

TANZANIA INVESTMENT CENTRE

DAR ES SALAAM

PROGRESS REPORT

(Information required for the project's progress report after every six months or for amendment of Certificate of Incentives)

1. Planned activities for the period
2. Achievements made on the project implementation to date
(i.e. from the date the project was approved to the date of writing the report)

Describe the status of activities that have already been undertaken e.g. construction of buildings, acquisition of supplies, installation of equipment, etc.

3. Provide updated information on the following aspects:

| S/No. | Information | Description | Current Project Status |
|-------|-----------------------------------|--|--|
| 1 | Shareholder's Information | <p>Previous Shareholders names, nationality and percentage of ownership</p> <p>Current Shareholders names, nationality and percentage of ownership</p> | <ol style="list-style-type: none"> 1. TOUFIQ SALIM TURKY, TANZANIAN, 50 SHARE 2. ABDULLA SALIM TUR,KY, TANZANIAN, 50 SHARES |
| 2 | Company communication Information | Email address Mobile Number Land Line Telephone Number Physical Address (Plot No. Block No. Street, District and Region) | legaldept@turkysgroup.ac.tz .0782110012, Jamuhuri Street, Kisutu Wards, Ilala CBD, plot No.716, Block 11, Dar es Salaam. |
| 3 | Contact Person | Name Position | HAMIS SULEIMAN HAMZA, COMPANY SECRETARY |

| | | | |
|---|---------------------|--|-------------------|
| | | Communication details (Email, Mobile and telephone) | 0715077659 |
| 4 | Incorporation | Certificate of Incorporation Number | 154664947 |
| 5 | TIN Information | TIN Certificate No. | 129-243-074 |
| 6 | Project Objective | Project Core Activity | |
| 7 | Capacity | Project capacity per year | 100000 |
| 8 | Direct Employment | Foreign Men Foreign Women Local Men Local Women | 4 1 16 4 |
| 9 | Indirect employment | Type/areas of Indirect employment | nil |

4. Project Financing Expenditure todate (USD)

| | Foreign (USD) | Local (USD) | Total (USD) |
|---------------------------|----------------------|-------------|----------------------|
| Land and Buildings | 50,000.00 | | 50,000.00 |
| Plant and machinery | 100,000.00 | | 100,000.00 |
| Vehicles/Aircrafts | 50,000.00 | | 50,000.00 |
| Furniture | 5,000.00 | | 5,000.00 |
| Office equipment | 0 | | 0 |
| Insurance Cover | 10,000.00 | | 10,000.00 |
| Pre-operational expenses | 40,000.00 | | 40,000.00 |
| Working sub-total capital | 35,865000.00 | | 35,865000.00 |
| Grand Total | 36,120,000.00 | | 36,120,000.00 |

5. Project Financing

Explain how the project is being financed e.g equity, loans, sources of loans, conditions etc. see table below:-

| | Amount (USD) | Source Country |
|-------------------------|----------------------|----------------|
| Local equity | 10,836,000 | Tanzania |
| Local loans | 25,284,000 | Tanzania |
| Foreign equity | nil | |
| Foreign Loans | nil | |
| Total Investment | 36,120,000.00 | |

6. Problems and Solutions

Explain problems, which the management is encouraging in executing the project and the steps being taken to solve them

The management of TP Company Limited is currently facing the following key challenges in executing the CNG Gas project in Tanzania:

a) Regulatory and Licensing Delays:

The process of obtaining various permits and approvals from multiple regulatory authorities is time-consuming and can affect project timelines.

Solution: The Company has appointed a dedicated legal and compliance team to closely follow up with the relevant authorities, ensuring all required documentation is submitted promptly and any regulatory requirements are met efficiently.

b) Infrastructure Limitations:

The existing infrastructure, including pipeline networks and distribution facilities for CNG, is still underdeveloped in certain target areas.

Solution: TP Company Limited is engaging in Public-Private Partnerships (PPP) with local government bodies and utility providers to support infrastructure development, while also investing in its own distribution systems to ensure supply coverage.

c) Market Awareness and Adoption:

Public awareness and adoption of CNG as a cost-effective and environmentally friendly fuel alternative are still low.

Solution: The Company is initiating awareness campaigns and collaborating with transport operators and fleet owners to promote the benefits of CNG usage, alongside offering promotional incentives to early adopters.

d) Technical Skills Gap:

There is a shortage of locally available specialized technical expertise for CNG plant operations and maintenance.

Solution: TP Company Limited is partnering with technical institutions to provide training programs and is also recruiting experienced international experts to ensure knowledge transfer and capacity building.

7. Future Plans

Explain future plans for the next coming six months and planned financial commitments

Over the next six months, TP Company Limited will focus on the following key activities to advance the CNG Gas project:

1. Finalization of Regulatory Approvals:

The company will work closely with relevant government agencies to secure all remaining licenses, permits, and environmental clearances necessary for the construction and operation of the CNG facility.

2. Site Preparation and Construction Kick-off:

Preparatory works including land clearing, fencing, and basic infrastructure setup will

commence immediately after approvals. This will be followed by the groundbreaking and commencement of construction works for the CNG compression and storage facility.

3. Procurement of Machinery and Equipment:

TP Company Limited plans to initiate procurement contracts for essential CNG plant equipment, including compressors, storage cylinders, and distribution units, ensuring timely delivery aligned with the construction schedule.

4. Stakeholder Engagement and Strategic Partnerships:

The company will engage with key stakeholders, including transport associations, industrial clients, and local government authorities, to establish supply agreements and infrastructure collaboration.

5. Recruitment and Training:

A phased recruitment plan will be initiated to onboard technical and operational staff, accompanied by targeted training programs to build capacity in CNG handling, safety, and maintenance.

8. Recommendations and any other comments

TP Company Limited highly recommends continued collaboration and support from the Tanzanian Investment Centre (TIC) and other relevant government institutions to ensure a smooth and efficient implementation of this strategic project. Given the critical importance of natural gas as a cleaner and more affordable energy source, this project aligns with the national objectives of promoting industrial growth, environmental sustainability, and reducing dependency on imported fuels.

We encourage the government to further enhance the investment climate by streamlining regulatory processes, facilitating infrastructure development through Public-Private Partnerships (PPP), and providing fiscal incentives that will attract more investments in the energy sector.

TP Company Limited remains fully committed to adhering to all regulatory standards, fostering local employment, and contributing to Tanzania's socio-economic development through this CNG Gas initiative.

We appreciate the guidance and support provided by TIC and look forward to a long-term partnership in realizing this project's success.