

# APAK STEEL INDUSTRIES LIMITED



## PROJECT PROGRESS REPORT

SUBMITTED TO: TANZANIA INVESTMENT AND  
SPECIAL ECONOMIC ZONE AUTHORITY (TISEZA)

DATED: MARCH 2026

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**FORM NO. 5**

**THE UNITED REPUBLIC OF TANZANIA**

**TANZANIA INVESTMENT AND SPECIAL ECONOMIC ZONE AUTHORITY (TISEZA)**

**PROGRESS REPORT**

**Project Overview**

APAK Steel Industries Limited respectfully submits this Progress Report (Form No. 5) to the Tanzania Investment and Special Economic Zone Authority (TISEZA) in support of its application for extension of the Certificate of Incentives number 20223714 which was issued on the 18<sup>th</sup> March 2022 and whose operative date is on the 17<sup>th</sup> March 2025.

The Company's steel manufacturing project located in Misugusugu, Kibaha District, Coast Region has now reached one hundred percent (100%) completion, with all civil works, machinery installation, safety systems, and operational requirements fully finalized. Following the successful completion of construction, equipment commissioning, and compliance procedures, the factory is ready to commence full commercial production. This request for extension is therefore submitted to ensure continued alignment with the approved investment framework and to facilitate uninterrupted transition into operational and production phases under the existing incentive structure.

(Information required for the project's progress report for amendment of Certificate of Incentives)

**1. Planned Activities for the Period**

- Construction and completion of civil construction works
- Clearance and installation of steel tube profile mill lines
- Completion of internal electrical and mechanical systems
- Completion of safety and environmental systems
- Recruitment and training of production personnel
- Final testing and commissioning of plant and machinery

## **2. Achievements Made on the Project Implementation to Date**

The project has now reached 100% completion. All stages of construction, installation, testing, and compliance have been finalized. The factory is fully operational and ready to commence commercial production.

### **2.1. Physical Infrastructure – 100% Complete**

All production buildings, warehouses, weighbridge, internal roads, drainage systems, electrical installations, borehole water system and storage tanks are fully completed and operational. As shown in the picture below:



### **2.2. Equipment Installation – 100% Complete**

All melting and steel processing machinery, steel tube profile mill lines, cooling systems, and safety systems have been fully installed, calibrated and tested.



Successful trial runs have been conducted.

### 2.3. Safety and Environmental Systems – 100% Complete

Fire suppression, gas management, waste management and occupational health and safety systems have been fully installed and comply with regulatory standards.



### 3. Shareholder Information

The shareholding structure of APAK Steel Industries Limited remains stable and unchanged since the issuance of the Certificate of Incorporation. The Company continues to be jointly owned by its founding investors, who have maintained equal equity participation and active oversight in the implementation of the steel manufacturing project. The shareholders have fully honored their capital commitments, which have substantially financed the successful completion of the factory construction, installation of plant and machinery, and preparation for commercial production. The current ownership structure reflects transparency, financial stability, and continued investor confidence in the project's long-term sustainability and contribution to Tanzania's industrial development. The current structure remains as shown below:

Name	Nationality	Shares	Percentage
Mr. Ozcan Kilic	Turkish	345,000	50%
Mr. Abdulalim Mussa Abreha	Ethiopian	345,000	50%

#### **4. Company Information**

APAK Steel Industries Limited is a duly incorporated private limited company registered in the United Republic of Tanzania and operating in compliance with all statutory and regulatory requirements. The Company is fully registered with the relevant authorities, maintains valid tax and VAT registration, and operates from its established manufacturing facility located in Misugusugu, Kibaha District, Coast Region. All corporate records and communication channels remain active and up to date as explained below:

Certificate of Incorporation No.: 155326891

TIN No.: 155326891

VAT No.: 40-314838-M

Physical Address: Misugusugu Area, Kibaha District, Coast Region, Tanzania

P.O. Box 80870, Dar es Salaam, Tanzania

Contact Person: Mr. Dejen Gebremedhin – Project Manager and local representative

Mobile: +255 651354792 and whatsapp #+251910100025

#### **5. Project Objective and Capacity**

Core Activity: Manufacturing of steel tubes, profiles and related steel products.

Installed Production Capacity: 120,000 Metric Tons per year.

##### **5.1. Keys to Success**

Precisely engineered products.

Follow through on all commitments, both to vendors and customers.

Strict financial controls.

##### **5.2. Mission**

With a well-trained international and local team, to manufacture and sell better quality steel products at competitive prices through continual innovation and best practice of safety & ethics so as to satisfy customers and other stakeholders while maintaining a sustainable environment that supports the needs of current and future generations.

##### **5.3. Company Vision:**

To become the leading and most reliable manufacturer and supplier of steel products in Tanzania, the East African region and beyond.

#### **5.4. Core Values:**

The values that guide the Company's management and staff while understanding activities that enable the Company to achieve its objectives are: Quality, Safety, Ethics, Teamwork, Respect, Performance and Professionalism.

#### **6. Employment**

APAK Steel Industries Limited has generated substantial employment opportunities through the establishment of its steel manufacturing plant. The Company currently employs both skilled and semi-skilled local personnel alongside a limited number of foreign technical experts to ensure efficient technology transfer and operational excellence. In addition to direct employment, the project has stimulated significant indirect job creation within transport, logistics, maintenance, and supply chain sectors, thereby contributing meaningfully to local economic development

Direct Employment:

Foreign Men: 4

Foreign Women: 0

Local Men: 85

Local Women: 25

Indirect Employment: Over 300 individuals in logistics, supply chain, maintenance and related services.

#### **7. Project Financing (USD)**

The total project investment undertaken by APAK Steel Industries Limited has been financed through a structured combination of shareholder equity contributions and loan facilities from local sources. The Company is currently arranging a local loan with CRDB Bank Plc to finance the importation of raw materials and meet working capital requirements. The capital deployed by the shareholders has fully funded land acquisition, construction of buildings, procurement and installation of plant and machinery, working capital requirements, and other pre-operational expenses. The financing structure reflects strong investor commitment and prudent financial planning, ensuring the successful completion and operational readiness of the project. Total Investment to date is USD 6,000,000

## **8. Problems Encountered and Solutions**

During the implementation phase, APAK Steel Industries Limited experienced minor challenges including delays in customs clearance of critical machinery and initial utility supply constraints at the project site. These issues were effectively resolved through close coordination with relevant authorities in the country and the installation of an independent borehole and water storage system. As a result, all identified challenges have been fully addressed, and the project has reached 100% completion with no outstanding operational constraints.

## **9. Future Plans (Next Six Months)**

Over the next six months, APAK Steel Industries Limited will commence full commercial production and progressively scale operations toward optimal capacity utilization. The Company plans to strengthen its domestic distribution network, expand market reach within Tanzania and the East African region, increase local employment, and enhance technical training for staff. Additionally, management will pursue quality certification standards and reinforce supply chain efficiency to ensure sustainable growth and long-term competitiveness. In a nutshell commencement of full commercial production, market expansion, employment increase, ISO certification implementation and export market penetration.

## **10. Conclusion**

In conclusion, APAK Steel Industries Limited has successfully completed the establishment of its steel manufacturing plant in Misugusugu, Kibaha District, Coast Region, achieving one hundred percent (100%) completion of all planned works. All civil construction, installation of plant and machinery, safety and environmental compliance systems, and supporting infrastructure have been finalized and fully tested. The factory is now technically and operationally ready to commence full commercial production. The project demonstrates strong shareholder commitment, sound financial structuring, and full adherence to regulatory requirements. Upon commencement of production, the Company is positioned to contribute significantly to import substitution, employment generation, industrial growth, and increased government revenue through taxes and exports.

The management therefore respectfully submits this report in support of its application for extension of the Certificate of Incentives, reaffirming its long-term commitment to sustainable industrial development in the United Republic of Tanzania.

Prepared By:.....

Mr. Abdulalim Mussa Abreha  
Owner  
Date: March 2026



### PICTURE GALLERY





