

LEASE AGREEMENT

This Lease Agreement is made this 09th day of March, 2021

BETWEEN

POWER GROUP REAL ESTATE LIMITED, a Private Limited Company incorporated under the Companies Act, 2002, Cap. 212 of the Law of Tanzania, P. O. BOX 105199 Dar es Salaam (Hereinafter referred to as the "LESSOR") of one part.

AND

EUROPE INC. INDUSTRIES LIMITED a Private Limited Company incorporated under the Companies Act, 2002, Cap. 212 of the Law of Tanzania, having its registered office at Plot 1 and 2 Mikocheni Industrial Area, Dar es Salaam (Hereinafter called the "LESSEE") of the other part.

WHEREAS:

- i. The LESSOR intends to lease her property located at Plot No. 41 situated at Kisarawe II Area in Kigamboni Municipality (then Temeke Municipality) composed of 11.370 Ha with Certificate of Title No. 187735 having no significant unexhausted improvements (hereinafter called the "Demised Premise").
- ii. The LESSEE has accepted to undertake to enter into a Lease Agreement to occupy the said Demised Premise on the terms and conditions hereinafter appearing.
- iii. The LESSOR and LESSEE have accepted the terms and conditions of this Agreement.

NOW THIS AGREEMENT WITNESSETH as herein below:

1. That the monthly rent of the Demised Premise shall be Tanzanian shillings Five Million (Tshs. 5,000,000).

Initials of Lessor



Initials of Lessee



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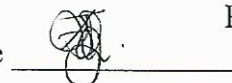
2. That the rent is payable bi annually in advance by lump sum of Tanzanian shillings **Thirty Million (Tshs. 30,000,000/-)** in each installment.
3. That the term of this Lease Agreement is for **twenty (20)** years, renewable on mutual terms. Effective commencement date is the **01st day of April 2021**.
4. That the **LESSEE** shall develop the Demised Premises by constructing permanent structures including but not limited to structures and buildings suitable for running and operating factory for producing electrical goods.
5. That at the end of the tenure herein created, the said structures and buildings so constructed, shall be the property of the **LESSOR**.
6. That any party may terminate this Agreement upon breach of fundamental term of the Agreement, provided the aggrieved party serves upon the guilty party, a thirty days notice of rectification of the said breach, and the guilty party fails to rectify the said breach within the notice period. Breach of a warrant term shall not constitute a ground of termination.
7. That any party may terminate this Agreement on convenience upon giving the other party a three months notice provided that if termination on this Clause is at the instance of the LESSOR, the LESSOR shall appoint a Registered Valuer at its costs, who is acceptable to the LESSEE, for valuation of the developments made by the LESSEE as of the date of termination and the LESSOR shall compensate the LESSEE of the value so established by the Valuer. If the termination is at the instance of the LESSEE, then the LESSEE shall pay the LESSOR one year Rent and the unexhausted improvements thereon shall be the property of the LESSOR.
8. That termination of the lease as aforesaid shall not prejudice the existing obligation during the tenure of the notice nor shall it prejudice any other legal redress available to either party.

The **LESSEE** hereby covenants with the **LESSOR** as follows:

Initials of Lessor



Initials of Lessee



- (i) That the **LESSEE** shall pay the reserved Rent of the Demised Premise as agreed herein above.
- (ii) That the **LESSEE** upon remittance of the first installment of Tanzanian Shillings Thirty Million (Tshs. 30,000,000) shall take possession of the Demised Premise.
- (iii) That the **LESSEE** shall keep the Demised Premise in tenable conditions by ensuring that the land constituting the Demised Premises is in the condition existing prior to entry thereto, save for the intended developments and construction of the factory.
- (iv) That the **LESSEE** shall be liable to pay all the charges, fees and any other costs that are associated with the occupation and development of the Demised Premises. Save for Land Rent, the **LESSEE** shall pay Property Tax and any other statutory taxes thereof.
- (v) The Lessee shall permit the **LESSOR** or his agent on notice at all reasonable time of the day before 6:00pm to enter the Demised Premise for routine inspections, provided the **LESSOR** gives a seven days notice.
- (vi) That the **LESSEE** shall not sub-lease the Demised Premise, save upon consent of the **LESSOR**.

The **LESSOR** hereby covenants with the **LESSEE** as follows:

- (i) The **LESSOR** shall lease and give physical possession of the Demised Premise to the **LESSEE** upon signing of this agreement and the **LESSEE** upon satisfying the conditions precedent set herein above.
- (ii) That the **LESSOR** shall ensure that the **LESSEE** enjoys peaceful and quiet possession of the Demised Premise and will provide reasonable assistance to solve difficulties not anticipated or provided for in this agreement.
- (iii) The **LESSOR** shall pay all land rent when due and payable on the Demised Premise.

Initials of Lessor



Initials of Lessee

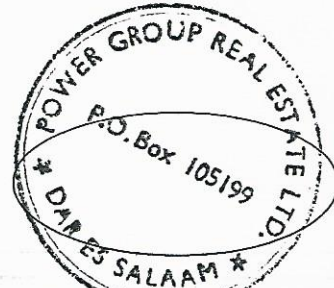


PROVIDED ALWAYS THAT, it is hereby agreed inter-parties as follows:

- (i) That in the event of Force Majeure, neither party shall be liable for failure to discharge its obligation provided that the effects of Force Majeure are reasonably proximate to the non execution of the contractual obligation.
- (ii) That parties to this Agreement may, by mutual consent, concede to alter, vary, add, or amend any of the provisions of this agreement at any time during the tenure of the Agreement by way of addendum.
- (iii) That the Agreement shall be in force for the duration stipulated above and shall automatically lapse by effluention of time unless notice of intention to renew is issued by the intending party and a new agreement shall be executed.
- (iv) This agreement shall be governed by the laws of United Republic of Tanzania.

WHEREFORE parties hereto have set their hands and signatures in execution of the Agreement as herein below appearing:

SEALED with COMMON SEAL of POWER
GROUP REAL ESTATE LIMITED in Our
Presence of this day of March 2021



SEAL/STAMP OF THE LESSOR

Name: CHARLES F. MLAWA
Signature: [Handwritten Signature]
Address: P.O. BOX 105199 DSM
Qualification: DIRECTOR

Name: ALOYCE I. NGOWI
Signature: [Handwritten Signature]
Address: P.O. BOX 105199 DSM
Qualification: DIRECTOR

Initials of Lessor [Handwritten Initials]

Initials of Lessee [Handwritten Initials]

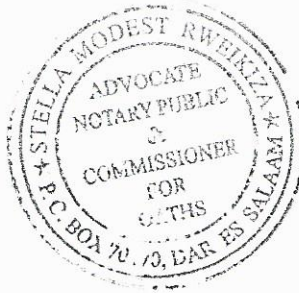
BEFORE ME,

Name: STELLA MODEST RWEIKIZA

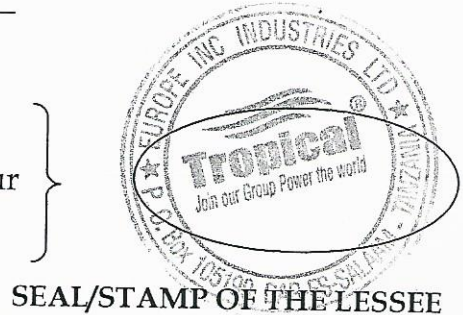
Signature: *Stella*

Address: Box 31373 DSM

Qualification: ADVOCATE



SEALED with COMMON SEAL of
EUROPE INC. INDUSTRIES LIMITED in Our
Presence of this day of March 2021



Name: CHARLES F. MLAWA

Signature: *[Signature]*

Address: P.O. BOX 105199 DSM

Qualification: DIRECTOR

Name: ALOYCE I. NGOWI

Signature: *[Signature]*

Address: P.O. BOX 105199 DSM

Qualification: DIRECTOR

BEFORE ME,

Name: STELLA MODEST RWEIKIZA

Signature: *Stella*

Address: Box 31373 DSM

Qualification: ADVOCATE



Initials of Lessor *[Signature]*

Initials of Lessee *[Signature]*