

SUPPLEMENTARY PROSPECTUS

DATED 31ST AUGUST 2024 TO THE BASE PROSPECTUS DATED MARCH 2024

PRIME ENERGY PLC

(Incorporated in Rwanda under the Companies' Law No. 007/2021 of 05/02/2021.

Registration No. 103231736)

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

This supplementary prospectus (the "Supplementary Prospectus" or "Supplement", which definition shall include all information incorporated by reference herein) to the base prospectus dated 29 March 2024 (the "Base Prospectus", which definition includes the base prospectus and all information incorporated by reference therein) constitutes a supplementary prospectus prepared in connection with the Rwandan Franc nine billion and five hundred million (FRW 9,500,000,000) of Long Term, Unsecured and Fixed Rate Green Bonds established by Prime Energy PLC (the "Issuer").

Terms defined in the Base Prospectus have the same meaning when used in this Supplementary Prospectus. This Supplementary Prospectus is supplemental to updates and must be read in conjunction with and form part of the Base Prospectus.

This Supplement has been approved as a supplementary prospectus by the Capital Markets Authority (the "CMA"), as a supplement to the Prospectus. The Prospectus constitutes a base prospectus prepared in compliance with all Applicable Laws including the Companies Law, the Capital Markets Law, and the Rwanda Stock Exchange Listing rules for the purpose of giving information with regard to the issue of Green Bonds.

The Issuer accept responsibility for the information contained in this Supplement. To the best of their knowledge, the information contained in this Supplement is in accordance with the facts and this Supplement makes no omission likely to affect the import of such information.

Purpose of this Supplement:

The purpose of this Supplement is to:

- A. Incorporate by reference the unaudited consolidated interim report for the six months ended 30 June 2024 (the "2024 Half Year Results") and Audited Financial Statements for the year ended December 2023 (the "2023 Audited Financial Statements");
- B. Update the section entitled "Timetable" (Section 4);
- C. Update Table entitled "Profile of Key Employees" (Table 9) with the new Finance Director profile;
- D. Update the section entitled "Rukarara VI" (Section 10) based on the current Power Purchase Agreement;
- E. Update the Table entitled "Summary of the Bond" (Table 6);
- F. Update the section entitled "Legal and Corporate information" (Section 18) to update the Debt of the issuer, Loans to Related Parties and Related party transactions;
- G. Request for waiver on corporate governance compliance (Board composition)

- H. Include the Assignment Agreement to the Appendix;
- I. Include Non-Objection by MININFRA to the Appendix;
- J. Update the Reporting Accountant Report;
- K. Material Adverse Change.

A) Incorporation by Reference

By virtue of this Supplement;

- i) Condensed Financial and Operational Highlights on section 1.4

For more detailed information on the financial performance and position of the Issuer, refer to Section 13 (Summary of Financial Information and Other Selected Data) and the Reporting Accountants' report.

FRW '000	FY2021 Audited	FY2022 Audited	FY2023 Audited	June 2024 Unaudited
Electricity production (KW)	45,923,903	45,641,221	47,850,627	20,863,295
Revenue	3,837,055	3,536,149	3,858,474	2,575,588
Operating Expenses	(745,356)	(420,302)	(406,929)	(257,497)
Operating profit	2,655,403	2,782,135	3,256,517	1,701,566
Net income	1,878,887	1,461,997	4,028,892	1,604,591
Statement of financial position				
Non-current liabilities	3,142,627	2,924,091	-	-
Current liabilities	1,983,759	2,729,814	2,751,300	1,875,062
Total liabilities	5,126,386	5,653,905	2,751,300	1,875,062
Total equity	5,220,232	6,682,229	10,711,121	12,315,712
Total equity and liabilities	10,346,618	12,336,134	13,462,421	14,190,774
Non-current assets	2,463,290	6,836,961	7,725,783	8,301,954
Current assets	7,883,328	5,499,173	5,736,638	5,888,820
Total assets	10,346,618	12,336,134	13,462,421	14,190,774
Cash Flow Statement				
Net cash from operating activities	2,550,678	3,031,197	2,889,016	726,288
Net cash used in investing activities	(821,368)	72,824	62,362	(980)
Net cash used in financing activities	(1,884,943)	(1,105,758)	(1,935,558)	(969,240)

ii) Cash Flows from Operations to Total Debt Repayment on Table 8

FRW 000'	FY2021 Audited	FY2022 Audited	FY2023 Audited	June 2024 Unaudited
Net cash flow from operating activities	2,551,678	(423,188)	1,582,030	726,288
Add back: Receivables to RP	(1,000)	3,454,385	1,306,986	576,112
Adjusted cash flows	2,550,678	3,031,197	2,889,016	1,302,400
Repayment of borrowings	(1,884,943)	(1,884,416)	(1,935,558)	(969,240)
Coverage ratio	1.4	1.6	1.5	1.3

iii) Summary of Financial Information and Other Selected Data on section 14

a) Abridged Company Statement of Comprehensive Income

RWF '000	FY 2019 Audited	FY 2020 Audited	FY 2021 Audited	FY 2022 Audited	FY 2023 Audited	FY 2024 30-June
Revenue	2,057,913	4,176,277	3,837,055	3,536,149	3,858,474	2,575,588
Direct costs	(195,227)	(328,330)	(464,928)	(353,834)	(195,028)	(638,817)
Gross profit	1,862,686	3,847,947	3,372,127	3,182,315	3,663,446	1,936,772
Other income	26,660	42,216	28,632	20,122	-	22,292
Administration expenses	(299,091)	(324,841)	(682,538)	(369,036)	(381,659)	(245,227)
Other operating expenses	(170,476)	(50,834)	(62,818)	(51,266)	(25,270)	(12,271)
Operating profit	1,419,779	3,514,488	2,655,403	2,782,135	3,256,517	1,701,566
Finance costs	(1,072,079)	(638,940)	(437,685)	(549,416)	(302,523)	(96,975)
Profit before income tax	347,700	2,875,548	2,217,718	2,232,719	2,953,994	1,604,591
Income tax expense	(171,210)	(343,876)	(338,831)	(770,722)	1,074,898	-
Profit for the year	176,490	2,531,672	1,878,887	1,461,997	4,028,892	1,604,591

b) Company Statement of Financial Position

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
RWF '000	Audited	Audited	Audited	Audited	Audited	30-June
Non-current assets						
Property plant and equipment	46,916	21,010	4,829	253	2,787	3,685
Financial asset	818,968	1,072,729	2,423,259	2,775,235	2,692,233	2,692,233
Intangible asset	38,186	36,524	35,202	33,526	31,849	31,011
Deferred tax	-	-	-	-	415,014	415,014
Investment in parent company	-	-	-	4,027,947	4,583,900	5,160,011
	904,070	1,130,263	2,463,290	6,836,961	7,725,783	8,301,954
Current assets						
Financial asset	4,077,744	4,129,992	3,192,954	3,656,728	3,551,533	3,551,533
Trade and other receivables	1,388,416	918,892	1,141,588	806,850	1,045,504	1,084,630
Cash and cash balances	204,056	1,308,716	1,154,083	103,028	112,034	110,407
Receivables from RPs	878,219	1,228,779	2,394,703	932,567	1,027,567	1,027,567
Tax recoverable	98,451	98,526	-	-	-	114,683
	6,646,886	7,684,905	7,883,328	5,499,173	5,736,638	5,888,820
Total assets	7,550,956	8,815,168	10,346,618	12,336,134	13,462,421	14,190,774
Equity						
Share capital	500,000	500,000	500,000	500,000	500,000	500,000
Retained earnings	49,584	2,081,256	4,720,232	6,182,229	10,211,121	11,815,712
	549,584	2,581,256	5,220,232	6,682,229	10,711,121	12,315,712
Non-current liabilities						
Borrowings	5,023,950	3,849,144	2,481,886	1,669,307	-	-
Deferred tax	108,380	452,256	660,741	1,254,784	-	-
	5,132,330	4,301,400	3,142,627	2,924,091	-	-
Current liabilities						
Borrowings	1,070,094	1,174,806	1,367,258	1,591,237	878,864	-
Bank overdraft	-	-	-	405,067	705,242	947,548
Trade and other payables	775,789	734,547	560,522	692,507	731,140	747,147
Payables to RP	23,159	23,159	24,159	1,000	1,000	1,000
Current income tax	-	-	31,820	40,003	435,054	179,367
	1,869,042	1,932,512	1,983,759	2,729,814	2,751,300	1,875,062
Total equity and liabilities	7,550,956	8,815,168	10,346,618	12,336,134	13,462,421	14,190,774

c) Statement of cashflows

RWF '000	FY 2019 Audited	FY 2020 Audited	FY 2021 Audited	FY 2022 Audited	FY 2023 Audited	FY 2024 30-June
Cash generated from operations	912,182	3,781,714	2,947,398	2,732,970	3,288,886	1,695,887
Changes in working capital:						
• changes in trade and other receivable	2,426,554	300,814	(222,696)	334,738	(238,654)	(39,126)
• changes in trade and other payables	(1,878,092)	2,713	(174,024)	131,985	38,633	16,008
• changes in payable to RPs	-	-	1,000	(3,454,385)	(1,306,986)	(576,112)
Tax paid	(13,777)	(75)	-	(168,496)	(199,849)	(370,369)
Net cash flow - operating activities	1,446,867	4,085,166	2,551,678	(423,188)	1,582,030	726,288
Cash flows used in investing activities						
Property plant and equipment	-	(636)	(1,695)	-	(3,210)	(980)
Financial asset	-	(306,010)	346,595	(815,750)	188,197	
Intangible assets	(2,799,085)	-	(344)	-	-	-
Proceeds to group company	(297,615)	(225,805)	(1,165,924)	888,574	(122,625)	-
Investment in parent company	-	-	-	-	-	-
Net cash flows - investing activities	(3,096,700)	(532,451)	(821,368)	72,824	62,362	(980)
Cash flows used in financing activities						
Proceeds from borrowings - Bank loan	12,726,426	-	-	778,658	-	
Repayment of borrowings - Bank loan	(10,475,270)	(1,006,981)	(1,174,805)	(1,367,258)	(1,603,022)	(878,864)
Interest paid on Bank loans	(525,632)	(877,962)	(710,138)	(517,158)	(332,536)	(90,376)
Dividends paid	-	(500,000)	-	-	-	
Net cash flows - financing activities	1,725,524	(2,384,943)	(1,884,943)	(1,105,758)	(1,935,558)	(969,240)

Movement in cash equivalents	75,691	1,167,772	(154,633)	(1,456,122)	(291,166)	(243,932)
Cash at beginning of year	65,253	140,944	1,308,716	1,154,083	(302,039)	(593,208)
Cash at end of year	140,944	1,308,716	1,154,083	(302,039)	(593,205)	(837,140)

B) Timetable

#	Event	Date
1.	Reopening Announcement	Thursday, Sep 26 th 2024
2.	Offer Opening Date– the date the Offer opens	Thursday, Sep 26 th ,2024
3.	Closing or Closure Date – the day the Offer closes	Thursday, Oct 17 th , 2024
4.	Date of Allocation	Friday, Oct 18 th , 2024
5.	Announcement Date	Monday, Oct 21 st , 2024
6.	Settlement Date	Thursday, Oct 24 th , 2024
7.	Announcement of results to CMA	Thursday, Oct 24 th , 2024
8.	Public Announcement	Friday, Oct 25 th , 2024
9.	Electronic crediting of Bonds to CSD accounts	Tuesday, 29 th , 2024
10.	Refund Date	Wednesday, Oct 30 th , 2024
11.	Listing on RSE and Commencement of Trading	Thursday, Oct 31 st , 2024

C) Profile of Key Employee

Finance Director:

Rahab Ng'ang'a Wangechi is a finance profession with extensive years of experience in accounting, financial reporting, external audits, financial planning and analysis, tax planning and compliance in various institutions.

She previously headed the Finance and Accounting department of Depot Kalisimbi Ltd a company dealing with waste management, healthcare and recycling in Rwanda for a period of 4 years and also held the position of Audit Senior with Pewmu Associates, a Certified Public Accountants firm between 2017 and 2020.

Rahab holds a Bachelor's degree in Economics and Finance from Kenyatta University and is a Certified Public Accountant. She is currently pursuing Chartered Financial Analyst Program at the CFA Institute.

D) Rukarara VI

Some of the amendment to the initial PPA between EUCL and Rukarara VI HPP Limited include:

Change of COD

Required Commercial Operation Date shall be twenty-four (24) months from the Effective Date. The Required Commercial Operation Date shall be extended by delays caused by Force Majeure Events, GoR default under the Concession Agreement, Purchaser default under this Agreement, and any other delays which are caused by or otherwise the responsibility of GoR or any Government Authority.

Change of Commercial Terms

The PPA Tariff has been updated as follows:

- From year 1 to year 17 of Commercial Operation Date: 10.31 US Cents/per kWh;
- From year 18 to year 25 of Commercial Operation Date: 8.69 US Cents/per kWh.

The above PPA Tariff shall be tax inclusive except VAT which is exclusive, and it shall be with no indexation over the Term of the PPA.

EUCL and Rukarara VI HPP Limited shall make equal sharing of any environmental and renewable energy attributes (Carbon Credits) that may be sought, availed, awarded to, offered to, sold, and/or exploited by the Project throughout the life of the Agreement. Terms and conditions of mutual collaboration for getting any environmental attribute shall be negotiated between the Parties.

Updated Milestones

Key updated milestone include:

Conditions precedents (CPs)	Six (6) months following the signature of this amendment
Commencement of construction	Within 90 days from Effective Date
Required COD	24 Months following the Effective Date

E) Summary of the Bond

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	Up to Rwandan Franc nine billion and five hundred million (FRW. 9,500,000,000) comprising i) Senior Unsecured RWF Fixed Rate Green Bonds and ii) Senior Unsecured USD Linked Green Bonds The Senior Unsecured Fixed Rate Green Bonds are issued with a fixed interest rate. Senior Unsecured USD Linked Green Bonds with a fixed interest rate with settlement, interest payment and redemption in Rwanda Franc based on the FX reference dates.
Use of Proceeds	Reference Section 6 of Prospectus (Use of Proceeds)
Status of Bonds	Senior and Unsecured
Issuances in tranches	The Issuer will issue Senior Unsecured RWF 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 of 13.75%
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: Fixed price Tranche two: Fixed Price
Tenor of Issue:	7 years
Issue Date	24 th October 2024
Trade Date	31 st October 2024
Maturity Date	24 th October 2031
FX Reference Rate Basis and FX Reference Dates	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. 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
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	24 th April 2025 24 th October 2025 24 th April 2026 24 th October 2026 24 th April 2027 24 th October 2027 24 th April 2028 24 th October 2028 24 th April 2029 24 th October 2029 24 th April 2030 24 th October 2030 24 th April 2031 24 th October 2031
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>In the event of an oversubscription, allotment will be done on a pro rata basis. However, Applications shall be allotted in line with preserving at least 40% for East African Community residents and 100% for retail investors.</p> <p>Successful applicants will be notified by the Placing Agent of the amount allotted to them no later than the date and time specified in this Pricing Supplement.</p> <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 this pricing supplement. Applicants as a result may be allotted less than the amount applied for.</p>
Minimum Offer Subscription	FRW 100,000,000
Taxation	Refer to 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";

- i) Illustration I: Bond amortisation for FRW 100,000,000 investment in Tranche One at an assumed interest rate of 13.75%

Month	Opening balance	Initial investment	Principal repayment	Interest income	Total repayment	Closing balance
24-Oct-24		(100,000,000)				100,000,000
24-Apr-25	100,000,000	-	(4,513,666)	6,750,000	11,263,666	95,486,334
24-Oct-25	95,486,334	-	(4,818,338)	6,445,328	11,263,666	90,667,997
24-Apr-26	90,667,997	-	(5,143,576)	6,120,090	11,263,666	85,524,421
24-Oct-26	85,524,421	-	(5,490,767)	5,772,898	11,263,666	80,033,654
24-Apr-27	80,033,654	-	(5,861,394)	5,402,272	11,263,666	74,172,260
24-Oct-27	74,172,260	-	(6,257,038)	5,006,628	11,263,666	67,915,222
24-Apr-28	67,915,222	-	(6,679,388)	4,584,277	11,263,666	61,235,834
24-Oct-28	61,235,834	-	(7,130,247)	4,133,419	11,263,666	54,105,587
24-Apr-29	54,105,587	-	(7,611,538)	3,652,127	11,263,666	46,494,048
24-Oct-29	46,494,048	-	(8,125,317)	3,138,348	11,263,666	38,368,731
24-Apr-30	38,368,731	-	(8,673,776)	2,589,889	11,263,666	29,694,955
24-Oct-30	29,694,955	-	(9,259,256)	2,004,409	11,263,666	20,435,699
24-Apr-31	20,435,699	-	(9,884,256)	1,379,410	11,263,666	10,551,443
24-Oct-31	10,551,443	-	(10,551,443)	712,222	11,263,666	-

ii) Illustration 2: Bond amortisation for FRW 100,000,000 investment in Tranche Two at an interest rate of 9.5% using an indicative foreign exchange rate of FRW 1,327 per USD.

Month	Opening balance (USD)	Initial investment (USD equivalent)	Initial investment (FRW)	Principal repayment (USD equivalent)	Interest income (USD equivalent)	Total repayment (USD equivalent)	Closing balance (USD)	Total payable (FRW)	Closing balance (FRW)	Indicative FX rate
24-Oct-24	-	(75,347)	(100,000,000)	-	-	-	75,347	-	100,000,000	1,327
24-Apr-25	75,347	-		(3,912)	3,579	7,491	71,435	9,941,565	94,808,435	1,327
24-Oct-25	71,435	-		(4,097)	3,393	7,491	67,337	10,438,644	93,838,783	1,394
24-Apr-26	67,337	-		(4,292)	3,199	7,491	63,045	10,438,644	87,857,482	1,394
24-Oct-26	63,045	-		(4,496)	2,995	7,491	58,549	10,960,576	85,671,672	1,463
24-Apr-27	58,549	-		(4,710)	2,781	7,491	53,840	10,960,576	78,780,500	1,463
24-Oct-27	53,840	-		(4,933)	2,557	7,491	48,907	11,508,605	75,140,098	1,536
24-Apr-28	48,907	-		(5,168)	2,323	7,491	43,739	11,508,605	67,200,648	1,536
24-Oct-28	43,739	-		(5,413)	2,078	7,491	38,326	12,084,035	61,828,278	1,613
24-Apr-29	38,326	-		(5,670)	1,820	7,491	32,656	12,084,035	52,681,086	1,613
24-Oct-29	32,656	-		(5,939)	1,551	7,491	26,716	12,688,237	45,254,373	1,694
24-Apr-30	26,716	-		(6,222)	1,269	7,491	20,495	12,688,237	34,715,719	1,694
24-Oct-30	20,495	-		(6,517)	974	7,491	13,978	13,322,649	24,860,303	1,779
24-Apr-31	13,978	-		(6,827)	664	7,491	7,151	13,322,649	12,718,519	1,779
24-Oct-31	7,151	-		(7,151)	340	7,491	-	13,988,781	-	1,868

F) Legal and Corporate Information

i) Debt of the issuer

Type of facility	Approved limit (RWF'000)	Balance as at 31 Dec 2023 (RWF'000)	Balance as at 30 Jun 2024 (RWF'000)	Maturity as per agreements	Monthly total debt service (RWF'000)	Interest rate
Investment loan	6,258,269	878,864	-	30-Jun-24	155,124	15.25%
Term loan	778,658	-	-	31-Dec-24	40,281	18.00%
Total facilities	6,258,269	878,864	-		195,405	

The purpose for investment loan was to rehabilitate the hydro power plants. The term loan was a bridge loan for Rukarara VI power plant which was transferred to Rukarara VI HPP Ltd in December 2023. As of 30 June 2024, there was no outstanding term loan balance.

ii) Related Party balances

Receivables from Related Parties

	June 2024 FRW '000	December 2023 FRW '000	December 2022 FRW '000
Non-current:			
Loan to Prime Energy Holdings	4,558,825	3,982,713	3,454,385
Lion's Share Group Limited	377,587	377,587	377,587
Loan to Jean Damascene (Shareholder)	223,600	223,600	195,975
	5,160,011	4,583,900	4,027,947
Current:			
Prime Energy Holdings	1,027,567	1,027,567	932,567

The Issuer signed an intercompany loan agreement dated 1st August 2023 with Prime Holdings Ltd as the borrower of the following three categories of borrowings:

- 1) Constituted by all funds and resources that the Issuer has injected in Rukarara VI HPP Ltd on behalf of the borrower from 2016 to 31st December 2023.
- 2) An amount of RWF 7.5 billion to be availed from issue of the bond
- 3) Any other amount that will be required by the borrower for the business expansion.

The borrowed money shall bear an annual interest rate ranging from 10% to 12%.

Receivables from other related parties are interest free, have no specific date of repayment and are unsecured. They are denominated in Rwandan Francs.

Payables to related parties

	June 2024 FRW '000	December 2023 FRW '000	December 2022 FRW '000
Non-current:			
Lion's Share Group Limited	600	600	600
Loan to Jean Damascene (Shareholder)	400	400	400
	1000	1,000	1,000

G) Request for waiver on corporate governance compliance (Board composition)

The issuer has requested for a waiver from CMA on the current non-compliance with regulatory requirement on minimum number of directors as required by the Capital Market Corporate Governance Code No.9, 2012. As at 1st August 2024, the board consisted of 5 members which is below required minimum of 7. CMA has issued a waiver on this and has directed the company to ensure that the minimum board size is achieved within a period of 6 months from the issuance of the bond.

ASSIGNMENT AGREEMENT

Between

PRIME ENERGY PLC as (Issuer)

AND

BPR BANK RWANDA as (Trustee)



Contents	
1. Definitions and Construction	2
2. Assignment	4
3. Representations, Warranties and Undertakings	5
4. Rights and Powers of Trustee.....	7
5. Commencement & the term of this agreement	8
6. Termination	8
7. Governing law & Dispute settlement	8
8. Revision and Amendment	8
Schedule 1: Form of notice of assignment.....	10

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Assignment Agreement

This Agreement is dated 20 /08/2024 and is made between:

Prime Energy PLC herein after referred to as the “**Issuer**”, a company duly incorporated in Rwanda under registration number 103231736, licensed to carry on the business of independent power production and whose registered office is Gatenga, Kicukiro, Kigali Rwanda (the Issuer).

AND

BPR Bank Rwanda PLC herein after referred to as the “**Trustee**”, a company incorporated in Rwanda with registration number 100162830 whose registered office is at BPR HQ, KN 4 Ave, Kigali Rwanda (**the Trustee**).

Whereas

- A) By a Trust Deed dated 14th March 2024 and made between the Issuer and the bondholders Trustee, in relation to the green bond issuance governed by the terms and conditions stated in the prospectus.
- B) It is a condition precedent to the Trust Deed being made available that the Issuer enters this deed.

The Issuer entered into Power Purchase Agreements as stated in the Prospectus for it is agreed as follows:

1. Definitions and Construction

1.1. Definitions

In this Assignment, Agreement definitions from the Trust Deed apply (unless otherwise indicated) and the following definitions apply.

Assigned Contracts means:

- a) The Power Purchase Agreements,
- b) Any other contract designated as an assigned contract in writing by the Issuer and the Trustee,
- c) Loan agreement between Prime Energy Holdings Ltd and Prime Energy Plc.

Assigned Rights,

- a) All rights, title, benefits and interests of the Issuer arising under or in connection with due payments under assigned contracts, whether actual or contingent, proprietary, contractual or otherwise including all:
 - (i) Moneys owing the Issuer,
 - (ii) Rights of the Issuer, including its rights to demand payment or performance and to enforce any assigned contracts in (in the Issuer 's name or otherwise) and
 - (iii) Remedies, including all claims for damages, indemnities or compensation for any breach of due payment under any assigned contracts.
- b) All rights, title, benefits and interests of the Issuer arising under or in connection with any assignable letters of credit, guarantees, indemnities, security interests and other forms of

credit support of whatever nature (including all rights and remedies of enforcement) held by the Issuer in support of whatever nature (including all rights and remedies of enforcement) held by the Issuer in support of its payment rights or the obligations of any counterparty under any Assigned Contracts and

- c) All rights, benefits and interests of the Issuer under:
- (i) Any right, title, benefit or interest of the Issuer arising under or in connection with due payment under any Assigned Contracts or agreements.

Counterparty means each party (other than the Issuer) who is party to any Assigned Contract.

Deemed Delivered Event has the meaning given in the respective Power Purchase Agreements of the Gashashi, Gisenyi, Mukungwa II and Rukarara II hydropower plants.

Deemed Delivered Energy has the meaning given in the respective Power Purchase Agreements of the Gashashi, Gisenyi, Mukungwa II and Rukarara II hydropower plants.

Green Bond means the green bond or bonds to be issued by the Issuer to the Trustee pursuant to the Trust Deed.

Net Energy Output has the meaning given to it in the Power Purchase Agreements.

Counterparty means each party (other than the Issuer) who is party to any Assigned Contract.

Notice of Assignment means a notice in the form set out in Schedule 1 (*form of notice of assignment*).

Power Purchase Agreements means:

- a) The power purchase agreement dated 26 August 2015 between the Purchaser and [Prime Energy Limited] in relation to the Gashashi hydropower plant;
 - b) The power purchase agreement dated 26 August 2015 between the Purchaser and [Prime Energy Limited] in relation to the Gisenyi hydropower plant;
 - c) The power purchase agreement dated 26 August 2015 between the Purchaser and [Prime Energy Limited] in relation to the Mukungwa II hydropower plant;
 - d) the power purchase agreement dated 26 August 2015 between the Purchaser and [Prime Energy Limited] in relation to the Rukarara II hydropower plant,
- in each case, as amended, novated, supplemented, extended or restated from time to time.

Prospectus means the prospectus relating to the Green Bonds dated 14th March 2024.

Purchaser means Energy Utility Corporation Limited.

Secured Liabilities means all liabilities of the Issuer under the Trust Deed and Power purchase Agreements.

Secured Parties means the Trustee, the Bondholders, Bank of Kigali PLC and any receiver or delegate.

Security Period means the period starting on the date of this Agreement and ending on the date on which the Trustee is satisfied that:






- a) all of the Secured Liabilities have been fully and finally discharged; and
- b) no Secured Party is under any commitment, obligation, or liability (actual or contingent) to make advances or provide other financial accommodation to the Issuer pursuant to the Trust Deed, Bond Agreement, Agency Agreement.

1.2. Construction

References to Clauses and Schedules are references to clauses of, and schedules to, this Assignment Agreement.

1.3. Incorporation of terms

Except as otherwise indicated in this Agreement, all terms and conditions of the Green Bond apply to this Agreement as if set out here in full with the necessary changes.

1.4. Third party rights

1.4.1. The Trustee may enforce any term of this Agreement that purports to confer a benefit on the bondholder Trustee, but no other person who is not a party to this Agreement has any right under the Contract (Rights of Third Parties) to enforce or to enjoy the benefit of any term of this Deed.

1.4.2. Subject to the terms and conditions of the Assignment Letter, the parties to this Agreement may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Assignments without the consent of any person who is not a party to this Agreement.

1.5. Effect as a Deed

1.5.1. This Agreement shall take effect as a deed even if it is signed under hand on behalf of the Trustee.

2. Assignment

2.1. Assignment

- (a) The green bond shall, under this Assignment agreement, constitute first-ranking debt, and in the event of default, liquidation, or bankruptcy, the Trustee shall have priority over all other unsecured and subordinated debt of the Issuer for the repayment of principal, interest, and any other amounts due under this agreement and any other relevant agreement.

2.2. Charge

To the extent that:

- a) Any of the Assigned Rights:
 - (i) Contain a prohibition on; or
 - (ii) Would be extinguished or materially diminished by the Issuer,

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- b) The assignment of any of the Assigned Rights under Clause 2.1 is ineffective, the Issuer charges those Assigned Rights by way of fixed charge to the Trustee as security for the green bond.

2.3. Trust

To the extent that the assignment and charge of any Assigned Right is prohibited or otherwise ineffective, the Issuer holds the Assigned Right on trust for the Trustee.

2.4. Issuer remains liable

The Issuer shall remain liable to perform all its obligations under the Assigned Contracts. The Trustee shall not, because of this Deed or anything done under or in connection with it, have any obligation or liability to any person (including the Issuer) to do any one or more of the following:

- (a) Perform any of the Issuer's obligations;
- (b) Make any payment;
- (c) Make any claim or take any other action to collect any moneys or enforce any rights, under or in connection with any Assigned Contract except where provided for in the Trust Deed;
- (d) Make any enquiries about the nature or sufficiency of any payments received by the Trustee under the Security and
- (e) Exercise any Assigned Rights.

2.5. Reassignment and release

2.5.1. At the end of the security period, the Trustee will, at the Issuer's request and expense, reassign to the Issuer any interest the Trustee then has in the assigned rights and release any charge the Trustee then has over any assigned rights.

2.5.2. If following any assignment or release, any security disposition or payment for the secured liabilities is avoided, reduced, set aside or must be returned or paid away, the Trustee shall be entitled to recover the value or amount of that security, disposition or payment from the Issuer as if that reassignment or release had not occurred.

3. Representations, Warranties and Undertakings

3.1. Representation and warranties

The Issuer makes the following representation and warranties to the Trustee on each day during the security period with reference to the facts and circumstances on that day.

- (a) The assigned rights are free from all security interests (other than the security), whether monetary or not and from all other rights exercisable by third parties whether or not known to the Trustee;
- (b) The Issuer is the sole legal agreement and beneficial owner of the assigned rights;
- (c) The Issuer has the right to assign the assigned rights;
- (d) The assigned rights are fully assignable and this deed will create effective and perfected security (following compliance with any notification requirements referred to in this deed) over the assigned rights;
- (e) There are no liabilities between the Issuer and any counterparty that may adversely affect the Trustee's rights under this deed or any assigned contract;

- (f) Under all applicable laws the rights of the Trustee to recover the secured liabilities against the assigned rights will rank in priority to the recovery of rights of all other creditors except creditors that are mandatorily preferred over secured creditors.

3.2. Notices and invoices

3.2.1. The Issuer shall for each assigned contract on execution of this deed (or if later, on that contract becoming an assigned contract):

- a) Promptly, and in any event no later than two business days after the date on which any contract becomes an assigned contract, give notice to each counterparty substantially in the form of notice of assignment and
- b) Use its best endeavors to procure that acknowledgment of each notice of assignment from each counterparty is provided to the Trustee no later than 60 days after the date of any notice of assignment whether such notice of assignment was served before or after the date of the bond issuance letter.

3.2.2. The Issuer shall not amend the instruction to any counterparty in any notice of assignment or assigned invoice or give any other instructions that are inconsistent with any notice of assignment or invoice or with any terms of this deed.

3.3. Preservation of the assigned rights

3.3.1. The Issuer shall not do, cause or allow anything that may:

- (a) Result in the receipt or recovery of moneys payable under or in connection with the assigned rights being delayed or prevented.
- (b) Impair the legal effect of the assignments created or purported to be created under clause 2.1 or
- (c) Depreciate, jeopardize or otherwise prejudice the value of the assigned rights.

3.3.2. The Issuer shall not exercise any right of counterclaim, lien, set off or any equities against counter party that would be likely to affect the performance by that counterparty of its obligations under any assigned contract.

3.4. Further assurance

The Issuer shall, if the Trustee requests and at the Issuer's expense, promptly do or allow to be done anything (including bringing and prosecuting proceedings) and execute and deliver any documents the Trustee considers necessary or expedient to:

- (a) Establish, perfect, preserve or protect the security (or any security interest intended to be created by this deed) or the interests of the Trustee in any assigned rights.
- (b) Help with the appropriation or realization of any assigned rights.
- (c) Exercise any right, power or discretion vested in the Trustee by the security or otherwise under this deed or
- (d) Ensure the security is first ranking and secure all the secured liabilities.

3.4.1

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4. Rights and Powers of Trustee

4.1. Rights

- 4.1.1. Purchaser shall, after withholding the concession fees due to the Government, make all payments due related to the supply of power generated from all power plants (Gashashi, Gisenyi, Mukungwa II, Rukarara II) under the power purchase agreements (the "Payments"), to the Issuer's account number which the Trustee shall have access to as set out in the terms & conditions of the Trust Deed, agency agreement and the Prospectus.
- 4.1.2. All rights and remedies provided for in, and to compel due payment obligations by the Purchaser of, the power purchase agreement to the Issuer (the "Rights") shall be exercisable by the Issuer, until the Trustee gives notice to Purchaser that an event of default has occurred and its continuing at which time the rights shall be exercisable by or at the direction of the Trustee.
- 4.1.3. Purchaser agrees that it shall terminate or amend payment obligations under the Power Purchase Agreement only in accordance with this Agreement and applicable Rwandan Law.
- 4.1.4. The Issuer shall not initiate or agree to any amendment, waiver, or variation of four Power Purchase Agreements without the consent of Trustee which will not be unreasonably withheld.
- 4.1.5. Purchaser shall notify the Trustee in writing upon the occurrence of any of the events of default stipulated in the four Power Purchase Agreements for Gashashi, Gisenyi, Mukungwa II, Rukarara II)

4.2. Power of attorney

The Issuer (subject to applicable law) irrevocably and by way of security appoints the Trustee (with power to delegate) as the Issuer's attorney to do after default has occurred, in its name all that the Issuer is required to do under this Deed or that is necessary or desirable to enable the Trustee or its delegates to exercise the Trustee's powers under this Deed or at law. The Issuer agrees immediately on the Trustee's request to ratify and confirm all acts, deeds instruments, and things signed, executed, sealed, delivered or done under the appointment contained in this Clause.

4.3. Rights additional

The rights the Trustee holds under this deed are in addition to any other rights or security, present or future, held by the Trustee for any Secured Liabilities and will not merge with or prejudice or be prejudiced by any other right or security interest of any other Trustee or by the variation, non-enforcement, non-perfection or release of any of them. This Deed may be enforced against the Issuer without first having recourse to any other right or security interest of the Trustee.

4.4. Continuing Obligation

The security interests created under this deed are continuing. They will not be satisfied or discharged by any intermediate payment or settlement, any change in the secured Liabilities, or variation of the Trustee Deed but will remain in force until the end of the Security Period.



4.5. Trustee's discretion

Except as expressly stated otherwise, any liberty or power that the Trustee may exercise or any determination that it may make under this Deed, the Trustee may exercise or make in its absolute and unfettered discretion without any obligation to justify.

4.6. Trust

The Trustee shall hold the benefit of the security and the covenants and other obligations undertaken by the Issuer under this Deed of trust for itself.

4.7. Indemnity

The Issuer shall indemnify the Trustee on demand against all losses and liabilities incurred by the Trustee (or its delegate) in connection with any failure by the Issuer to perform its obligations under this deed or in performing, or processing, or procuring the performance, on behalf of the Issuer's obligation under any Assigned Contract.

5. Commencement & the term of this agreement

This agreement shall commence on the date of its signature by all parties and shall endure for unspecified period until when the obligations of the prior agreements are settled or terminated.

6. Termination

Either party or all parties may terminate this agreement upon serving to each other a written notice of thirty (30) calendar days. Termination mentioned herein shall not affect the activities already done or activities in force until the date of termination.

7. Governing law & Dispute settlement

This Deed, its interpretation and any non-contractual obligations arising from or connected with it shall be governed by and construed in accordance with Rwandan law. And in case any dispute arising between parties, parties agree that they will try their level best to resolve it amicably. Failure of which, the matter will be addressed to the competent court of the Republic of Rwanda

8. Revision and Amendment

Parties agrees that any change or revision of this agreement shall be in written addendum duly signed by all parties.

Executed as a deed by the Issuer and delivered on the date appearing at the beginning of this Deed.

Parties



8


Part 1

EXECUTION PAGE

1. The Issuer

Executed as a deed and delivered by as Issuer and signed by person(s) who under the laws of its jurisdiction of incorporation are acting under the authority of that company.

Name: **Mr. Sandy RUSERA**
Position: Chief Executive Officer

Signature: 

Date: 8/8/2024

2. The Trustee (BPR Bank)

Executed as a deed and delivered by as Trustee and signed by person(s) who under the laws of its jurisdiction of incorporation are acting under the authority of that company.

Name: **Ms Patience MUTESI**
Position: Managing Director

Signature: 
Date: _____



Witnessed by

Signature: 

BRICE MANZI

Part 2



Schedule 1: Form of notice of assignment

The Managing Director
Energy Utility Corporation Limited (Purchaser)
Dear Sirs,

Power Purchase Agreements dated 26th August 2015 (The Agreements)

1. By this letter we notify you that by an Assignment Agreement dated xxxxxx (the Assignment), we assigned to trustee all our rights, title, benefits, and interests arising under or in connection with the agreements and certain receivables, as assigned from time to time arising under the Agreements as security (as defined in the Assignment).
2. Please pay any amounts you owe us under the Agreements into the following accounts after withholding the confessions fees due to the Government of Rwanda:
 - a. **Bank of Kigali**
 - b. **Prime Energy Ltd**
 - c. **Issuer Account Number: 00049-00694982-15**

Please note that we cannot change these payment instructions without the Trustee's consent.

3. Please note that, from today and until the Trustee has notified you in writing accordingly any instructions contained in this notice cannot be revoked or varied by us without the Trustee's consent.
4. Promptly on receiving this notice, please sign the acknowledgment and acceptance on the enclosed copy of this notice and send it to the physical address of the Trustee.

By doing this you are confirming to the Trustee that:

- (a) You acknowledge receipt of this notice and consent to its terms including the terms of the Assignment of the Agreement dated xxxxxxxx and to the assignment of this Agreements;
- (b) Apart from the Assignment Agreement Dated 17th January 2017, between Prime Energy Ltd and Bank of Kigali Plc, you have not received notice of any other assignment, charge or encumbrance by us of or over the Agreements;
- (c) You recognize and accept the rights of the Trustee to step in directly or to choose a third party to step in to enforce all our rights and perform all our obligations under the Agreements in our place.
- (d) You will pay all moneys you owe under the Agreements to the account named in paragraph 2 of the notice; and
- (e) You have full authority to give the confirmations set out in this paragraph.

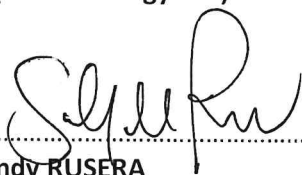
5. This letter, its interpretation and any non-contractual obligations arising from or connected with it shall be governed by and construed in accordance with Rwanda law.

Yours faithfully,



10

6. ISSUER (Prime Energy PLC)



.....
Name: **Sandy RUSERA**
Position: Chief Executive Officer.
Date:

We acknowledge and accept the terms of this notice



.....
Name: **Mr. Claver GAKWAVU**
Position: Acting Managing Director
Date:



Executed and delivered as a Deed for and on behalf of Purchaser by person (s) who under the law of the Republic of Rwanda are acting under the authority of that entity.



Appendix B: Non-objection on the Green Bond issuance for rehabilitation of the 4 government leased power plants

REPUBLIC OF RWANDA



MINISTRY OF INFRASTRUCTURE
E-mail: info@mininfra.gov.rw
P.O. Box 24 KIGALI

Kigali..22 JUL 2024

Ref. N°.....1498/PS/24

Chief Executive Officer
Prime Energy Ltd
KIGALI

Dear CEO,

RE: Non-objection on the Green Bond issuance for rehabilitation of the 4 government leased power plants

Reference is made to your letter dated 8th July 2024 with REF NO. 515/ OGL/2024, requesting for non- objection which would allow CMA to grant Prime Energy permission to resume Green Bond transaction;

Reference is made to our letter dated 21st June, 2024, where Prime Energy was requested to share with REG technical and financial analysis of the revenues generated from the 4 leased Plants vis-a-vis the shared rehabilitation costs for REG /EUCL's assessment and confirmation to MININFRA;

The Ministry of Infrastructure (MININFRA) has non- objection on the issuance of the Green Bond for raising funds to rehabilitate the 4 government leased power plants of Gashashi, Mukungwa II, Gisenyi, and Rukarara II, subject to REG/EUCL's confirmation that the rehabilitation process will not affect the tariff nor the operations of the plants as per your letter dated 8th July 2024.

Sincerely,


ABIMANA Fidèle
Permanent Secretary

CC:

- Hon. Minister/MININFRA
- Hon. Minister of State/MININFRA
- Chief Executive Officer/RDB & Cabinet Member
- Chief Executive Officer/REG
- Chief Executive Officer/BK Capital

KIGALI

Appendix C: Reporting Accountant report

PRIME ENERGY PLC

REPORTING ACCOUNTANT REPORT

ON THE HISTORICAL FINANCIAL STATEMENTS FOR THE YEARS ENDED

DECEMBER 2022, 2023, AND JUNE 2024,

AND PROSPECTIVE FINANCIAL INFORMATION FOR THE PROJECTED

YEARS FROM 2024 TO 2028

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

CONTENT

GENERAL INFORMATION	2
REPORTING ACCOUNTANT REPORT.....	3
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME.....	5
STATEMENT OF FINANCIAL PERFORMANCE	6
STATEMENT OF CHANGES IN EQUITY.....	7
STATEMENT OF CASH FLOWS.....	8
NOTES TO THE FINANCIAL STATEMENTS	9
KEY FINANCIAL RATIOS ON HISTORICAL FINANCIAL STATEMENTS	23
AUDITOR'S REPORT ON PROSPECTIVE FINANCIAL INFORMATION	24
PROJECTED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME.....	25
PROJECTED STATEMENT OF FINANCIAL POSITION.....	26
PROJECTED STATEMENT OF CASH FLOWS.....	27
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	28
SUMMARY FINANCIAL STATEMENTS FOR RATIOS CALCULATIONS	29
INTERPRETATION OF KEY FINANCIAL RATIOS	32
FINANCIAL DASHBOARD.....	34
Appendix 1: Assumptions.....	36
Appendix 2: Non-IFRIC 12 Financial Statements	39

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

GENERAL INFORMATION

Principal activities	Generation and sale of electricity.
Registered office and address	Prime Energy Plc Kigali Alliance Business Center KN 5 rd, Kigali P. O Box 2318 Kigali - Rwanda
Board of directors	Daniel Kinder Cherno Gaye Ndamutsa Thaddee RUSERA SANDY Joe Juru Nsano Jean Damascene Niyongabo
Accountants	PKF Consulting Limited P. O Box 1495 Kigali - Rwanda
Independent auditors (FY 2023)	BDO East Africa (Rwanda) Ltd Career Center Building, 8th Floor, KG 541 ST P. O Box 6593 Kigali - Rwanda
Reporting Accountant	BDO East Africa (Rwanda) Ltd Career Center Building, 8th Floor, KG 541 ST P. O Box 6593 Kigali - Rwanda



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rwanda@bdo-ea.com
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BDO East Africa (Rwanda) Ltd
Career Center Building, 8th Floor
KG 541st Road, P.O. Box 6593
Kigali, Rwanda

REPORTING ACCOUNTANT REPORT

To the Directors of Prime Energy Plc

Report on the Financial Statements

We have reviewed the accompanying historical financial statements of Prime Energy Plc, which comprise the statement of financial position of the company for the periods ended 30 June 2024, 31 December 2023, and 2022, and the statement of comprehensive income, statement of changes in equity, and statement of cash flows for the periods then ended, and the summaries of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error

Our responsibility

Our responsibility is to express a conclusion on the accompanying financial statements.

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to Review Historical Financial Statements.

ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, 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 financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures, and evaluating the evidence obtained.

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



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BDO East Africa (Rwanda) Ltd
Career Center Building, 8th Floor
KG 541st Road, P.O. Box 6593
Kigali, Rwanda

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, (or do not give a true and fair view of) the financial position of Prime Energy Plc for the periods ended 30 June 2024, 31 December 2023, and 2022 and (of) its financial performance and cash flows for the periods then ended, in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities.

BDO East Africa (Rwanda) Ltd
Certified Public Accountants
Career Center Building, 8th Floor
KG 541st, P.O Box 6593
Kigali, Rwanda


BDO EA RWANDA Ltd
Tel: +250 788309225
+250 738304070
P.O Box 6593 Kigali, Rwanda

Clement Niyitegeka Kabano Egide, FCCA, CPA(R)
PC No. CPA 0228/0081/2023
Partner

September 9, 2024

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

The statement of profit or loss and other comprehensive income of the company for the 6 months ended 30 June 2024 and for the years ended 31 December 2023, and 2022 are set out below:

	Notes	Interim Management Accounts June 2024 Frw '000 Unaudited	December 2023 Frw '000 Audited	December 2022 Frw '000 Audited
Revenue	3	2,060,471	3,858,474	3,536,149
Direct costs	4	(123,457)	(192,672)	(353,834)
Gross profit		1,937,013	3,665,802	3,182,315
Other income	5	22,292	-	20,122
Administration expenses	6	(238,783)	(381,659)	(369,036)
Other operating expenses	8	(18,956)	(27,626)	(51,266)
Operating profit		1,701,566	3,256,517	2,782,135
Finance costs	9	(96,975)	(302,523)	(549,416)
Profit before income tax		1,604,591	2,953,994	2,232,719
Income tax credit/(charge) expense	10(i)	-	1,074,898	(770,722)
Profit for the year		1,604,591	4,028,892	1,461,997

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

STATEMENT OF FINANCIAL PERFORMANCE

The statement of financial position of the company for the periods ended 30 June 2024, 31 December 2023, and 2022 are set out as below:

	Notes	Interim Management Accounts June 2024 Frw '000 Unaudited	December 2023 Frw '000 Audited	December 2022 Frw '000 Unaudited
EQUITY				
Share capital		500,000	500,000	500,000
Retained earnings		11,815,712	10,211,121	6,182,229
		<u>12,315,712</u>	<u>10,711,121</u>	<u>6,682,229</u>
Non-current liabilities				
Borrowings	11	-	-	1,669,307
Deferred income tax	12	-	-	1,254,784
		<u>-</u>	<u>-</u>	<u>2,924,091</u>
		<u>12,315,712</u>	<u>10,711,121</u>	<u>9,606,320</u>
REPRESENTED BY				
Non-current assets				
Property and equipment	13	3,685	2,787	253
Deferred tax	12	415,014	415,014	-
Intangible asset	14	31,011	31,849	33,526
Financial asset	15	2,692,233	2,692,233	2,775,235
Receivables from related parties		5,160,011	4,583,900	4,027,947
		<u>8,301,954</u>	<u>7,725,783</u>	<u>6,836,961</u>
Current assets				
Financial asset	15	3,551,533	3,551,533	3,656,728
Trade and other receivables	16	1,084,630	1,045,504	806,850
Cash and bank balances	17(i)	110,407	112,034	103,028
Receivable from related parties	19(i)	1,027,567	1,027,567	932,568
Recoverable Tax		114,683	-	-
		<u>5,888,820</u>	<u>5,736,638</u>	<u>5,499,173</u>
Current liabilities				
Borrowings	11	-	878,864	1,591,237
Trade and other payables	18	747,147	731,140	692,507
Bank Overdraft	17(ii)	947,548	705,242	405,067
Payables to related parties	19(ii)	1,000	1,000	1,000
Current income tax payable	10(ii)	179,367	435,054	40,003
		<u>1,875,062</u>	<u>2,751,300</u>	<u>2,729,814</u>
Net current assets		<u>12,315,712</u>	<u>10,711,121</u>	<u>9,606,320</u>

Joe Jun Nsanzu

Director
Signature

Date

Sandy Ruzar

Director
Signature

Date

6/9/2024



**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

STATEMENT OF CHANGES IN EQUITY

The statement of changes in equity of the company for the periods ended 30 June 2024, 31 December 2023, and 2022 are set out as below:

	Ordinary share capital Frw '000	Retained earnings Frw '000	Total Frw '000
Year ended 31 December 2022			
As previously stated	500,000	4,008,487	4,508,487
Prior year adjustment	-	711,744	711,744
As restated	500,000	4,720,231	5,220,231
Profit for the year	-	1,461,997	1,461,997
At the end of year	500,000	6,182,228	6,682,228
Year ended 31 December 2023			
As at start of the year	500,000	6,182,228	6,682,228
Prior year adjustment	-	-	-
As restated	500,000	6,182,228	6,682,228
Profit for the year	-	4,028,892	4,028,892
At end of year	500,000	10,211,121	10,711,121
Interim period ended June 30, 2024			
As at start of the year	500,000	10,211,121	10,711,121
Prior year adjustment	-	-	-
As restated	500,000	10,211,121	10,711,121
Profit for the six months ended June 30, 2024	-	1,604,591	1,604,591
At end of the interim period of six months	500,000	11,815,712	12,315,712

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

STATEMENT OF CASH FLOWS

The statement of cash flows of the company for the periods ended 30 June 2024, 31 December 2023, and 2022 are set out as below:

		Interim Management Accounts June 2024	December 2023	December 2022
	Notes	Frw '000	Frw '000	Frw '000
Cash flows from operating activities				
Profit before income tax		1,604,591	2,953,994	2,232,719
Adjustment for:				
Depreciation on property and equipment	13	82	679	4,576
Amortization of intangible assets	14	838	1,677	1,676
Interest expense	9	90,376	332,536	517,158
Bad debts write off		-	-	(23,159)
Changes in working capital:				
• Trade and other receivables	16	(39,126)	(238,654)	334,738
• Trade and other payables	18	16,008	38,631	131,985
• Related party	19(i)	(576,112)	(1,306,986)	(3,454,385)
Income tax paid	10(ii)	(370,369)	(199,849)	(168,496)
Net cash flows from operating activities		726,288	1,582,028	(423,188)
Cash flows used in investing activities				
Movement in financial assets	15	-	188,196	(815,749)
Purchase of property and equipment	13	(980)	(3,210)	-
Purchase of intangible assets	14	-	-	-
Proceeds from related parties	19(i)	-	(122,625)	888,574
Net cash flows used in investing activities		(980)	62,361	72,825
Cash flows used in financing activities				
Proceeds from borrowings - Bank of Kigali Plc	11	-	-	778,658
Repayment of borrowings - Bank of Kigali Plc	11	(878,864)	(1,603,022)	(1,367,258)
Interest paid	9	(90,376)	(332,536)	(517,158)
Net cash flows used in financing activities		(969,240)	(1,935,558)	(1,105,758)
Decrease in cash and cash equivalents		(243,932)	(291,169)	(1,456,121)
At start of year		(593,208)	(302,038)	1,154,083
Decrease in cash and cash equivalents		(243,932)	(291,169)	(1,456,121)
At end of year/period	17	(837,140)	(593,208)	(302,038)

NOTES TO THE FINANCIAL STATEMENTS

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

1. General information

Incorporation

Prime Energy Plc is a limited liability company incorporated and domiciled in the Republic of Rwanda in accordance with the Law Governing Companies No. 007/2021 of 05/02/2021.

The address of its registered office and principal place of business is indicated on page 2.
The principal activities of the company are stated on page 2.

2. Significant accounting policies

a. Basis of preparation

The financial statements of Prime Energy Plc have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) issued by the "International Accounting Standards Board" and are consistent with the previous period. They have been prepared under the historical cost convention.

The preparation of financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimations are significant to the financial statements are disclosed in note 2(b) below.

These financial statements comply with the requirements of the Law Governing Companies No.007/2021 of 05/02/2021. The statement of profit or loss represents the profit and loss account referred to in the Law. The statement of financial position represents the balance sheet referred to in the Law.

Going concern

The financial performance of the company is set out in the report of the director and in the statement of profit or loss. The financial position of the company is set out in the statement of financial position.

Based on the financial performance and position of the company and its risk management policies, the directors are of the opinion that the company is well placed to continue in business for the foreseeable future, and as a result, the financial statements are prepared on a going concern basis.

b. Key sources of estimation uncertainty

In the application of accounting policies, the directors are required to make judgments, estimates, and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

The directors have made the following assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of financial assets:

The financial assets portfolio of the Company includes concession financial asset, due from related entities, cash and cash equivalents, and trade and other receivables.

The company reviews its portfolio of trade receivables on an annual basis.

In determining whether receivables are impaired, the management makes a judgment as to whether there is any evidence indicating that there is a measurable decrease in the estimated future cash flows. There have been no such indicators during the years ended 31 December 2022 and 2023.

Useful lives of property and equipment:

Management reviews the useful lives and residual values of the items of property and equipment on a regular basis. During the financial periods under review, the directors determined no significant changes in the useful lives and residual values.

c. Service concession arrangement

The Company has service concession agreements with the Government of Rwanda (GoR) to upgrade, operate and transfer four hydro power generation plants. Under the concession agreement, the Company will operate the hydro power plants for 25 years after which the Company shall convey its rights, title and interest in the hydro power plants back to GoR. The Company has also signed Power Purchase Agreements (PPAs) with Rwanda Energy Group (REG) Limited's subsidiary, the Energy Utility Corporation Limited (EUCL), under which it will sell the power generated at the hydro power plants to EUCL. The terms of the concession and power purchase agreements satisfy the criteria for a service concession agreement under the IFRS for SMEs guidance, Module 34 - Special activities, Section 34.12 - Service concession arrangements and Section 34.14, and are therefore accounted for under the interpretation.

The Company accounts for the concession arrangement under the financial asset model given that under the power purchase agreement, the Company has a right to receive payments from EUCL based on plant capacity made available rather than on power generated from the station and/or supplied to EUCL. Accordingly, the Company bears no demand risk.

The financial asset is initially recognized at fair value and classified as a receivable. Subsequently, the financial asset is measured at amortized cost using the effective interest rate (EIR). This results in the recognition of interest income (deemed interest income) in lieu of the difference between the expected future cash flows and the initial amount. Borrowing costs incurred during construction are not capitalized. Under the accounting model adopted by the Company, revenue from operational services in the form of capacity and other payments shall be recognized when the Company becomes entitled to it in accordance with the PPAs.

The company recognizes a financial asset arising from a service concession arrangement to the extent that it has an unconditional right to receive cash or another financial asset from or at the direction of the grantor, for the construction, upgrade, or operation services of concession assets. Financial assets

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

recognized as a result of the service concession arrangement are measured at fair value upon initial recognition. Subsequent to initial recognition, the financial asset is accounted for in accordance with Section 11 Basic Financial Instruments.

d. Revenue recognition

The financial asset is measured at amortized cost using the Effective Interest Rate (EIR). This results in the recognition of interest income (deemed interest income) in lieu of the difference between the expected future cash flows and the initial amount.

Revenue from operation services in the form of capacity and other payments shall be recognized when the Company becomes entitled to it in accordance with the PPAs.

e. Property and equipment

All property and equipment are initially recognized at cost and thereafter stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost can be reliably measured. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged for profit or loss during the financial year in which they are incurred.

Capital work in progress is not depreciated.

Depreciation is calculated on a straight-line basis to write down the cost of each asset to its residual value over its estimated useful life using the following annual rates:

Asset category	Depreciation rate (%)
Motor vehicles	25.00
Motorcycles	25.00
Computer and accessories	33.33
Office furniture	25.00
Other office equipment	25.00
Generators	25.00

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The residual values of the assets and useful lives are reviewed and adjusted if appropriate, at each statement of financial position date.

Gains and losses on disposal of property and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating profit or loss.

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

f. Intangible assets

Separately acquired licenses are shown at historical cost.

Licenses and customer-related intangible assets have a finite life and are carried at cost less accumulated amortization and any accumulated impairment losses. Amortization is calculated using the straight-line method to allocate the cost of licenses as follows:

<u>Asset category</u>	<u>Useful life</u>
Electricity generation license	25 years

g. Trade and other receivables

Trade receivables are initially recognized at the transaction price. They are subsequently measured at amortized cost using the effective interest method.

h. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand, and deposits held at call with banks.

i. Impairment of assets

At each reporting date, property and equipment is reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in the profit or loss.

j. Borrowings

Borrowings are recognized initially at the transaction price (that is, the present value of cash payable to the bank, including transaction costs). Borrowings are subsequently stated at amortized cost. Interest expense is recognized on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All borrowing costs are recognized in profit or loss in the year in which they are incurred.

k. Trade payables

Trade payables are recognized initially at the transaction price. They are obligations on the basis of normal credit terms and do not bear interest.

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

Trade payables denominated in a foreign currency are translated into Rwandan Francs using the exchange rate at the statement of financial position date. The differences resulting from conversion and translation are dealt with in profit or loss in the year in which they arise.

l. Translation of foreign currencies

Transactions in foreign currencies during the year are converted into Rwanda Francs (the functional currency) at rates ruling at the transaction dates. Assets and liabilities at the statement of financial position date which are expressed in foreign currencies are translated into Rwanda Francs at rates ruling at that date. The resulting differences from conversion and translation are dealt with in profit or loss in the year in which they arise.

m. Current and deferred income tax

The income tax expense for the year comprises current and deferred tax. Income tax expense is recognized in profit or loss, except to the extent that it relates to items recognized in the comprehensive income or in equity. In this case, the tax is also recognized in other comprehensive income.

The current income tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred income tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

n. Share capital

Ordinary shares are classified as equity.

o. Employee benefit obligations

The company and its employees contribute to a statutory defined contribution pension scheme managed by the Rwanda Social Security Board (RSSB). Contributions are determined by local statute and are currently limited to 5% of the employee's gross salary excluding transport.

The company also contributes 0.3% per month of the employee's gross salary as maternity leave benefit. The company's pension and maternity leave benefit contributions are charged to the profit or loss in the year to which they relate.

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

	Interim Management Accounts June 2024 Frw '000	December 2023 Frw '000	December 2022 Frw '000
3. Revenue			
Electricity sales	2,575,588	-	-
Construction revenue	-	5,290,685	4,439,086
Construction costs	-	(5,290,685)	(4,439,086)
Construction revenue interest element	-	3,665,802	3,192,954
Revenue from operations and maintenance	-	192,672	343,195
Electricity sales	-	-	-
Share of revenue to GoR	(515,118)	-	-
	<u>2,060,471</u>	<u>3,858,474</u>	<u>3,536,149</u>
4. Cost of sales			
Station costs	12,965	7,160	152,336
Direct staff costs	67,899	135,769	155,640
Other direct costs	42,593	49,743	45,858
	<u>123,457</u>	<u>192,672</u>	<u>353,834</u>
5. Other income			
Other sundry income	22,292	-	23,159
Foreign exchange income	-	-	(3,037)
	<u>22,292</u>	<u>-</u>	<u>20,122</u>
6. Administration expenses			
Employee benefits (Note 7)	147,831	250,679	248,032
Professional fees	30,989	42,824	41,626
Communication expenses	6,725	12,489	7,136
Motor vehicles expenses	23,089	34,521	8,741
Bank charges	2,291	4,648	8,535
Office running expenses	27,858	36,498	54,966
	<u>238,783</u>	<u>381,659</u>	<u>369,036</u>
7. Employee benefits			
Salary and wages	138,074	233,827	231,585
Employer's pension contribution	7,529	12,849	13,176
Employer's maternity leave benefit contribution	452	771	756
Other staff costs	932	2,397	1,763
Community Based Health Insurance (CBHI) contribution	844	835	752
	<u>147,831</u>	<u>250,679</u>	<u>248,032</u>

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

	Interim Management Accounts June 2024 Frw '000	December 2023 Frw '000	December 2022 Frw '000
8. Other operating expenses			
Rent and rates	10,893	24,670	44,351
Office repairs and maintenance	6,685	-	-
Security expense	120	110	457
Office utilities	338	490	206
Depreciation of property and equipment	82	679	4,576
Amortization of intangible assets	838	1,677	1,676
	<u>18,956</u>	<u>27,626</u>	<u>51,266</u>
9. Finance costs			
Overdraft interest	39,359	50,085	4,536
Term loan interest	51,017	282,451	517,158
Finance fees and commissions	6,599	27,049	8,813
Commission fee (FAGACE)	-	-	5,185
Foreign retranslation adjustment	-	(44,366)	13,724
Discounting effect from Financial Asset Model	-	(12,696)	-
	<u>96,975</u>	<u>302,523</u>	<u>549,416</u>
10. Income tax expense			
i. Tax charge to profit or loss			
Current income tax charge	-	594,900	176,679
Deferred income tax (credit)/charge (Note 12)	-	(1,669,798)	594,043
Income tax expense	<u>-</u>	<u>(1,074,898)</u>	<u>770,722</u>
The tax on the company's profit before tax differs from the theoretical amount that would arise using the basic rate as follows:			
Profit before income tax	-	2,953,994	2,232,719
Tax calculated at a tax rate of 15% (2023&2022)	-	443,099	334,908
Tax effect of:			
- Expenses not deductible for tax purposes	-	5,138	943
- PY under provision of deferred tax	-	(1,687,618)	-
- PY under provision of current tax	-	136,254	-
- Income not subject to tax	-	-	434,871
- Impact on IFRIC adjustment	-	28,229	-
Tax charge	<u>-</u>	<u>(1,074,898)</u>	<u>770,722</u>

Under the Law No. 06/2015 of 28/03/2015 on Investment Promotion and Facilitation, a registered investor undertaking energy generation, transmission and distribution from peat, solar, geothermal,

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

	Interim Management Accounts June 2024 Frw '000	December 2023 Frw '000	December 2022 Frw '000
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hydro, biomass, methane and wind (excluding an investor with an engineering procurement contract from the Government) is allowed to be taxed at a preferential Corporate Income Tax rate of 15% as a special incentive. Prime Energy Ltd.'s principal activity is that of energy generation, transmission and distribution from Hydro power plants.

ii. Changes in Corporate Income Tax Rate

Pursuant to the provisions in the Law No. 051/2023 of 05/09/2023 amending Law No.027/2022 of 20/10/2022 establishing Taxes on Income, the corporate tax rate was reduced from 30% to 28%. However, the company's preferential tax rate of 15 percent granted under the investment code remained unchanged.

iii. Current income tax

At start of year	435,054	40,003	31,820
Charge for the year	-	594,900	176,679
Tax paid	<u>(255,687)</u>	<u>(199,849)</u>	<u>(168,496)</u>
Tax payable	<u>179,367</u>	<u>435,054</u>	<u>40,003</u>

11. Borrowings

Loan from Bank of Kigali Plc

Non-current

Bank borrowings-Bank of Kigali Plc	-	-	1,669,307
	<u>-</u>	<u>-</u>	<u>1,669,307</u>

Current

Bank overdraft (Note 17(ii))	947,548	705,242	405,067
Bank borrowings-Bank of Kigali Plc	-	878,864	1,591,237
	<u>947,548</u>	<u>1,584,106</u>	<u>1,996,304</u>
Total borrowings	<u>947,548</u>	<u>1,584,106</u>	<u>3,665,611</u>

Loan from Bank of Kigali Plc

The company obtained standby letter of credit and investment loan facilities from Bank of Kigali Plc to finance the upgrade of Gashashi, Gisenyi and Mukungwa II hydropower plants.

The facilities consist of the following:

- A standby letter of credit (LC) in favor of State Bank of Mauritius amounting to Five Million United State Dollars (USD 5,000,000) granted for a period of seven years.

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

	Interim Management Accounts June 2024 Frw '000	December 2023 Frw '000	December 2022 Frw '000
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- An investment loan of two million, four hundred and six thousand, six hundred and thirty-six United States Dollars (USD 2,406,636) equivalent in Rwandan Francs granted for a period of 10 years.
- Interest on term loan is calculated on quarterly basis at a rate of 17.5% per annum on reducing balance.
- 24 months moratorium has been granted on repayment of principal amounts on investment loan.
- The letter of credit attracts an annual commission at the rate of 3% per annum payable upfront.

The loan is secured as follows:

- Credit insurance cover in favour of Bank of Kigali covering at least 90% of the total facilities granted to the client.
- All assets debenture covering all the company's assets
- Tripartite agreement between Prime Energy PLC, Bank of Kigali Plc and Energy Utility Corporation Ltd committing the off taker to transfer all amounts due for the purchase of power from Gashashi, Rukarara II, Gisenyi and Mukungwa II power stations to the company's accounts in Bank of Kigali Plc.
- Advance payment guarantee from the Engineering Procurement Contractor (EPC) covering at least 20% of the total amount of loan.

12. Deferred income tax

Deferred income tax is calculated, in full, on all temporary differences under the liability method using a principal tax rate of 15% (2023 & 2022:15%). The movement on the deferred tax account is as follows:

As at start of year	(415,014)	1,254,784	660,741
Charge to profit or loss (Note 10(i))	<u>-</u>	<u>(1,669,798)</u>	<u>594,043</u>
At end of year	<u>(415,014)</u>	<u>(415,014)</u>	<u>1,254,784</u>

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

13. Property and equipment

Interim period ended 30 June 2024

	Motor vehicles Rwf '000	Motor cycles Rwf '000	Computer and accessories Rwf '000	Office furniture Rwf '000	Other equipment Rwf '000	Generators Rwf '000	Total Rwf '000
Cost							
At start of year	144,305	2,467	10,765	40,236	2,187	7,776	207,736
Additions	-	-	980	-	-	-	980
At end of year	144,305	2,467	11,745	40,236	2,187	7,776	208,716
Depreciation							
At start of year	144,305	2,467	7,978	40,236	2,187	7,776	204,949
Charge for the year	-	-	82	-	-	-	82
At end of year	144,305	2,467	8,060	40,236	2,187	7,776	205,031
Net book value							
As at 30 June 2024	-	-	3,685	-	-	-	3,685
As at 31 December 2023	-	-	2,787	-	-	-	2,787

Year ended 31 December 2023

	Motor vehicles Rwf '000	Motor cycles Rwf '000	Computer and accessories Rwf '000	Office furniture Rwf '000	Other equipment Rwf '000	Generators Rwf '000	Total Rwf '000
Cost							
At start of year	144,305	2,467	7,555	40,236	2,187	7,776	204,526
Additions	-	-	3,210	-	-	-	3,210
At end of year	144,305	2,467	10,765	40,236	2,187	7,776	207,736
Depreciation							
At start of year	144,305	2,467	7,413	40,180	2,132	7,776	204,273
Charge for the year	-	-	565	56	55	-	676
At end of year	144,305	2,467	7,978	40,236	2,187	7,776	204,949
Net book value							
As at 31 December 2023	-	-	2,787	-	-	-	2,787
As at 31 December 2022	-	-	142	56	55	-	253

PRIME ENERGY PLC
 REPORTING ACCOUNTANT'S REPORT
 FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION

14. Intangible asset

Interim period ended 30 June 2024

	Electricity generation license Rwf '000	Computer software Rwf '000	Total Rwf' 000
Cost			
At start of year	40,761	1,154	41,915
Additions	-	-	-
At end of period	<u>40,761</u>	<u>1,154</u>	<u>41,915</u>
Amortization			
At start of year	9,865	201	10,066
Charge for the period	815	23	838
At end period	<u>10,680</u>	<u>224</u>	<u>10,904</u>
Net book value			
As at 30 June 2024	<u>30,081</u>	<u>930</u>	<u>31,011</u>
As at 31 December 2023	<u>30,896</u>	<u>953</u>	<u>31,849</u>

Year ended 31 December 2023

	Electricity generation license Rwf '000	Computer software Rwf '000	Total Rwf' 000
Cost			
At start of year	40,761	1,154	41,915
Additions	-	-	-
At end of year	<u>40,761</u>	<u>1,154</u>	<u>41,915</u>
Amortization			
At start of year	8,235	155	8,390
Charge for the year	1,630	46	1,676
At end of year	<u>9,865</u>	<u>201</u>	<u>10,066</u>
Net book value			
As at 31 December 2023	<u>30,896</u>	<u>953</u>	<u>31,849</u>
As at 31 December 2022	<u>32,526</u>	<u>999</u>	<u>33,525</u>

PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION

	Interim Management Accounts June 2024 Frw '000	December 2023 Frw '000	December 2022 Frw '000
15. Financial asset			
At start of year	6,243,766	6,431,962	5,616,213
Remeasurement	-	-	-
Restated	6,243,766	6,431,962	5,616,213
Deemed interest income	6,243,766	6,431,962	3,192,954
Operating and maintenance income	-	3,665,802	343,195
Additions	-	192,672	-
Discounting effect	-	12,696	-
Receipts	-	(4,059,366)	(2,720,400)
At end of year	6,243,766	6,243,766	6,431,962
Non-current	2,692,233	2,692,233	2,775,235
Current	3,551,533	3,551,533	3,656,728
	6,243,766	6,243,766	6,431,962
16. Trade and other receivables			
Trade receivables	1,897,617	1,475,895	326,157
Unbilled trade receivables	(836,769)	(449,805)	451,499
Other receivables	23,782	19,414	29,194
	1,084,630	1,045,504	806,850
17. Cash and Cash equivalents			
i. Cash and bank balances			
Cash in hand	957	1,074	302
Cash at bank	109,451	110,960	102,726
	110,407	112,034	103,028
ii. Bank overdraft			
Cash and cash equivalents comprise bank overdraft presented separately in the statement of financial position as follow:			
Bank overdraft	947,548	705,242	405,067
	947,548	705,242	405,067

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

	Interim Management Accounts June 2024 Frw '000	December 2023 Frw '000	December 2022 Frw '000
--	--	------------------------------	------------------------------

For the statement of cash flows, cash and cash equivalents comprise the following:

Cash and bank balances	110,407	112,034	103,029
Bank overdraft (Note 11)	<u>(947,548)</u>	<u>(705,242)</u>	<u>(405,067)</u>
	<u>(837,140)</u>	<u>(593,208)</u>	<u>(302,038)</u>

18. Trade and other payables

Trade payables	657,962	568,680	486,949
Other payables	<u>89,185</u>	<u>162,460</u>	<u>205,558</u>
	<u>747,147</u>	<u>731,140</u>	<u>692,507</u>

19. Related parties' balances

The company is controlled by Prime Energy Holdings Ltd incorporated in Rwanda, which owns 100% of the company's shares.

The following transactions were carried out with parties which are related by virtue of common shareholding and common directorships.

i. Receivables from related parties

Non-current

Loan to Related party (Prime Energy Holdings)	4,558,825	3,982,713	3,454,385
Lion's Share Group (LS Group) Limited	377,587	377,587	377,587
Loan to Shareholder (Jean Damascene)	<u>223,600</u>	<u>223,600</u>	<u>195,975</u>
	<u>5,160,011</u>	<u>4,583,900</u>	<u>4,027,947</u>

The receivables from related party are interest free, have no specific date of repayment and are unsecured. They are denominated in Rwandan Francs.

Receivables from related parties are presented in the balance sheet as follow:

Current

Prime Energy Holdings	<u>1,027,567</u>	<u>1,027,567</u>	<u>932,567</u>
-----------------------	------------------	------------------	----------------

ii. Payables to related parties

Master Steel Ltd	-	-	-
Lion's Share Group (LS Group) Limited	600	600	600
Jean Damascene Niyongabo	<u>400</u>	<u>400</u>	<u>400</u>
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

20. Contingent liabilities

**PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

In the opinion of the directors, there are no contingent liabilities from which material loss would be anticipated.

21. Capital commitments

- All assets debenture covering all the company's assets.
- Tripartite agreement between Prime Energy Plc, Bank of Kigali Plc and Energy Utility Corporation Ltd committing the off taker to transfer all amounts due for the purchase of power from Gashashi, Rukarara II, Gisenyi and Mukungwa II power stations to the company's accounts in Bank of Kigali Plc.

22. Presentation or Functional currency

These financial statements are presented in Rwandan Francs rounded off to the nearest thousand (Frw '000).

PRIME ENERGY PLC
REPORTING ACCOUNTANT'S REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION

KEY FINANCIAL RATIOS ON HISTORICAL FINANCIAL STATEMENTS

	Interim period ended. June 30, 2024	2023	2022
Gross Profit margin	94%	95%	90%
EBITDA Margin	83%	84%	79%
Net profit margin	78%	104%	41%
Earnings before interest and tax interest cover	18	11	5
Funds From Operations (FFO) to Total Debt Ratio	0.77	1.00	(0.12)
Free Cash Flow to total debt	0.77	1.79	0.15
Total Free Cash flow to short-term debt	0.77	1.79	0.28
Debt-to-equity ratio	0.08	0.15	0.55
Debt-Service Coverage Ratio (DSCR)	0.75	2.34	0.30



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AUDITOR'S REPORT ON PROSPECTIVE FINANCIAL INFORMATION

To the Directors
 Prime Energy Plc

Report on Prospective Financial Information for the Five Years Ending 31 December 2024 through 31 December 2028

We have examined the projections in accordance with the International Standard on Assurance Engagements 3400, "The examination of prospective financial information".

Management is responsible for the preparation of projections including the underlying assumptions set out in *Appendix 1* to the prospective financial information and has been approved by the Board of Directors of the company.

These projections have been prepared for the purpose of securing a bond from the capital markets under Rwanda Stock Exchange. The projection has been prepared using a set of assumptions that include hypothetical assumptions about future events and management's actions that are not necessarily expected to occur. Consequently, readers are cautioned that these projections may not be appropriate for purposes other than that described above.

We have carried out our examination of the prospective financial information on a test basis. Based on our examination of the evidence supporting the assumptions, nothing has come to our attention that causes us to believe that these assumptions do not provide a reasonable basis for the projections.

Further, in our opinion the projections are properly prepared on the basis of the assumptions of the prospective financial information and on a consistent basis with the historical financial statements, using appropriate accounting policies, and are presented in accordance with the International Standard on Assurance Engagements.

Even if the events anticipated under the hypothetical assumptions described above occur, actual results are still likely to be different from the projection since other anticipated events frequently do not occur as expected and the variation may be material.


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Clement Niyitegeka Kabano Egide ACCA, CPA (R)
 PC No. CPA 0228/0081/2023
 Partner

September 9, 2024

PRIME ENERGY PLC
 REPORTING ACCOUNTANT REPORT
 FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION

PROJECTED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

	2024	2025	2026	2027	2028
	Frw '000	Frw '000	Frw '000	Frw '000	Frw '000
Revenue	3,888,837	4,792,393	4,910,609	4,922,692	4,755,650
Direct costs	(292,351)	(354,170)	(371,878)	(390,472)	(409,996)
Gross profit	3,596,486	4,438,223	4,538,730	4,532,220	4,345,654
Other income	22,292	-	-	-	-
Administrative expenses	(407,265)	(340,280)	(357,294)	(375,158)	(393,916)
Other operating expenses	(35,903)	(49,628)	(52,109)	(54,715)	(57,451)
EBITDA	3,175,611	4,048,316	4,129,327	4,102,347	3,894,287
Depreciation	(8,482)	(8,171)	(7,949)	(6,744)	(6,918)
Amortization	(1,251)	(1,202)	(1,155)	(1,109)	(1,066)
Earnings before Interest and tax	3,165,878	4,038,943	4,120,224	4,094,493	3,886,304
Finance costs	(463,177)	(1,024,628)	(932,238)	(819,884)	(684,242)
Fx adjustment	-	(280,177)	(262,068)	(238,101)	(207,218)
Profit before tax	2,702,701	2,734,138	2,925,918	3,036,509	2,994,844
Tax charge	(523,001)	(536,090)	(603,198)	(678,124)	(647,523)
Net profit	2,179,700	2,198,048	2,322,720	2,358,384	2,347,321

**PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

PROJECTED STATEMENT OF FINANCIAL POSITION

	2024 Frw '000	2025 Frw '000	2026 Frw '000	2027 Frw '000	2028 Frw '000
Equity					
Share capital	500,000	500,000	500,000	500,000	500,000
Retained earnings	12,390,821	14,588,869	16,911,589	19,269,973	21,617,294
	12,890,821	15,088,869	17,411,589	19,769,973	22,117,294
Non-current liabilities					
Borrowings - Bond	8,351,488	7,483,128	6,422,679	5,137,913	3,591,547
Deferred tax	-	-	-	-	-
	8,351,488	7,483,128	6,422,679	5,137,913	3,591,547
Current liabilities					
Borrowings-BK Loan 1 & 2	-	-	-	-	-
Borrowings - overdraft	705,242	705,242	705,242	705,242	705,242
Borrowings - Bond	997,456	1,148,538	1,322,517	1,522,866	1,753,584
Trade and other payables	27,724	29,110	30,565	32,094	33,698
Payables to Related Parties	1,000	1,000	1,000	1,000	1,000
Current income tax	51,041	56,458	62,427	69,026	65,770
	1,782,463	1,940,348	2,121,751	2,330,227	2,559,294
	23,024,772	24,512,344	25,956,019	27,238,114	28,268,136
Non-current assets					
Property and equipment	24,305	16,134	8,185	1,441	24,523
Financial asset	3,364,389	3,440,578	3,435,643	3,294,217	2,928,706
Intangible assets	30,598	29,396	28,242	27,133	26,067
Deferred Tax	415,014	415,014	415,014	415,014	415,014
Investments in group companies	11,837,400	11,837,400	11,837,400	11,837,400	11,837,400
	15,671,706	15,738,522	15,724,483	15,575,204	15,231,710
Current assets					
Financial asset	4,438,223	4,538,730	4,532,220	4,345,654	3,863,480
Trade and other receivables	1,084,666	1,156,237	1,232,981	1,315,305	1,403,647
Cash and cash balances	802,609	2,051,287	3,438,767	4,974,383	6,741,732
Receivables from RPs	1,027,567	1,027,567	1,027,567	1,027,567	1,027,567
	7,353,066	8,773,822	10,231,536	11,662,909	13,036,426
	23,024,772	24,512,344	25,956,019	27,238,114	28,268,136

Joe Jun Nsano

Director
Date and signature

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Sandy Ruzera

Director
Date and signature

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26



PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION

PROJECTED STATEMENT OF CASH FLOWS

	2024	2025	2026	2027	2028
	Frw '000	Frw '000	Frw '000	Frw '000	Frw '000
Cash flows from operating activities					
Profit/(loss) before tax	2,702,701	2,734,138	2,925,918	3,036,509	2,994,844
Adjustments for:					
Depreciation on PPE	8,482	8,171	7,949	6,744	6,918
Amortization of intangible assets	1,251	1,202	1,155	1,109	1,066
Interest expense-bond	423,142	1,024,628	932,238	819,884	684,242
Interest expense- BK loan	40,035	-	-	-	-
FX differences	-	280,177	262,068	238,101	207,218
Changes in working capital					
Increase in trade and other receivables	(39,162)	(71,571)	(76,745)	(82,324)	(88,342)
Increase/(decrease) in trade and other payables	(703,416)	1,386	1,455	1,528	1,605
Tax paid	(907,014)	(530,673)	(597,229)	(671,526)	(650,778)
Net cash flows from operating activities	1,526,018	3,447,458	3,456,809	3,350,026	3,156,772
Cash flows used in investing activities					
Purchase of PPE	(30,000)	-	-	-	(30,000)
Movement in financial asset	(1,558,847)	(176,696)	11,446	327,991	847,685
Investments in group companies	(7,253,500)	-	-	-	-
Net cash flows used in investing activities	(8,842,347)	(176,696)	11,446	327,991	817,685
Cash flows used in financing activities					
Proceeds from borrowings - Bond	9,500,000	-	-	-	-
Repayment of borrowings - Bond	(151,056)	(997,456)	(1,148,538)	(1,322,517)	(1,522,866)
Repayment of borrowings - BK loan 1	(878,864)	-	-	-	-
Interest paid- bond	(423,142)	(1,024,628)	(932,238)	(819,884)	(684,242)
Interest paid- BK loan	(40,035)	-	-	-	-
Bond proceeds to repay BK loans	-	-	-	-	-
Net cash flows from/ (used in) financing activities	8,006,903	(2,022,084)	(2,080,775)	(2,142,401)	(2,207,108)
Decrease)/increase in cash and cash equivalents	690,575	1,248,678	1,387,480	1,535,616	1,767,349
Movement in cash and cash equivalents					
At start of the year	(593,208)	97,367	1,346,045	2,733,525	4,269,141
Decrease)/increase in cash and cash equivalents	690,575	1,248,678	1,387,480	1,535,616	1,767,349
At end of the year	97,367	1,346,045	2,733,525	4,269,141	6,036,490

**PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are consistent with historical financial statements. These policies have been consistently applied to all the periods presented unless otherwise stated.

a) Basis of preparation and statement of compliance

The prospective condensed financial information are prepared in accordance with ISAE 3400, Examination of Prospective Financial Information.

b) Use of assumptions and estimates

The company's financial reporting and financial results are influenced by assumptions, estimates, and management judgments which necessarily have to be made in the preparation of the prospective financial statements.

All estimates and assumptions required in conformity with IFRSs are best estimates undertaken in accordance with the applicable standard. Estimates and judgments are evaluated on a continuous basis, are based on past experience and other factors, including expectations with regard to future events, and are considered appropriate under the given circumstances.

Taxes on income in the prospective financial information are accrued using the tax rates of 15% that would be applicable to expected total annual earning in accordance with the Annex to law n° 006/2021 of 05/02/2021 on investment promotion and facilitation detailing the investment incentives for registered investors.

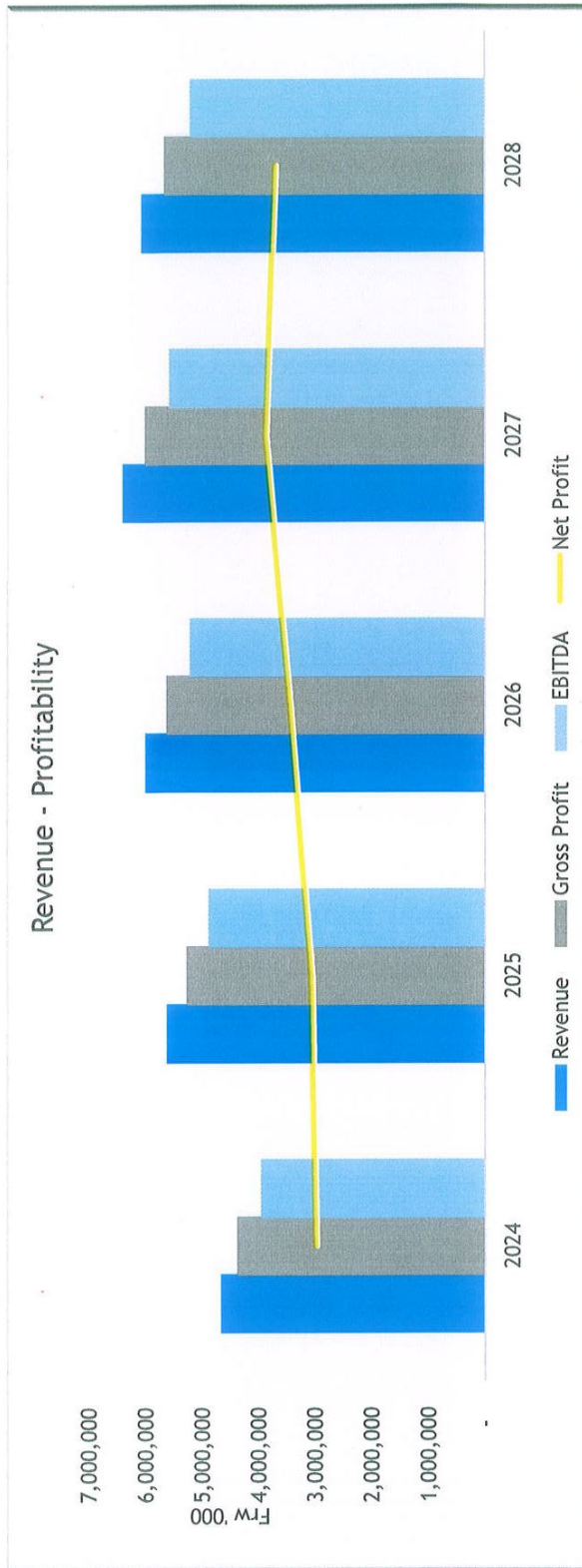
PRIME ENERGY PLC REPORTING ACCOUNTANT REPORT FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION

SUMMARY FINANCIAL STATEMENTS FOR RATIOS CALCULATIONS

For the purpose of having real ratios portraying the real performance of the organization, we considered using the actual cash receipt instead of IFRIC 12 revenue. Below is the summary of the non-IFRIC 12 financial statements prepared. (Full non IFRIC 12 financial statements are in *appendix 2*)

SUMMARY STATEMENT OF PROFIT OR LOSS

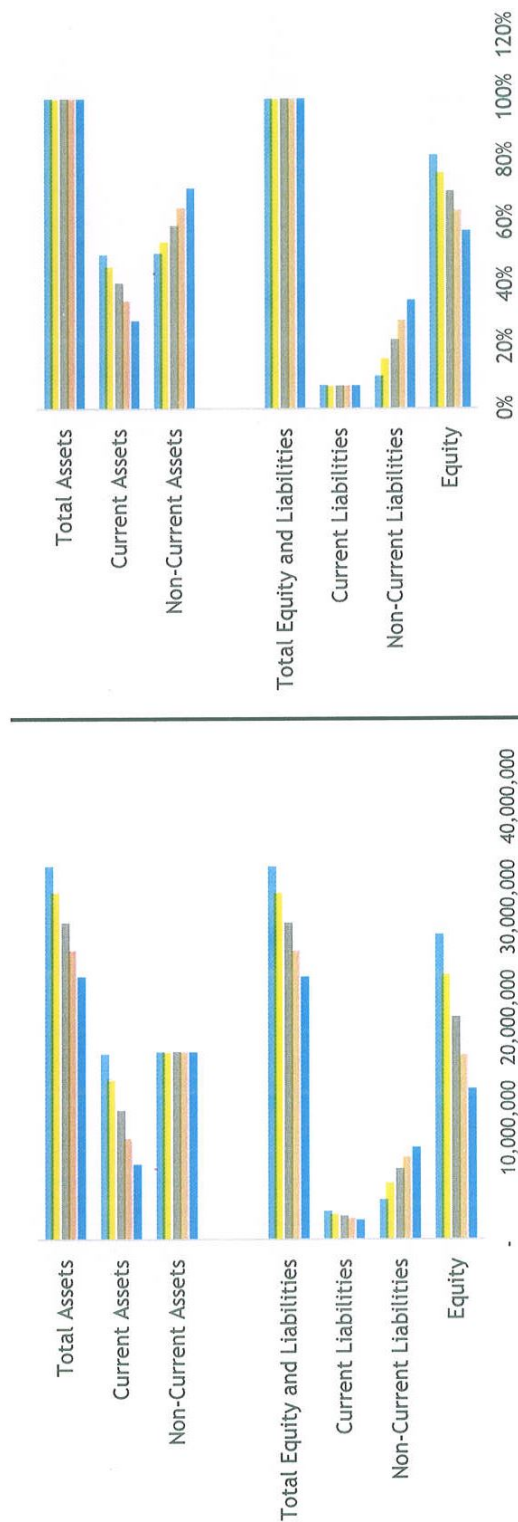
	2024	2025	2026	2027	2028
	Frw '000	Frw '000	Frw '000	Frw '000	Frw '000
Revenue	4,672,810	5,632,186	6,006,011	6,407,012	6,077,624
Gross profit	4,380,459	5,278,016	5,634,133	6,016,539	5,667,628
EBITDA	3,959,583	4,888,108	5,224,730	5,586,666	5,216,261
Net profit	2,963,673	3,037,841	3,418,122	3,842,704	3,669,295



**PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

SUMMARY STATEMENT OF FINANCIAL POSITION

	2024	2025	2026	2027	2028
	Frw '000	Frw '000	Frw '000	Frw '000	Frw '000
Equity	13,674,794	16,712,634	20,130,757	23,973,461	27,642,756
Non-Current liabilities	8,351,488	7,483,128	6,422,679	5,137,913	3,591,547
Current liabilities	1,782,463	1,940,348	2,121,751	2,330,227	2,559,294
Total Equity and liabilities	23,808,744	26,136,109	28,675,187	31,441,601	33,793,597
Non-current assets	16,999,550	16,990,177	16,981,074	16,973,220	16,995,237
Current assets	6,809,194	9,145,932	11,694,113	14,468,381	16,798,360
Total Assets	23,808,744	26,136,109	28,675,187	31,441,601	33,793,597



**PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

SUMMARY STATEMENT OF CASH FLOWS

	2024	2025	2026	2027	2028
	Frw '000	Frw '000	Frw '000	Frw '000	Frw '000
Operating activities	2,309,991	4,287,251	4,552,212	4,834,346	4,478,746
Investing activities	(9,283,500)	-	-	-	(30,000)
Financing activities	8,006,903	(2,022,084)	(2,080,775)	(2,142,401)	(2,207,108)
Net cash flow	1,033,394	2,265,167	2,471,436	2,691,944	2,241,637
10,000,000					
8,000,000					
6,000,000					
4,000,000					
2,000,000					
(2,000,000)					
(4,000,000)					
(6,000,000)					
(8,000,000)					
(10,000,000)					
(12,000,000)					

Operating activities Investing activities Financing activities Net cash flow

FREE CASHFLOW TO THE FIRM

	2024	2025	2026	2027	2028
	Frw '000	Frw '000	Frw '000	Frw '000	Frw '000
Profit before Tax	3,486,674	3,573,930	4,021,321	4,520,828	4,316,818
Add: Depreciation	8,482	8,171	7,949	6,744	6,918
Add: Amortization	1,251	1,202	1,155	1,109	1,066
Add back interest	463,177	1,304,805	1,194,306	1,057,985	891,460
Less: Capital Expenditure	-	-	-	-	(30,000)
Changes in working capital	(1,649,592)	(600,858)	(672,518)	(752,321)	(737,515)
Free Cash Flow to Firm	2,309,991	4,287,251	4,552,212	4,834,346	4,448,746

**PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

KEY RATIOS

	2024	2025	2026	2027	2028
Gross profit Margin	93.74%	93.71%	93.81%	93.91%	93.25%
EBITDA Margin	84.74%	86.79%	86.99%	87.20%	85.83%
Net profit Margin	63.42%	53.94%	56.91%	59.98%	60.37%
Earnings before interest and tax interest cover	8.53	4.76	5.59	6.80	7.61
Funds From Operations (FFO) to Total Debt Ratio	0.23	0.46	0.54	0.66	0.74
Free Cash Flow to total debt	0.23	0.46	0.54	0.66	0.74
Total Free Cash flow to short-term debt	1.36	2.31	2.24	2.17	1.81
Debt-to-equity ratio	0.74	0.56	0.42	0.31	0.22
Debt-Service Coverage Ratio (DSCR)	1.53	1.86	1.94	2.03	1.84

INTERPRETATION OF KEY FINANCIAL RATIOS

Ratio	Formula	2024	2025	2026	2027	2028
Debt-Service Coverage Ratio (DSCR)	Free cashflows to the firm / Debt service	1.53	1.86	1.94	2.03	1.84

The company's DSCR ratio is positive. This is an indication that it will be able to pay its current debts from the net operating income.

Ratio	Formula	2024	2025	2026	2027	2028
Earnings before interest and tax interest cover	EBIT / Interest expenses	8.53	4.76	5.59	6.80	7.61

The company's earnings before interest and tax interest coverage ratio shows a good indication that it will be able to pay its interest on outstanding debt. As the company increases profitability to sustain itself, debts get reduced. The ratio is growing on a yearly basis projection.

**PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

Ratio	Formula	2024	2025	2026	2027	2028
Funds From Operations (FFO) to Total Debt Ratio	Total cash from operating activities / Total debt	0.23	0.46	0.54	0.66	0.74
Free Cash Flow to total debt	Free cash flow / Total debt	0.23	0.46	0.54	0.66	0.74
Total Free Cash flow to short-term debt	Free cash flow / short-term debt	1.36	2.31	2.24	2.17	1.81

The above three ratios are a good indication that the company is making free cash flow from operating activities, which will enable it to pay back its debts. This is a good indication that the organization will not face liquidity concerns to default repayment.

Ratio	Formula	2024	2025	2026	2027	2028
Net profit margin	Net Profit / Sales	63.42%	53.94%	56.91%	59.98%	60.37%

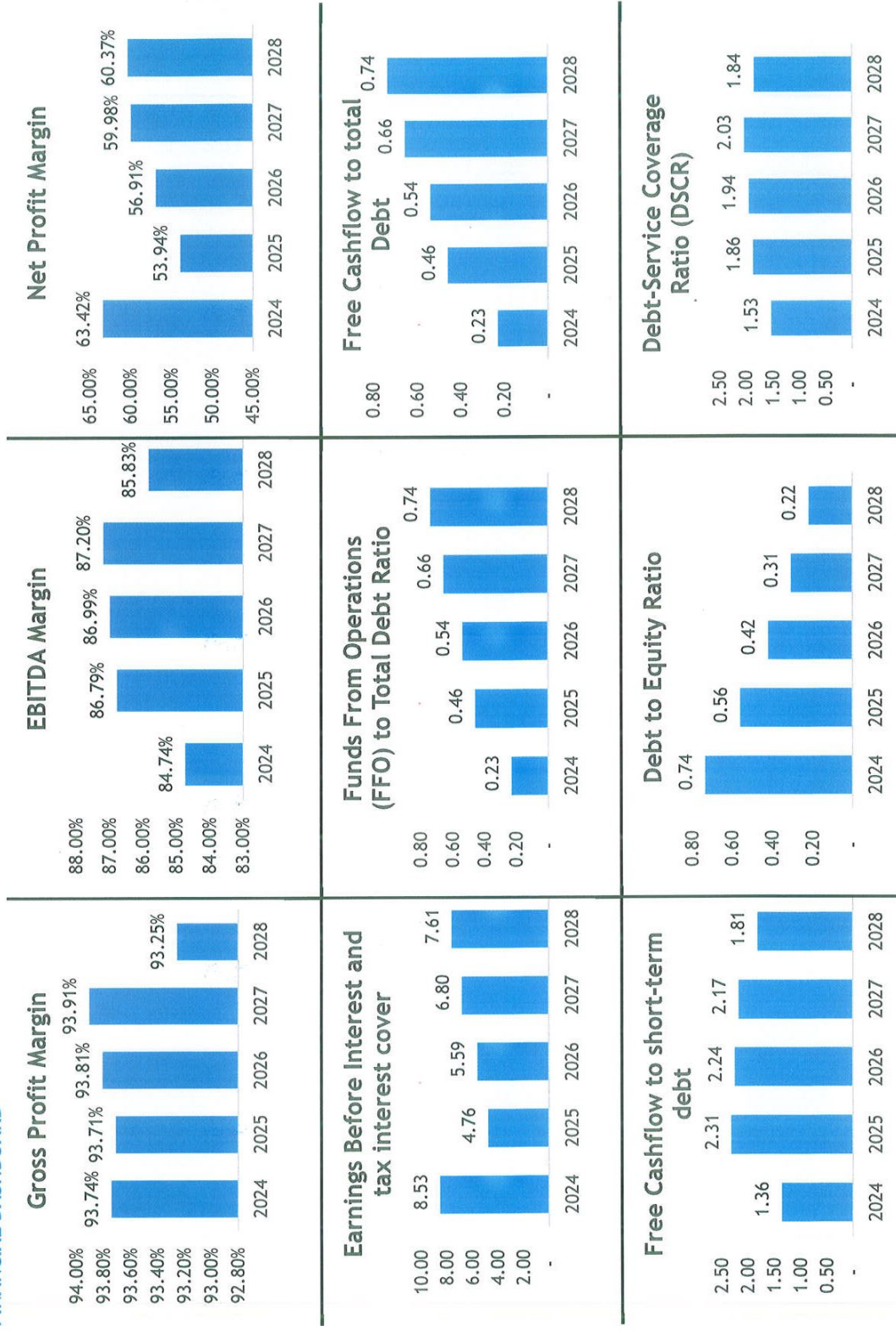
The net profit margin ratio of the organization looks good. This is an indication that the company will have money to distribute to shareholders or alternatively invest in more opportunities.

Ratio	Formula	2024	2025	2026	2027	2028
Debt-to-equity ratio	Debt / Equity	0.74	0.56	0.42	0.31	0.22

In the following years, the debt-to-equity ratio will look good as the company will continue to grow, creating more wealth for shareholders. By 2025 the ratio will start to be promising.

**PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

FINANCIAL DASHBOARD



**PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**



**PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

Appendix 1: Assumptions

1. General Assumptions

- i) There was no change in the company's accounting policies.
- ii) There was no change in the company's policies and procedure manuals.
- iii) There will not be changes in Management structures and employees that will affect employment benefits.
- iv) There will be no significant changes in the terms and conditions of the significant agreements i.e., the Power Purchase Agreements and Operation and Concession Agreements.
- v) The investment law that establishes the investment incentives for Prime Energy Plc on the corporate income tax rate of 15% is assumed to be consistent within the period of the five coming years.
- vi) There will be no significant changes in the present legislation and government regulations, rates and duties, tariffs, levies and taxes, which will adversely affect the operations of PEL or the market in which it operates.
- vii) The power plants will operate as planned and there are no factors which would significantly affect their operations. The power plants are not expected to be decommissioned throughout the projection period.
- viii) There will be no major breakdown or disruption or termination to the Company's operating activities, industrial disputes, and disruption in the supplies of materials or any other abnormal factor, both domestic and overseas, which will adversely affect the operations of the power plants.
- ix) There will be no significant changes in the current demand and in the prevailing market conditions in Rwanda which will adversely affect the demand of electricity from the power plants.
- x) There will be no significant changes to the prevailing economic and political conditions in Rwanda and elsewhere that will have direct or indirect effects on Prime Energy Plc's operations.

2. Revenue assumptions

- i) PPA Tariffs

Power plant	Tariff (UsC/Kwh)
Gisenyi	10.2
Mukungwa II	8.2
Gashashi	13.4
Rukarara II	11.34

**PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

- ii) US Consumer Price Index: 4.0%¹
- iii) Annual production (2023 onwards):

Power plant	Projected annual production (MWh)	Assumed capacity factor (%)
Gisenyi	9,784	67
Mukungwa II	19,472	66
Gashashi	1,039	43
Rukarara II	14,001	74

- iv) Share of revenue

Concession Fees (% of revenue) for the period from Jul 24 - Dec 31	Prime Energy Plc	Government of Rwanda
Gisenyi	90%	10%
Mukungwa II	90%	10%
Gashashi	90%	10%
Rukarara II	90%	10%

3. Cost of sales (Direct costs)

This will be increased according to the inflation. Assumed to be 5% in the following five years.

4. Operating Expense Assumptions

- i) Operating costs comprise the following:
 - Employee benefits
 - Operations and maintenance cost
 - Insurance cost
 - Administrative expenses
- ii) All the above costs are assumed to increase according to the inflation factor. Annual Rwanda inflation is 5.0%²

5. Key Balance Sheet Assumptions

Working Capital Parameters	Days
Accounts receivable days	60
Accounts payable days	30

The above working capital assumptions are based on the existing agreements with EUCL (customer) and suppliers.

Existing bank loan interests	Assumption
Cash Credit line interest rate	17%

¹ <https://www.bls.gov/news.release/cpi.nr0.htm>

² BNR medium term target

**PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

Bond Parameters	
New investment into Rukarara VI (Frw)	7,500,000,000
Capex to rehabilitate existing plants (Frw)	2,000,000,000
Bond amount	9,500,000,000
Start date	01 November 2024
Currency	Frw
Bond tenure	7 Years
Repayment Frequency	Semi-annual
Interest Rate for FRW Tranche	13.75%
Interest rate for USD linked indexation	9.50%

Part of the bond will be dollar-linked to shield investors from currency depreciation challenges.

Capex and Investment Parameters	
Value of Capex for rehabilitation of the Existing Plants (Frw)	2,000,000,000
Year of Investment	2024
Value of New Investments (Frw)	7,500,000,000
Year of Investment	2024

Property and equipment depreciation parameters	
Generators	5.0%
Furniture and fixtures	25.0%
Motor vehicles	25.0%
Motorcycles	25.0%
Computer and accessories	33.3%
Other office equipment	25.0%
Intangible asset	4.0%

Property and equipment additions (Frw '000)	2023	2024	2025	2026	2027	2028
Motor vehicles	-	12,000	-	-	-	12,000
Motorcycles	-	8,000	-	-	-	8,000
Computer accessories	-	1,000	-	-	-	10,000
Office furniture	-	5,000	-	-	-	5,000
Other office equipment	-	2,000	-	-	-	2,000
Generators	-	2,000	-	-	-	2,000
	-	30,000	-	-	-	30,000

PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION

Appendix 2: Non-IFRIC 12 Financial Statements

INCOME STATEMENT

	2024	2025	2026	2027	2028
	Frw '000	Frw '000	Frw '000	Frw '000	Frw '000
Revenue	5,478,188	6,257,984	6,673,346	7,118,902	7,597,030
Government share	(805,378)	(625,798)	(667,335)	(711,890)	(1,519,406)
Net revenue	4,672,810	5,632,186	6,006,011	6,407,012	6,077,624
Direct costs	(292,351)	(354,170)	(371,878)	(390,472)	(409,996)
Gross profit	4,380,459	5,278,016	5,634,133	6,016,539	5,667,628
Other income	22,292	-	-	-	-
Administrative expenses	(407,265)	(340,280)	(357,294)	(375,158)	(393,916)
Other operating expenses	(35,903)	(49,628)	(52,109)	(54,715)	(57,451)
EBITDA	3,959,583	4,888,108	5,224,730	5,586,666	5,216,261
Depreciation	(8,482)	(8,171)	(7,949)	(6,744)	(6,918)
Amortization	(1,251)	(1,202)	(1,155)	(1,109)	(1,066)
EBIT	3,949,851	4,878,736	5,215,626	5,578,813	5,208,278
Finance costs	(463,177)	(1,024,628)	(932,238)	(819,884)	(684,242)
FX adjustment	-	(280,177)	(262,068)	(238,101)	(207,218)
Profit before tax	3,486,674	3,573,930	4,021,321	4,520,828	4,316,818
Tax charge	(523,001)	(536,090)	(603,198)	(678,124)	(647,523)
Profit after tax	2,963,673	3,037,841	3,418,122	3,842,704	3,669,295

**PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

BALANCE SHEET

	2024	2025	2026	2027	2028
	Frw '000	Frw '000	Frw '000	Frw '000	Frw '000
Equity					
Share capital	500,000	500,000	500,000	500,000	500,000
Retained earnings	13,174,794	16,212,634	19,630,757	23,473,461	27,142,756
	13,674,794	16,712,634	20,130,757	23,973,461	27,642,756
Non-current liabilities					
Borrowings - Bond	8,351,488	7,483,128	6,422,679	5,137,913	3,591,547
	8,351,488	7,483,128	6,422,679	5,137,913	3,591,547
Borrowings - BK Loans 1&2					
Borrowings - overdraft	705,242	705,242	705,242	705,242	705,242
Borrowings - Bond	997,456	1,148,538	1,322,517	1,522,866	1,753,584
Trade and other payables	27,724	29,110	30,565	32,094	33,698
Payables to RP	1,000	1,000	1,000	1,000	1,000
Current income tax	51,041	56,458	62,427	69,026	65,770
	1,782,463	1,940,348	2,121,751	2,330,227	2,559,294
	23,808,744	26,136,109	28,675,187	31,441,601	33,793,597
Non-current assets					
Property and equipment	24,305	16,134	8,185	1,441	24,523
Financial asset	4,692,233	4,692,233	4,692,233	4,692,233	4,692,233
Intangible assets	30,598	29,396	28,242	27,133	26,067
Deferred tax	415,014	415,014	415,014	415,014	415,014
Long-term receivables from RPs	11,837,400	11,837,400	11,837,400	11,837,400	11,837,400
	16,999,550	16,990,177	16,981,074	16,973,220	16,995,237
Current assets					
Financial asset	3,551,533	3,551,533	3,551,533	3,551,533	3,551,533
Trade and other receivables	1,084,666	1,156,237	1,232,981	1,315,305	1,403,647
Cash and cash balances	1,145,428	3,410,595	5,882,032	8,573,976	10,815,613
Receivables from RPs	1,027,567	1,027,567	1,027,567	1,027,567	1,027,567
	6,809,194	9,145,932	11,694,113	14,468,381	16,798,360
	23,808,744	26,136,109	28,675,187	31,441,601	33,793,597

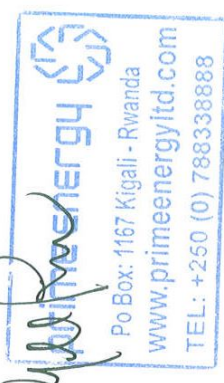
Joe Jean Nsano
Director

Sandy Rubera
Director

Date and signature

6/9/2024

40



**PRIME ENERGY PLC
REPORTING ACCOUNTANT REPORT
FOR THE HISTORICAL FINANCIAL STATEMENTS AND PROSPECTIVE FINANCIAL INFORMATION**

STATEMENT OF CASH FLOWS

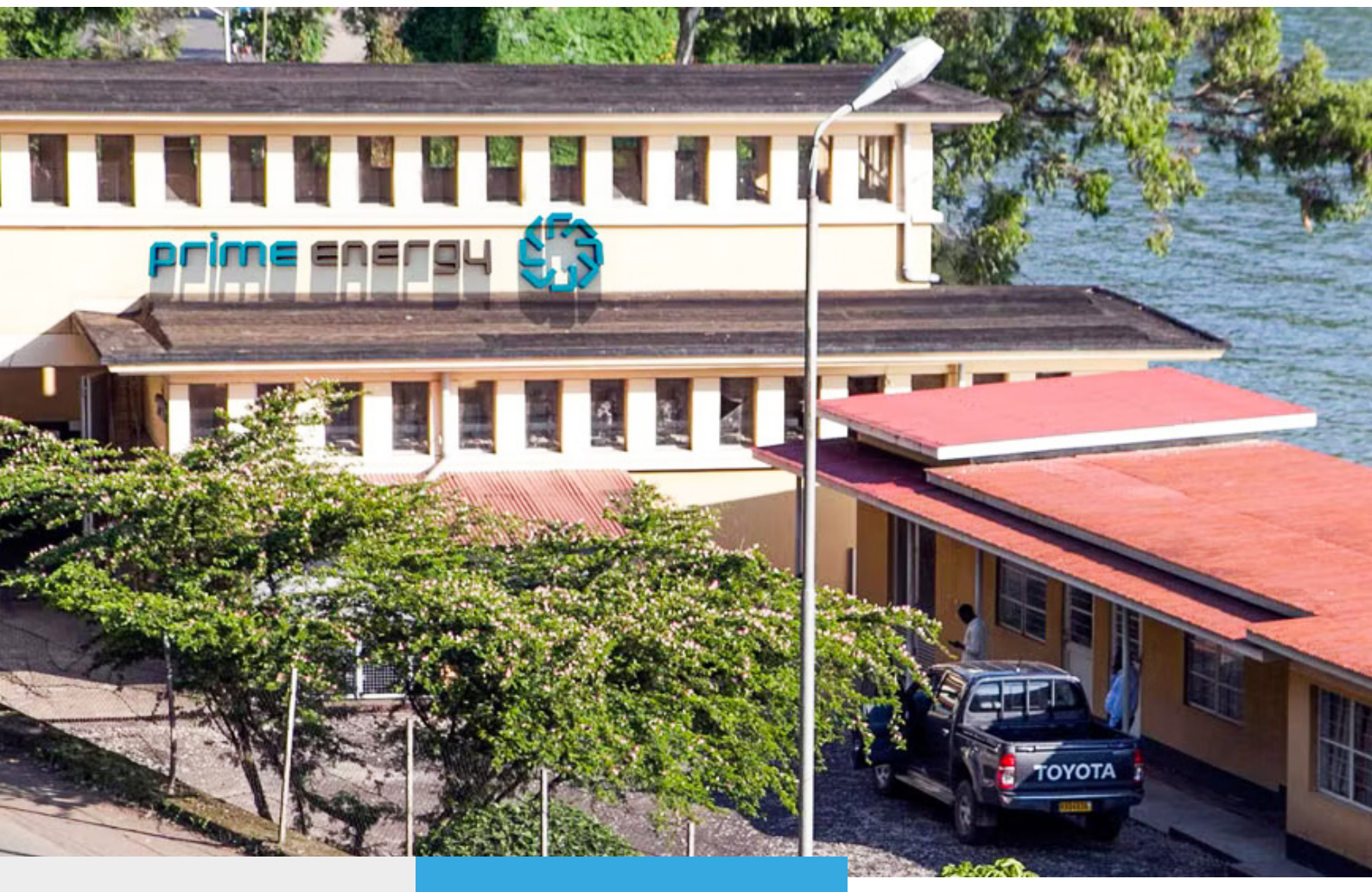
	2024	2025	2026	2027	2028
	Frw '000	Frw '000	Frw '000	Frw '000	Frw '000
Cash flows from operating activities					
Profit/(loss) before tax	3,486,674	3,573,930	4,021,321	4,520,828	4,316,818
Adjustments for:					
Depreciation on PPE	8,482	8,171	7,949	6,744	6,918
Amortization of intangible assets	1,251	1,202	1,155	1,109	1,066
Interest expense- bonds	423,142	1,024,628	932,238	819,884	684,242
Interest expense- BK Loan	40,035	-	-	-	-
FX differences	-	280,177	262,068	238,101	207,218
Changes in working capital					
• Increase in trade and other receivables	(39,162)	(71,571)	(76,745)	(82,324)	(88,342)
• increase/(decrease) in trade and other payables	(703,416)	1,386	1,455	1,528	1,605
• increase/(decrease) in payable to related party	(907,014)	(530,673)	(597,229)	(671,526)	(650,778)
Tax paid					
Net cash flows from operating activities	2,309,991	4,287,251	4,552,212	4,834,346	4,478,746
Cash flows used in investing activities					
Purchase of PPE	(30,000)	-	-	-	(30,000)
Movement in financial asset	(2,000,000)	-	-	-	-
Investments in group companies	(7,253,500)	-	-	-	-
Net cash flows used in investing activities	(9,283,500)	-	-	-	(30,000)
Cash flows used in financing activities					
Proceeds from borrowings - Bond	9,500,000	-	-	-	-
Repayment of borrowings - Bond	(151,056)	(997,456)	(1,148,538)	(1,322,517)	(1,522,866)
Repayment of borrowings - BK loan 1 & 2	(878,864)	-	-	-	-
Interest paid- bond	(423,142)	(1,024,628)	(932,238)	(819,884)	(684,242)
Interest paid- BK loan 1 and 2	(40,035)	-	-	-	-
	9,500,000	-	-	-	-
Net cash flows from/(used in) financing activities	8,006,903	(2,022,084)	(2,080,775)	(2,142,401)	(2,207,108)
Decrease)/increase in cash and cash equivalents	1,033,394	2,265,167	2,471,436	2,691,944	2,241,637
Movement in in cash and cash equivalents	(593,208)	440,186	2,705,353	5,176,790	7,868,734
At start of the year	1,033,394	2,265,167	2,471,436	2,691,944	2,241,637
Decrease)/increase in cash and cash equivalents	440,186	2,705,353	5,176,790	7,868,734	10,110,371
At end of the year					
End of the reporting accountant report					

K) Material Adverse Change

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Prospectus, the statements referred to in (a) above will prevail.

Except for what's mentioned in this Supplement and any other previous supplements to the Prospectus, there haven't been any major new developments, material mistakes, or inaccuracies in the Prospectus since it was first published.

The Base Prospectus and Supplement Prospectus are published on the Prime Energy Plc website: <https://primeenergyltd.com/green-bond/>.



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