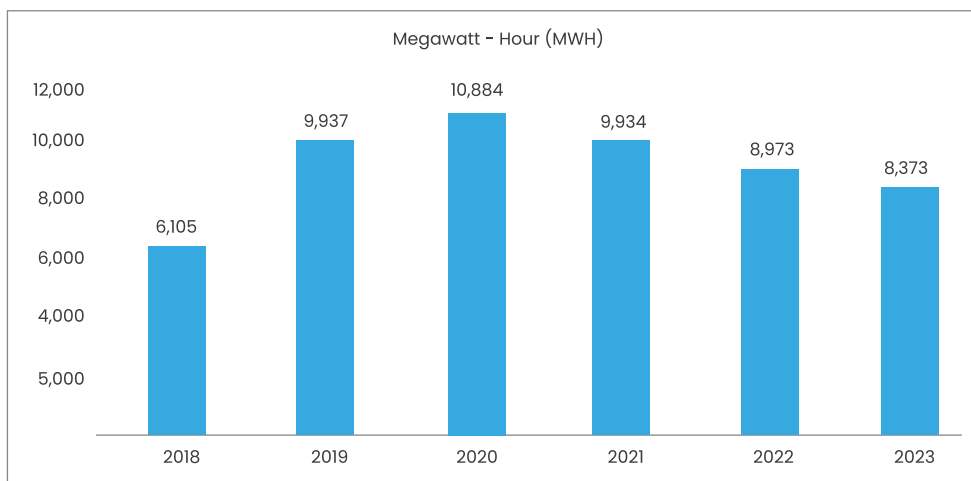
Rukarara II





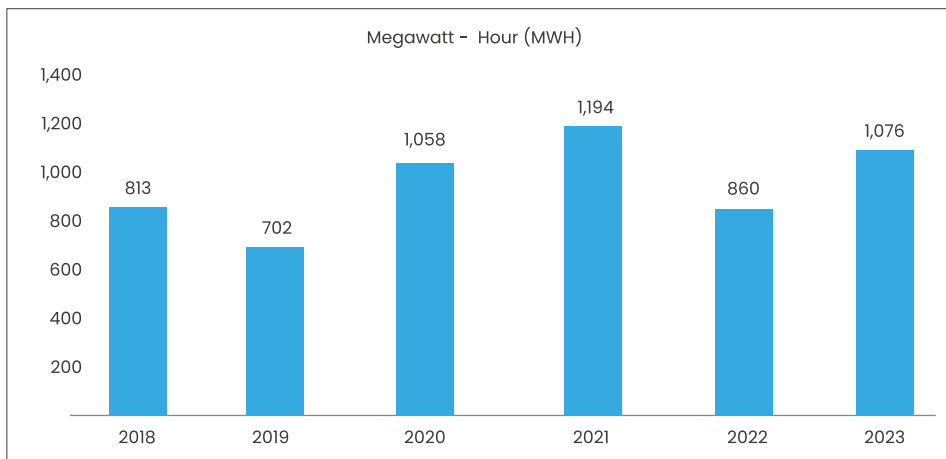
Second largest plant with an installed capacity of 2.2 MW. It's located in Nyamagabe District in the Southern Province. Commercial operation date was 2015.

Gisenyi



Located in Rubavu district in Western Province with an installed capacity of 1.7 MW. Rehabilitation of the plant ran from September 2017 to April 2018. Commercial operation date was May 2018.

Gashashi



Smallest power plant with installed capacity of 0.3 MW. It's located in Rutsiro District in Western Province. The plant was rehabilitated from March 2017 to May 2018. Commercial operation date was May 2018.

Overall, PRIME has a strong track record of delivering high-quality, reliable, and sustainable hydropower projects in Rwanda. The company is well-positioned to capitalise on the growing demand for clean energy in the country and contribute to the government's goal of achieving universal access to electricity by 2024.

The power plants are run on river unlike traditional hydropower plants that require the creation of a dam and reservoir to store water, a run of river plant uses the natural flow of the river to turn turbines and generate electricity. This type of plant typically has less environmental impact than traditional hydropower plants, as it does not require the creation of a large reservoir and does not disrupt the natural flow of the river. The Holdco wants to invest in the Rukarara VI project which is a significant addition to their portfolio, as it will increase their total installed capacity and further their commitment.

Summary of the power plants

Power plant	Mukungwa II	Rukarara II	Gisenyi	Gashashi
COD	2018	2018	2018	2018
Concession period	25 years	25 years	25 years	25 years
Revenue share – Prime: GoR	80%: 20%	80%: 20%	80%: 20%	80%: 20%
Plant capacity	3.6MW	2.2MW	1.7MW	0.3MW
Tariff (per kWh)	USD 0.082	USD 0.113	USD 0.102	USD 0.134
River	Mukungwa	Rukarara	Sebeya	Gashashi
District	Musanze	Nyamagabe	Rubavu	Rutsiro

The concession agreements were signed in September 2015 and Prime Energy Plc spent time to rehabilitate and upgrade the plants before commencing operations. The PPAs are signed in dollars. 35% of the tariffs is indexable using the US Consumer Price Index while 65% is not. Prime Energy Plc suffers no demand risk as the utility purchases all the energy produced as per the terms of the PPA.

Rukarara VI Overview



Prime Energy Plc intends to invest FRW 7.5B of the issuance proceeds into Rukarara VI. Rukarara VI is a HPP project, situated in Nyamagabe District in the Southern Province, that will use water from River Rukarara, which is downstream of the 3 other operational power plants. The HPP is under construction and Feed-In-Tariff of USD 0.115 KWh has been confirmed. It is set to have an installed capacity of 9.76 MW and feasibility studies indicate that it will generate an estimated production of 55,573 MWh per year at 65% load factor. This will increase the company's total installed capacity to 17.76 MW and further their commitment on fulfilling energy demands in the country. It is expected to be complete and commence operations in 2024. Rukarara VI will be on the National Grid in Rwanda and the sponsor has acquired all requisite documentation from relevant authorities.

Rukarara VI Partners



The Issuer’s nominal share capital is FRW 500,000,000 divided into 100 authorised and issued ordinary shares of FRW 5,000,000 each. The Issuer is wholly owned by Prime Energy Holdings.

Corporate Governance – Board of Directors

Name	Nationality	Other Chairmanship/ Directorships
Jean Damascene Niyongabo	Rwandan	Master Steel Ltd, Plastica Ltd; Rukarara VI HPP Ltd
Ndamutsa Thaddee RUSERA Sandy	Rwandan	Inyange Industries, East African Granite Industries, Crystal Ventures Ltd, Gorillas Hotels; Rukarara VI HPP Ltd
Cherno Gaye	Gambian	Irembo, Rwanda Energy Group, AC Group Ltd
Daniel James Kinder	British	Double Kingdom Holdings, Great Ocean Group and Park Avenue Equity Partners
Joe Juru Nsano	Rwandan	Master Steel Ltd, Atlantis Invest Canada, Agence Viva Canada




3. Offer Information



Issuer	Prime Energy Plc (“Issuer”), domiciled in Rwanda, is a wholly-owned subsidiary of Prime Energy Holdings Limited
Lead Transaction Advisor	BK Capital Ltd
Sponsoring Broker	BK Capital Ltd
Financial Advisor	AIS Capital Advisors
Registrar	Bank of Kigali Plc
Receiving Bank and Fiscal Agent	Bank of Kigali Plc
Trustee:	BPR Rwanda Bank PLC
Transaction Legal Advisor	Legal Wise Chambers
Reporting Accountant	BDO East Africa Rwanda Ltd
Lead Selling Agents	BK Capital Ltd
GENERAL	
Description of the Issuance	<p>Up to Rwandan Franc nine billion and five hundred million (FRW. 9,500,000,000) comprising</p> <p>i) Senior Unsecured RWF Fixed Rate Green Bonds and</p> <p>ii) Senior Unsecured USD Linked Green Bonds</p> <p>The Senior Unsecured Fixed Rate Green Bonds are issued with a fixed interest rate to be determined by Book Building. Senior Unsecured USD Linked Green Bonds with a fixed interest rate of 9.5 % with settlement, interest payment and redemption in Rwanda Franc based on the FX reference dates.</p>
Use of Proceeds	Reference Section 6 of the Prospectus (Use of Proceeds)
Status of Bonds	Senior and Unsecured
Issuances in tranches	The Issuer will issue Senior Unsecured Fixed Rate Green Bonds in one tranche and Senior Unsecured USD Linked Green Bonds in another tranche.
Tranche One	Rwanda Franc Senior Unsecured Fixed Rate Green Bonds with an Interest Rate to be determined by Book Building
Tranche Two	Senior Unsecured USD Linked Green Bonds with an Interest Rate of 9.5% (settled and paid in Rwanda Franc)
Amount of Issue:	FRW 9,500,000,000
Method of Issuance	Tranche one: Book Building Tranche two: Fixed Price
Amount of Book Building Portion	FRW 4,000,000,000 (Tranche one only)
Amount of Fixed Price Portion	FRW 5,500,000,000 (Tranche one and two)
Initial Price Guidance for Tranche One Book Building	13.30% - 13.75% per annum
Tenor of Issue:	7 years
Issue date	10 th May 2024
Trade Date	17 th May 2024
Maturity Date	10 th May 2031

FX Reference Rate Basis and FX Reference Dates	<p>On interest payment dates, the Fiscal Agent shall convert the USD amount payable by the Issuer into Rwandan Franc on the basis of the average FX rate.</p> <p>The average FX rate means the arithmetic average between the buying rate and selling rate USD/FRW provided by National Bank of Rwanda as published on the Interest Payment Date</p>
Form of Bonds	Book-entry;
Denomination of Bond	The Bonds will be issued in denominations of FRW 100,000 and integral multiples of FRW 100,000 in excess thereof, subject to a minimum subscription amount of FRW 100,000,000
Governing Law	Rwanda Law
Issue Price	At Par;
Listing	The Bonds to be listed on the Rwanda Stock Exchange
Interest Period	6 months
Interest Payment Dates	<p>10th November 2024</p> <p>10th May 2025</p> <p>10th November 2025</p> <p>10th May 2026</p> <p>10th November 2026</p> <p>10th May 2027</p> <p>10th November 2027</p> <p>10th May 2028</p> <p>10th November 2028</p> <p>10th May 2029</p> <p>10th November 2029</p> <p>10th May 2030</p> <p>10th November 2030</p> <p>10th May 2031</p>
Bondholder	When used with respect to any Bond, means the person in whose name a Bond is registered in the CSD account, or in the case of joint holders, the first-named thereof;
Risk Factors	Investing in the Bonds involves certain risks (see the Section 15 of the Prospectus headed “Risk Factors and Mitigation Measures”);
Currency	Rwandan Franc (FRW)
Redemption Basis and Payment	Redemption at Par based on Amortised Basis
Call Option	Yes
Put Option	None

Early Redemption	The Issuer may upon giving not less than thirty (30) days prior irrevocable notice in writing to the Bondholders, Bond Trustee Fiscal Agent pay a 2% premium applied to the redeemed Principal Amount in accordance with the Terms and Conditions.
Allotment Policy	<p>The issuer reserves the right, whether the Issue is oversubscribed or not to reject any application in line with the Allotment policy set in the Prospectus. Applicants may as a result be allotted less than the amount applied for.</p> <p>Allotment will be done on a pro-rata basis based on the amount applied for. Successful applicants will be notified by the Placing Agent of the amount allotted to them no later than the date and time specified in the Prospectus</p>
Minimum Offer Subscription	FRW 100,000,000
Taxation	Refer to the Section 16 of the Prospectus headed "Taxation";
Conditions	The Conditions of the Bonds are set out in Section 11 of the Prospectus headed "Terms and Conditions";

Advisors to the Issuer on the Bond Issue

<p>Transaction Advisors and Sponsoring Broker:</p>  <p>KN 4 Ave, Kigali, Rwanda</p> <p>Contact person : Siongo Kisoso Managing Director skisoso@bk.rw</p>	<p>Receiving Bank, Fiscal Agent and Registrar:</p>  <p>KN 4 Ave, Kigali, Rwanda</p> <p>Contact person : Charles Gakuru Head, Treasury cgakuru@bk.rw</p>
<p>Financial Advisor</p>  <p>The Mvuli 2nd Floor Annex Mvuli Road, Westlands, Nairobi</p> <p>Contact person: Leonard Mathu Managing Director leonard.mathu@ais.earth</p>	<p>Legal Advisor:</p>  <p>Gishushu, Kimihurura KG 628</p> <p>Contact person: Olivier Rwamasirabo Managing Partner o.rwamasirabo@legalwise.rw</p>
<p>Reporting Accountant:</p>  <p>KG 541 St, Kigali, Rwanda</p> <p>Contact person: Emmanuel Habineza Managing Partner mmanuel.habineza@bdo-ea.com</p>	<p>Technical Audit</p> <p>Komrade Africa Limited,</p> <p>Zayed Plaza, Ground Floor, Office C4, P.O. Box 780 – 80100 Mombasa, Kenya.</p> <p>Contact person: Eng. Stephen Otieno AROWO Lead Consultant komradedata@gmail.com</p>

<p>Trustee:</p>  <p>BPR HQ, KN 4 Ave, Kigali, Rwanda</p> <p>Contact person:</p> <p>Eric Ngabo</p> <p>Senior Manager, Custody Services</p> <p>engabo@bpr.rw</p>	<p>Green Bond Second Opinion Provider</p>  <p>Gauteng, SA</p> <p>Contact person :</p> <p>Petrus Gildenhus</p> <p>Director</p> <p>petrus.gildenhuys@ibiconsulting.com</p>
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Offer timetable

No.	Event	Date
1.	Book Building Opening Date	Monday, March 18 th , 2024
2.	Booking Building Closing Date – (by 12pm Rwandan Time)	Thursday, April 25 th , 2024
3.	Determine Interest Rate	Thursday, April 25 th , 2024
4.	Dispatch Book Building Allocation Confirmation	Thursday, April 25 th , 2024
5.	Dispatch Supplementary Prospectus with final Interest Rate	Thursday, April 25 th , 2024
6.	Fixed Price Offer Opening Date – the date the Offer opens	Thursday, April 25 th , 2024
7.	Final Offer Closing or Closure Date – the day the Offer closes	Friday, May 3 rd , 2024
8.	Date of Allocation	Monday, May 6 th , 2024
9.	Announcement Date	Tuesday, May 7 th , 2024
10.	Settlement Date	Friday, May 10 th , 2024
11.	Announcement of results to CMA	Friday, May 10 th , 2024
12.	Public Announcement	Monday, May 13 th , 2024
13.	Electronic crediting of Bonds to CSD accounts	Wednesday, May 15 th , 2024
14.	Refund Date	Thursday, May 16 th , 2024
15.	Listing on RSE and Commencement of Trading	Friday, May 17 th , 2024

4. Financial Information

The tables below show detailed extracts of the past 5-year financial periods ended 31 December 2022 which have been obtained from the reporting accountant's report.

Abridged Company Statement of Comprehensive Income

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
RWF '000	Audited	Audited	Audited	Audited	Audited	30-Sep
Revenue	1,858,676	2,057,913	4,176,277	3,837,055	3,536,149	3,049,847
Direct costs	(1,299,814)	(195,227)	(328,330)	(464,928)	(353,834)	(144,276)
Gross profit	558,862	1,862,686	3,847,947	3,372,127	3,182,315	2,905,571
Other income	907	26,660	42,216	28,632	20,122	105,800
Administration expenses	(314,004)	(299,091)	(324,841)	(682,538)	(369,036)	(305,467)
Other operating expenses	(96,371)	(170,476)	(50,834)	(62,818)	(51,266)	(17,114)
Operating profit	149,394	1,419,779	3,514,488	2,655,403	2,782,135	2,688,791
Finance costs	(650,814)	(1,072,079)	(638,940)	(437,685)	(549,416)	(297,228)
Profit before income tax	(501,420)	347,700	2,875,548	2,217,718	2,232,719	2,391,563
Income tax expense	70,770	(171,210)	(343,876)	(338,831)	(770,722)	-
Profit for the year	(430,650)	176,490	2,531,672	1,878,887	1,461,997	2,391,563

Abridged Company Statement of Comprehensive Income

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
RWF '000	Audited	Audited	Audited	Audited	Audited	30-Sep
Non-current assets						
Property plant and equipment	3,264,548	46,916	21,010	4,829	253	1,890
Financial asset	-	818,968	1,072,729	2,423,259	2,775,235	2,775,235
Intangible asset	39,849	38,186	36,524	35,202	33,526	32,267
Deferred tax	62,830	-	-	-	-	-
Investment in parent company	-	-	-	-	4,027,947	4,258,935
	3,367,227	904,070	1,130,263	2,463,290	6,836,961	7,068,327
Current assets						
Financial asset	-	4,077,744	4,129,992	3,192,954	3,656,728	3,656,728
Trade and other receivables	4,217,081	1,388,416	918,892	1,141,588	806,850	798,857
Cash and cash balances	106,858	204,056	1,308,716	1,154,083	103,028	108,254
Receivables from RPs	80,604	878,219	1,228,779	2,394,703	932,567	1,027,567

Tax recoverable	84,674	98,451	98,526	-	-	
	4,489,217	6,646,886	7,684,905	7,883,328	5,499,173	5,591,406
Total assets	7,856,444	7,550,956	8,815,168	10,346,618	12,336,134	12,659,733
Equity						
Share capital	-	500,000	500,000	500,000	500,000	500,000
Retained earnings	955,913	49,584	2,081,256	4,720,232	6,182,229	8,573,792
	955,913	549,584	2,581,256	5,220,232	6,682,229	9,073,792
Non-current liabilities						
Borrowings	-	5,023,950	3,849,144	2,481,886	1,669,307	1,310,799
Deferred tax	-	108,380	452,256	660,741	1,254,784	1,254,784
	-	5,132,330	4,301,400	3,142,627	2,924,091	2,565,583
Current liabilities						
Borrowings	3,821,381	1,070,094	1,174,806	1,367,258	1,591,237	-
Bank overdraft	-	-	-	-	405,067	413,302
Trade and other payables	3,055,991	775,789	734,547	560,522	692,507	606,056
Payables to RP	23,159	23,159	23,159	24,159	1,000	1,000
Current income tax	-	-	-	31,820	40,003	
	6,900,531	1,869,042	1,932,512	1,983,759	2,729,814	1,020,358
Total equity and liabilities	7,856,444	7,550,956	8,815,168	10,346,618	12,336,134	12,659,733

Abridged Company Statement of Cash Flows

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
RWF '000	Audited	Audited	Audited	Audited	Audited	30-Sep
Cash generated from operations	39,046	912,182	3,781,714	2,947,398	2,732,970	2,636,394
Changes in working capital:						
Changes in trade and other receivable	(357,510)	2,426,554	300,814	(222,696)	334,738	7,994
Changes in trade and other payables	197,612	(1,878,092)	2,713	(174,024)	131,985	(86,453)
Changes in payable to RPs	-	-	-	1,000	(3,454,385)	(94,765)
Tax paid	(124,347)	(13,777)	(75)	-	(168,496)	(40,002)
Net cash flow - operating activities	(245,199)	1,446,867	4,085,166	2,551,678	(423,188)	2,423,168
Cash flows used in investing activities						
Property plant and equipment	(131,079)	-	(636)	(1,695)	-	(2,060)
Financial asset	-	-	(306,010)	346,595	(815,750)	-
Intangible assets	(810)	(2,799,085)	-	(344)	-	-
Proceeds to group company	-	(297,615)	(225,805)	(1,165,924)	888,574	-
Investment in parent company	-	-	-	-	-	-
Net cash flows - investing activities	(131,889)	(3,096,700)	(532,451)	(821,368)	72,824	(2,060)

Cash flows used in financing activities						
Proceeds from borrowings - Bank loan	590,774	12,726,426	-	-	778,658	-
Repayment of borrowings - Bank loan	-	(10,475,270)	(1,006,981)	(1,174,805)	(1,367,258)	(1,767,666)
Interest paid on Bank loans	(383,406)	(525,632)	(877,962)	(710,138)	(517,158)	(243,150)
Dividends paid	-	-	(500,000)	-	-	-
Share capital not paid up	(500,000)	-	-	-	-	-
Net cash flows - financing activities	(292,632)	1,725,524	(2,384,943)	(1,884,943)	(1,105,758)	(2,010,816)
Movement in cash equivalents	(669,720)	75,691	1,167,772	(154,633)	(1,456,122)	410,292
Cash at beginning of year	734,973	65,253	140,944	1,308,716	1,154,083	(302,039)
Cash at end of year	65,253	140,944	1,308,716	1,154,083	(302,039)	108,253

5. Key Investment Considerations

Green Bond Certified

The Bond has been externally verified as a 'Green Bond' based on the Issuer's compliance with the International Capital Market Association (ICMA) principles.

The criteria to meet the ICMA principles include and aligns with the four core components of the updated International Capital Market Association (ICMA) Green, Social and Sustainability Bond Principles issued in June 2021 respectively. Additional details of the second party opinion can be found in the Section 22 of the Prospectus.

Clear path to repayment

The repayment of the green bond will be dependent upon and made from the operational cash flows from the existing projects of the Issuer. The operating cash flows of the Issuer are underpinned by the concession and the remaining term of the 25-year PPAs awarded by EUCL starting 2019 where there are guaranteed payments at fixed terms for electricity delivered to the grid.

Cash flow from operating activities to total debt repayment

FRW 000'	FY 2020 Audited	FY 2021 Audited	FY 2022 Audited	Sept 2023 Unaudited
Net cash flow from operating activities	4,085,166	2,551,678	(423,188)	2,423,168
Repayment of borrowings	(1,884,943)	(1,884,943)	(1,884,416)	(2,010,816)
Coverage ratio	2.2	1.4	(0.2)	1.2

Credit risk mitigation mechanisms

This Bond will benefit from a structure that minimises the potential risk of investors not realising expected returns.

- Bondholders will have assignment of concession rights and PPA rights in the event of default to enable continued access to cash from operations for the repayment of the bond.
- Set up and maintenance of an unsecured Debt Service Reserve Account with one semi-annual repayment to provide support that the necessary payments to Investors/Bondholders can be met. This is more fully described in Condition 11.6 (Debt Service Reserve Account) of the Prospectus.
- Set up and maintenance of a Maintenance Reserve Account with a monthly deposit of FRW 9 million for 24 months after the Issue Date for purpose of financing maintenance, repair, and rehabilitation activities necessary to ensure the continued operational reliability and safety of the Infrastructure Asset. This is more fully described in Condition 11.7 (Maintenance Reserve Account) of the Prospectus.

Access to growing, stable and non-cyclical returns

The energy generation sector globally has proven to provide stable and non-cyclical returns to investors as energy demand and supply, which is weather dependent, are generally not largely affected by economic downturns in the economy.

Furthermore, demand for electricity is expected to be sustained in the short-medium driven by the Energy Sector Strategic Plan. Currently, electricity penetration in Rwanda is at 51%, with 37% connected to the national grid and 14% accessing electricity through off-grid systems. The Energy Sector Strategic Plan (ESSP) FOR 2018/19 – 2023/24 outlines that the Government targets to achieve 100% penetration by 2024 with 52% being connected to the grid and 48% through off grid solutions.

Strong management team

In line with its ambition to effectively contribute to the delivery of affordable energy to all segments of the sector using renewable energy sources, the Issuer has recruited a strong, competent and experienced management team to deliver on its strategy. The management team has vast experience in the energy and engineering sectors in Rwanda.

Use of proceeds

	FRW '000'
Lending to the parent company for new Investment into Rukarara VI (Refer to section 10.3 of the Prospectus for financial structure)	7,500,000
Maintenance CAPEX of existing hydro power plants	1,751,683
Issuance expenses	248,317
Gross proceeds	9,500,000

This use of proceeds is indicative and is earmarked for Rukarara VI and maintenance of existing power plants. Funds will be managed in line with the Board’s policy of maintaining a strong capital base in order to maintain investor, creditor and market confidence and to sustain future development of the business.

6. Risk Factors Statement

Prospective investors should read the prospectus in full to obtain a complete overview of the risks involved before making any investment decision.

The risk factors described in this abridged prospectus are not an exhaustive list or explanation of all risks which may impact the company's financial condition and future prospects and should be used as guidance only. The factors listed under a single heading may not provide a comprehensive view of all risks relevant to the subject to which the heading relates. The risk factors are not ordered by reference to materiality or importance, company's business, financial condition, results of operations and prospects.

Risk factors related to the country and industry

- Change in economic environment
- Political and regulatory risks
- Environmental and social risks

Risk factors related to the issuer

- Force Majeure
- Default risk
- Corporate governance risk
- Operations and maintenance risk
- Off taker risk
- Concession discussion risk
- Performance risk
- Litigation risk
- Project finance risk
- Construction risk of future projects

Risk factors related to the issue

- Price of bonds may be volatile
- Liquidity risk
- Legal risk
- Fluctuations in exchange rates and interest rates
- Change in law
- Negative pledge conditions

7. Subscription and Sale

Application procedure

Application forms for issues of Green Bond may be obtained from the Transaction Advisor or any appointed and licensed stockbroker or accessed electronically via the following URL: <https://www.primeenergyltd.com/>. Applications must be submitted directly to the Transaction Advisor or Selling Agent by the date and time specified in the Prospectus. Successful applicants will be notified by the Transaction Advisor on behalf of the Issuer of the amount of Green Bonds allotted to them immediately after the date of allotment. In the event of a rejection, for any of the reasons set out in section 19.5 of the Prospectus (“Rejection Policy”), any such Bond Application Form/s and accompanying monies shall be returned to the Selling Agent to which the Bond Application Form was submitted for collection by the relevant applicant.

Selection of tranches

Applicants are able to apply for either or both tranches of the issuance in the application forms provided for the Green Bond.

CSD Account

Applicants will receive the Bonds in electronic form by way of crediting their CSD Accounts with the allocated number of Bonds. Trading of the Bonds on the RSE will be under prevailing rules and regulations of the RSE, and it is required that applicants have a CSD Account as part of this application.

To open a CSD Account, individual Applicants will be required to complete a CSD Securities Account Opening Form available from the Selling Agent. On acceptance of any application and after settlement, the Issuer will register the Bonds allocated in the name of the Applicant concerned.

The issuer reserves the right, whether the Issue is oversubscribed or not to reject any application. Applicants, as a result may be allotted less than the amount applied for. Allotment will be done on a pro-rata basis based on the amount applied for.

Successful applicants will be notified by the Selling Agent of the amount allotted to them no later than the date and time specified in the Prospectus.

Rejection policy

Prime Energy Plc shall not be under any liability whatsoever should any Bond Application not be received by the offer closing date. Refer to section 19.5 of the Prospectus (“Rejection Policy”) on reasons that may lead to rejection of applications.

Refunds policy

- Refunds will ONLY be made through EFT/RTGS to an Applicant’s bank account.
- EFTs will only be credited to accounts held with commercial banks. Applicants are also required to check for refunds with their banks; and

- The Receiving Agent will follow up rejected EFT/RTGS on a regular basis. Where an EFT/RTGS has been rejected, the refund will be defaulted to cheque payments as outlined in the Prospectus. Where an EFT/RTGS is rejected, the refunds will be paid to Applicants through banker's cheques drawn in favour of the Applicants as evidenced in the Application Form and will be delivered to the Selling Agent for onward collection by the concerned Applicant. Applicant is required to collect his/her refunds immediately upon release to the Selling Agent. No refund cheques will be sent by mail.

Payment for bonds and delivery

Payment for Bonds is to be made in full to Bank of Kigali, the designated Receiving Bank, by the date and time specified in the Prospectus. The payments will be made via the Real Time Gross Settlement ("RTGS") system to the account and in the manner detailed in the Application forms. The Bonds will be delivered to investors not later than the issue date.

Principal and interest payment

Payment of principal and interest on the Green Bonds will be made by the Issuer through the Fiscal Agent in accordance with the Terms and Conditions.

Selling agent commission

The Issuer has signed a placement agreement with the Lead Selling Agent to which all placement will be charged a commission of 1.5% paid by the Issuer.

Directory of authorised selling agents

No.	Name and address	Contact information	Contact person
1.	BK Capital Limited BK Head Office P.O Box 175, Kigali Rwanda	Tel: +250 788 143 241/+250 781 449 631 Email: bkcapital@bk.rw/ s.kisoso@bk.rw Call Centre: 4455 Website: www.bkcapital.rw	Mr. Siongo Kisoso
2.	FAIDA Securities Rwanda Centenary House 4th floor P. O. Box 124 Kigali, Rwanda	Tel: +250784333734/+250782859330 Email: stephen.njoroge@fib.co.ke Website: www.fib.co.ke	Mr. Njoroge Stephen
3.	African Alliance Rwanda Securities Limited. KN 41 St Kiyovu - Nyarugenge, 1st Floor P. O. Box 7179, Kigali - Rwanda	Tel: +250785694490 Email: securitiesrw@africanalliance.com Website: www.africanalliance.com	Mr. Kenneth Kitariko
4.	Baraka Capital Limited 4th Floor - Building 2000 P. O. Box 7180, Kigali - Rwanda	Tel: +250280381100/+250255120337 Email: baraka@barakacapital.com	Mr. Gathaara Davis

5.	<p>CDH Capital Limited 9th Floor, Ecobank Building P. O. Box 6237 Kigali Rwanda</p>	<p>Tel: +250788304274/+250788301007 Email: shehzadnoordally@cdhcapitaltd.org Website: www.cdhcapitaltd.org</p>	<p>Mr. Shehzad Noordally</p>
6.	<p>Mo Capital Limited Kigali City Towers 1st Floor P. O. Box 3360 Kigali-Rwanda</p>	<p>Tel: +250788750569 Email: o-muneza@mocapital.co.rw/ info@mocapital.co.rw Website: www.mocapital.co.rw</p>	<p>Mr. Muneza Olivier</p>
7.	<p>MBEA Brokerage Services Limited. Regus Offices. Kigali City Towers (KCT), 14th floor P. O. Box 3492 Kigali, Rwanda</p>	<p>Tel: +250788803371 / +250788 803370 Email: info@mbea.net Website: www.mbea.net / www.mbeagroup.net</p>	<p>Mr. Owiny Otengo Andrew</p>



KN 5 Rd, KBC building 7th floor

Email: info@primenrgy.ch

Tel. +250 (0) 788338888

Kigali - Rwanda