

SALE AGREEMENT

THIS AGREEMENT is made this 2nd of November 2020.

BETWEEN

I, **MOHAMED MOHAMED HUSSEIN** natural person of P.O.BOX 19147, Dar es Salaam, Tanzania as the sole owner (hereinafter called "**the Vendor**") of the one part.

AND

ULTRACEM CEMENT LIMITED of P.O.BOX 40707, Dar es Salaam, Tanzania, a Limited liability Company incorporated in Tanzania under the Companies Ordinance (Cap. 212) as repealed by The Companies Act (CAP 212 R.E. 2020) (herein after referred to as "**the Purchaser**") of the other part.

WHEREAS:

- A. **The Vendor** is a sole owner of land known as Plot no. 1 at **Block L Vijbwani Industrial Area** having L.O. Number **902253**, measuring **5384 Sqms (Five Thousand Three hundred and Eighty-Four Square Meters)** registered as Certificate of Title No. **168584 MTW** (hereinafter referred to as "**the Property**")
- B. **The Vendor** is desirous to sell and **the Purchaser** is desirous to buy the property and **the Purchaser** has, pursuant to various discussions with **the Vendor**, negotiated for purchase of the property pursuant to this Agreement;
- C. **The Vendor** have offered the Purchaser and the Purchaser has accepted to purchase the Property, subject to contract at a consideration of **T. Shs.600,000,000 only (Tanzanian Shillings Six Hundred Million Only)**.
- D. **Definitions:**
 - i. "Breach" means a breach of a representations, warranty, covenants, obligation, or other provision of this Agreement or any instrument delivered pursuant to this Agreement will be deemed to have occurred if there is or has been (a) any inaccuracy in or breach of, or any failure to perform or comply with, such representation, warranty, covenant, obligation, or other provision, or (b) any claim (by and Person) or other occurrence or circumstance that is or was inconsistent with such representation, warranty, covenant, obligation, or other provision, and the term "Breach" means any such inaccuracy, breach, failure, claim, occurrence, or circumstance.



Mohamed [Signature]

- ii. "Encumbrance" means any charge, claim, community property interest, condition, equitable interest, lien, option, pledge, security interest, right of first refusal, or restriction of any kind, including any restriction on use, voting, transfer receipt of income, or exercise of any other attribute of ownership.
- iii. "Person" means an individual, corporation (including any non-profit corporation), general or limited partnership, Limited Liability Company, joint venture, estate, trust, association, organization, labor union, or other entity or Governmental Body.
- iv. "Proceeding" means any action, arbitration, audit, hearing, investigation, litigation, or suit (whether civil, criminal, administrative, investigative, or informal) commenced, brought, conducted, or heard by or before, or otherwise involving, any Governmental Body or arbitrator.

IT IS HEREBY AGREED AS FOLLOWS:

1.0. CONSIDERATION

Subject to the terms and conditions of this Agreement and in consideration of the sum of Tanzanian Shillings **600,000,000 only** (T. Shs. **Six Hundred Million**) hereinafter called "Purchase Price", the Vendor agree to sell free from all encumbrances and the Purchaser agrees to buy the property.

2.0. MODE OF PAYMENT AND CONDITIONS PRECEDENT

2.1. The Vendor have agreed to transfer its granted right of occupancy and interest with respect to the property to **the purchaser**.

2.2. The Purchase Price will be paid in the following manner:

- i. An advance of T. Shs. 15 million will be paid at the time signing of this agreement.
- ii. Of the balance remaining amount post advance, 90 % will be paid after payment of Capital Gains Tax on behalf of the Vendor after adjusting for both advance paid and Capital Gains Tax amount AND upon handing over of Original Title Deed.
- iii. Final balance – 10 % - will be paid only after successful transfer of the property in the name of Purchaser.

2.3. The Purchase Price except for payment to Government Revenue Authority will be paid by the Purchaser, via Bank Transfer(s) / Cash Deposit(s) / Banker's Cheque(s) / directly by any banker, financial institution or any third party nominated by the Purchaser, directly to the Vendor's following bank account:

Name of the Beneficiary: **MOHAMED MOHAMED HUSSEIN**
Account Number: **30023271001**



Mohamed Hussein

Name of the Bank: **I&M BANK**
Bank Branch Name: **MAIN BRANCH**

3.0. POSSESSION OF THE PROPERTY

The Vendor shall vacate and give the possession of the property to the Purchaser upon payment of 90% as per clause 2.2 (ii) above along with the Original Certificate of Occupancy No. **168584** MTW.

4.0. TRANSFER DOCUMENTS

Immediately upon the execution of this agreement, **the Vendor** shall give to **the Purchaser** the following items and documents:

- i. Land Rent Exchequer receipt and Property Tax Receipt in support of Land Rent and Property Tax paid to the relevant authorities;
- ii. Transfer Deeds of the Right of Occupancy of 168584MTW
- iii. Land Forms No. 29, 30, and 35, the forms of which are attached hereto as Exhibit B;

5.0. CONFIDENTIALITY

This Sale Agreement is binding on **both the parties** and **the Vendor** promise to keep confidentiality until the time the ownership passes to **the purchaser**.


6.0. CAPITAL GAIN TAX & OTHER EXPENSES FOR TRANSFER

All expenses related directly to the transfer of the property shall be paid by the Purchaser. The payment of capital gains tax payable by the vendor shall be made by the Purchaser directly to the Government Revenue Authority on behalf of the Vendor and the amount is to be deducted from overall sale value payable to the Vendor.

7.0. WARRANTIES

- A. The Vendor confirm and acknowledge to the Purchaser that:
- a) The Vendor is the true sole owner and have full authority to sell the property to the purchaser.
 - b) The Property is sold free from all mortgages, charges and other security interests, restrictions, cautions, inhibitions, equities, easements, quasi-easements, rights of light and way, overriding interests and all other encumbrances whatsoever.
 - c) **The Vendor** shall indemnify **the Purchaser** against any claims or losses incurred to **the Purchaser** due to their misrepresentation.
 - d) **The Vendor** warrant that:



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- i. **The Vendor** have a good marketable right to the Property and that the Property is not subject to any mortgage, charge, lien, lease or other encumbrance of any nature whatsoever.
- ii. All information given by or on behalf of **the Vendor** to **the Purchaser** in the course of negotiations leading to this agreement was, when given, and remains true, complete and accurate in all respects and **the Vendor** is not aware of any facts or matters which would render such information untrue, incomplete, inaccurate or misleading.
- iii. The execution or completion of this agreement or performances of its terms will not result in any breach of any agreement to which **the Vendor** is a party or to any court order. **The Vendor** confirms that the property is not the subject matter of any litigation.
- iv. **The Vendor** has the absolute and unrestricted right, power, authority, and capacity to execute and deliver this Agreement and to perform its obligations under this Agreement.
- v. **The Vendor** confirms and assures that there is not any encroachment by/to the property onto/by any neighboring property.
- vi. **The Vendor** confirms and assures that there is not any intended expropriation of the property or any portion of it.
- vii. **The Vendor** confirms and assures that there is not any circumstances which (with or without the taking of any other action) would entitle any third party to exercise a right or power of entry or to take possession or which would in any other way effect or restrict the continued possession, enjoyment or use of the Property for its present purpose;
- viii. **The Vendor** is aware that **the Purchaser** has relied on the assurances, warranties and undertakings given by **the Vendor** with regard to the property and their authority to sell the Property.
- ix. **The Vendor** is not, nor will be, required to give any notice to or obtain any Consent from any Person in connection with the execution and delivery of this Agreement or the consummation or performance of any of clauses of this Agreement.
- x. No representation or warranty of **the Vendor** in this Agreement omits to state a material fact necessary to make the statements herein or therein, in light of the circumstances in which they were made, not misleading.
- xi. All above assurances, confirmation by the vendor are binding upon him including any event which hampers or prevents the transfer and/or peaceful use of the property to the purchaser or its assignee(s) as per the requirement of the laws.

B. **The Purchaser** confirm and acknowledge to **the Vendor** that:

- a) **The Purchaser** has a legal capacity to enter into this transaction.
- b) **The Purchaser** has financial capacity to enter into this transaction



8.0. UNTRUE REPRESENTATION AND WARRANTIES

If **the Purchaser** becomes aware that any representation or warranty of **the Vendor** in this Agreement is incorrect in any material respect, **the Purchaser** shall promptly notify **the Vendor** of such incorrectness. **The Purchaser** shall have the right to claim all financial and other incidental losses from **the Vendor** which has incurred to **the Purchaser** due to such misrepresentation by **the Vendor**.

- a) **The Vendor** acknowledge that payment of the purchase price in the manner provided in clause 1 above fully discharges the obligation of **the Purchaser** under this agreement.
- b) Any condition of this Agreement which is capable of being performed after but which has not been performed at or before the final payment and all warranties and indemnities contained in or entered pursuant to this Agreement shall remain in full force and effect notwithstanding completion.

9.0. DISPUTE SETTLEMENT

In the event of a dispute arising from or relating to this Agreement the parties shall endeavor to settle such dispute amicably, failing which the aggrieved party may institute legal proceedings as per applicable laws of Tanzania.

10.0 TERMINATION / REFUNDS

In the event **the Purchaser** fails to pay to **the Vendor** the Purchase Price pursuant to Clause 2.0 of this Agreement, **the Vendor** shall have the option to terminate this Agreement.

In case for any reason, if the land is not transferred to the Purchaser after the agreement is signed, then all advances paid by Purchaser and expenses incurred and any payments made to Government Revenue Authority on behalf of Vendor shall be paid back to the Purchaser immediately and without reason to be provided to the Vendor.

11.0 FINALITY OF AGREEMENT

This Agreement constitutes the complete agreement between the parties and it cannot be amended or modified except by a written document signed by each party.

If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

The headings of Sections or Clauses in this Agreement are provided for convenience only and will not affect its construction or interpretations.



12.0 APPLICABLE LAW

This agreement shall be governed by and construed in accordance with the Laws of Tanzania.

13.0 ASSIGNMENT

The purchaser may assign or transfer to any individual, entity or person all or any portion of its rights and obligations under this Agreement without the prior written consent of **the Vendor**.

14.0 DEFAULT

14.1 In the event that **the Vendor** should default in its obligations pursuant to the terms of this agreement, **the Purchaser** shall have the right to take any one or more of the following action;

- a) Enforce its rights under this Agreement by specific performance or obtain other equitable relief; and
- b) Pursue all rights and remedies available at law or in equity.
- c) To recover any expenses / taxes or other payments made under this agreement directly to **the Vendor** or paid to anyone on his behalf.

IN WITNESS whereof the parties hereto have duly executed this Sale Agreement in the Manner hereinafter appearing:

SIGNED and DELIVERED by the said
MOHAMED MOHAMED HUSSEIN
 of P.O.BOX 19147 Dar es Salaam
 Who is known to me personally/identified
 To me by GEORGE VEDASTO
 The latter being known to me personally
 In my presence this 2ND
 Day of **NOVEMBER 2020**

Mohamed



Signature: [Signature]
 Postal Address: P.O. BOX 35073, DAR
TANZANIA
 Qualifications: ADVOCATE



Mohamed [Signature]

SEALD with the COMMON SEAL of
ULTRACEM CEMENT LIMITED

of P.O.BOX 40707 Dar es Salaam

And delivered in our presence

In my presence this 2nd Day of November 2020



Signature:

[Handwritten Signature]

Name:

Pawan Khallwa

Designation:

Director

Signature:

[Handwritten Signature]

Name:

SAJIV KUMAR

Designation:

Auto-Signatory



[Handwritten signatures]