


Dated 16<sup>th</sup> October 2020

**Property Purchase Agreement**  
relating to Plot 105, Kisarawe II, Temeke  
Dar es salaam, Tanzania

Certified true copy of the Original  
Signature:  Date: 25/2/2021  
SAMUEL SHADRACK NTABALIBA  
Advocate, Notary Public & Commissioner  
for Oaths

This Property Purchase Agreement (**Agreement**) is made on 16<sup>th</sup> October 2020

**Between:**

(1) Mwaninga Properties Limited, a company incorporated and registered in the United Republic of Tanzania with company number 102684 whose registered office is at Plot No. 368, Block B, 3rd Floor, Selous House, Oysterbay Office Complex, Oysterbay, Dar es Salaam, Tanzania (**Seller**); and

(2) Majestic Holdings Limited, a company incorporated and registered in the United Republic of Tanzania with company number 141165038 whose registered office is at Plot No. 9, Nyerere Road, Dar es Salaam, Tanzania (**Buyer**).

**Background**

- A. The Seller recently completed the purchase of the Property but has not yet lodged its application for first registration of the Seller as registered proprietor of the Property with the Ministry of Lands and Human Settlements (**Land Registry**) and consequently has not yet been registered at the Land Registry as proprietor of the title to the Property (**the pending registration**).
- B. Notwithstanding the pending registration, the Seller has agreed to sell and the Buyer has agreed to purchase the legal and beneficial title to the Property pursuant to and in accordance with the terms and conditions of this Agreement.

It is agreed as follows:

**1. Definitions and Interpretation**

**BoT** means the central bank of the United Republic of Tanzania;

**Business Day** means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general business in Dar es Salaam;

**Buyer's Permitted Use** means the use of the Property for the industrial and manufacturing related activities of the business carried out by the Buyer including, but not limited to the manufacture, production, supply and distribution of cardboard boxes and paper related packing materials or any part of it;

**Completion** means the completion of the purchase by the Buyer of the Property pursuant to and in accordance with Clause 6 (*Completion*);

**Completion Longstop Date** means 31 December 2020.

**Completion Date** means the date on which Completion occurs;

**Conditions Precedent** means the condition precedent documents and other evidence listed in Schedule 2;

**Determining Authority** means the local planning authority or other appropriate determining body or person;

**Disclosed** means fairly, fully, clearly and accurately disclosed (with sufficient details to identify the nature and scope of the matter disclosed) in writing to the Buyer prior to the date of this Agreement;

**Effective Date** means the date the pending registration has been completed and (i) the Seller is in possession of a certificate of occupancy (title deed) issued by the Land Registry, in form and substance satisfactory to the Buyer and (ii) the Buyer has complied with the Purchase Price Payment Schedule;

**Encumbrance** means any any mortgage, charge (fixed or floating), pledge, lien, assignment, hypothecation, title retention, guarantee, trust, right of set-off or other third party right or interest (legal or equitable) including any assignment by way of security, reservation of title or other security interest of any kind, however created or arising or any other agreement or arrangement (including a sale and repurchase agreement) having similar effect;

**Event of Termination** means any event or circumstance specified as such in Clause 11 (*Termination*);

**Force Majeure Event** means any circumstance not within a party's reasonable control including, without limitation: (i) acts of God, flood, drought, earthquake or natural disaster, (ii) terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations or (iii) nuclear, chemical or biological contamination or sonic boom;

**Interest Rate** means interest at the rate of ten per cent. (10%) per annum;

**Party** means a party to this Agreement;

**Plan** means the plan annexed to this Agreement and marked as Schedule 4;

**Property** means the property located at Plot 105, Kisarawe II, Temeke, Dar es salaam, Tanzania and shown more particularly delineated in red on the Plan, for which the Seller has made an application for first registration with the Land Registry;

**Property Sale Proceeds Account** means the designated bank account of the Seller (as notified to the Buyer in writing) for the purpose of receiving the Purchase Price;

**Purchase Price** means the purchase price for the Property (inclusive of any applicable Taxes, save for stamp duty) set out in Schedule 1, Part 2;

**Purchase Price Payment Schedule** means the schedule of designated milestones upon which payments of the Purchase Price are required to be made by the Buyer, set out in Schedule 1, Part 3;

**Seller's Warranties** means the warranties and representations given by the Seller pursuant to Clause 10 (*Warranties*) and set out in Schedule 3;

**Taxes or Taxation** all forms of taxation and statutory, governmental, state, federal, provincial, local, government or municipal charges, duties, imposts, contributions, levies, withholdings or liabilities wherever chargeable and whether of the United Republic of Tanzania or any other jurisdiction; and any penalty, fine, surcharge, interest, charges or costs relating thereto; and

**VAT** means value added tax as provided for in the Value Added Tax Act 2014.

1.2 Clause, Schedule and paragraph headings shall not affect the interpretation of this Agreement.

1.3 References to clauses and Schedules are to clauses and Schedules to this Agreement.

1.4 The Schedules form part of this Agreement and shall have effect as if set out in full in the body of this Agreement. Any reference to this Agreement includes the Schedules.

1.5 A reference to a company shall include any company, corporation or other body corporate, wherever and however incorporated or established.

1.6 A reference to this Agreement or any other agreement or document referred to in this Agreement, is a reference to this Agreement or such other agreement or document as varied, superseded or novated (in each case, other than in breach of the provisions of this Agreement or the provisions of the agreement or document in question, as appropriate) from time to time.

1.7 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

1.8 A person includes a natural person, corporate or unincorporated body (whether or not having a separate legal personality).

1.9 A reference to a party shall include that party's personal representatives, successors and permitted assigns.

1.10 This Agreement shall be binding on and enure to the benefit of, the parties to this Agreement and their respective personal representatives, successors and permitted assigns, and references to a party shall include that party's personal representatives, successors and permitted assigns.

1.11 Unless expressly provided otherwise in this Agreement, a reference to writing or written includes fax and email.

1.12 Any obligation on a party not to do something includes an obligation not to allow that thing to be done.

## **2. Conditions Precedent**

2.1 Completion is subject to and conditional upon the Buyer receiving the Conditions Precedent in form and substance satisfactory to the Buyer (the Buyer shall notify the Seller promptly upon being so satisfied).

2.2 The Seller shall use best endeavours to procure that the Conditions Precedent are satisfied as soon as reasonably practicable and in any event no later than the Completion Longstop Date.

## **3. Sale and Purchase of the Property**

Subject to the terms of this Agreement and satisfactory fulfilment and/or receipt of all the Conditions Precedent in accordance with Clause 2 (*Conditions Precedent*) above, the Seller shall sell with full title guarantee and free from Encumbrances and the Buyer, shall buy the Property for the Purchase Price.

## **4. Purchase Price**

4.1 The Buyer shall pay the Purchase Price in accordance with the Purchase Price Payment Schedule.

4.2 All payments to be made to the Seller under this Agreement shall be made in United States Dollars (where reasonably practicable). If there is a shortage or unavailability of USD in the local market and the Buyer has taken reasonable steps to procure USD at first instance, Tanzanian

Shillings (based on the prevailing TSH/USD market rate set by BoT on the date of payment and mutually agreed between the parties) shall be deemed an acceptable currency for payment of the Purchase Price.

4.3 All payments in connection with the Purchase Price shall be by electronic transfer in cleared funds to the Property Sale Proceeds Account.

4.4 The Purchase Price includes all amounts in respect of Taxes (as may be applicable) with the exception of stamp duty. No extra or additional amounts (save for the applicable stamp duty) may be charged for the Property unless agreed in writing and signed by the Buyer.

## 5. VAT

All amounts set out or expressed in this Agreement to be payable by the Buyer to the Seller which (in whole or in part) shall be deemed by the parties to be VAT exempt in accordance with professional advice obtained in line with the laws of the United Republic of Tanzania. In the unlikely event that VAT becomes chargeable on any supply made by the Seller to the Buyer under this Agreement, the parties shall engage in good faith discussions and mutually agree a way forward with respect to any VAT liability.

## 6. Possession

Notwithstanding Clause 3 (*Sale and Purchase of the Property*), with effect from the Effective Date, the Seller shall grant possession and actual occupation of the whole of the Property to the Buyer on an exclusive basis. If an Event of Termination occurs and is duly exercised or acted upon by the Buyer which has the effect of terminating this Agreement, the Buyer shall vacate the Property and return possession to the Seller in its original condition within a reasonable time frame (mutually agreed between the Parties).

## 7. Completion

7.1 Completion of the sale and purchase of the Property shall take place on the Completion Date at the offices of the Seller.

7.2 Subject to Seller having complied with its obligations in Clause 2 (*Conditions Precedent*), the Buyer shall pay the outstanding balance of the Purchase Price in accordance with Clause 4 (*Purchase Price*) and provide evidence by way of SWIFT confirmation in respect of the electronic transfer of funds.

## 8. Title Guarantee

The Seller will transfer the Property with full title guarantee free from Encumbrances.

## 9. Buyer's Acknowledgement of Condition

The Buyer acknowledges that, prior to the Effective Date, the Seller has given the Buyer and others authorised by the Buyer, permission and the opportunity to inspect, survey and carry out investigations as to the condition of the Property. The Buyer has formed its own view as to the condition of the Property and the suitability of the Property for the Buyer's purposes.

## 10. Warranties

10.1 The Seller:

- (a) acknowledges that the Buyer is entering into this Agreement on the basis of, and in reliance on, the Seller's Warranties; and
- (b) warrants and represents to the Buyer that, except as Disclosed, each Warranty is true, accurate and not misleading on the date of this Agreement and is repeated on each day up to and including the Completion Date.

10.2 Each of the Warranties is separate and, unless expressly provided otherwise, is not limited by reference to any other Warranty or any other provision in this Agreement.

## 11. Event of Termination

Each of the events or circumstances set out in this Clause 11 (*Event of Termination*) is an Event of Termination (save for Clauses 11.6 to 11.11 (inclusive)). Without any other right or remedy available to it, the Buyer may elect to terminate this Agreement with immediate effect by giving notice to the Seller if any of the following event(s) occur:

11.1 If any of the Conditions Precedent are not satisfied (in accordance with Clause 2 (*Conditions Precedent*)) by the Completion Longstop Date.

11.2 Upon the occurrence of a Force Majeure Event.

11.3 Any corporate action, legal proceedings or other procedure or steps are taken against the Seller or the Property (where applicable) in relation to:

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise);
- (b) a composition, compromise, assignment or arrangement with any creditor;
- (c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer;
- (d) enforcement of any Encumbrance, or any analogues procedure or step is taken in any jurisdiction.

11.4 Any representation, warranty or statement made or deemed to be made by the Seller is or proves to have been incorrect or misleading when made or deemed to be made.

11.5 The Seller fails to comply with the provisions of, or does not perform its obligations under this Agreement.

11.6 On and at any time after the occurrence of an Event of Termination, the Buyer (acting reasonably), may by giving five (5) Business Days notice to the Seller:

- (a) terminate this Agreement; and
- (b) declare that all or any part of the Purchase Price paid by the Buyer to the Seller, be refunded and payable within 20 Business Days.

11.7 Pursuant to Clause 11.6 above, upon the Buyer notifying the Seller of an Event of Termination, the Seller shall immediately refund (in whole) 100% of the amount paid to the Seller (to date), to the Buyer's designated bank account within 20 Business Days of the date of the termination notice.

11.8 Pursuant to Clause 11.6 above, upon the Buyer notifying the Seller of Event of Termination relating to Clause 11.2 specifically, the Seller shall refund (in whole) 95% of the amount paid to the

Seller (to date), to the Buyer's designated bank account within 20 Business Days of the date of the termination notice. For the avoidance of doubt, the remaining 5% of the amount paid shall be retained by the Seller and deemed to be a non-refundable deposit.

11.9 If the Seller fails to pay any amount payable pursuant to Clauses 11.7 and 11.8 above, on its due date, interest shall accrue on the overdue amount (on a daily basis) from the due date up to the date of actual payment (both before and after judgement) at the Interest Rate. The Seller shall pay the interest together with the overdue amount.

11.10 If the Buyer fails to pay the balance of the Purchase Price in accordance with Clause 7.2 above, interest shall accrue on the overdue amount (on a daily basis) from the due date up to the date of actual payment (both before and after judgement) at the Interest Rate. The Buyer shall pay the interest together with the overdue amount.

11.11 If the Buyer fails to pay the balance of the Purchase Price within 20 Business Days of satisfaction of the Conditions Precedent pursuant to Clause 2 (*Conditions Precedent*), the Seller shall be entitled to terminate this Agreement and retain the First Installment of the Purchase Price.

## **12. Costs and Expenses**

Except as expressly provided in this Agreement, each Party shall pay its own costs incurred in connection with the negotiation, preparation and execution of this Agreement and any documents referred to in it.

## **13. Further Assurance**

Each Party shall do or procure to be done all such further acts and things and execute or procure the execution of all such other documents as may reasonably be required for the purpose of giving full effect of the provisions of this Agreement.

## **14. Confidentiality and Announcements**

Except to the extent required by law or any legal or regulatory authority of competent jurisdiction:

- (a) no Party shall at any time disclose to any person (other than any professional advisers) the terms of this Agreement or any trade secrets or other confidential information relating to the Property or the Buyer, or make any use of such information other than to the extent necessary for the purpose of exercising or performing the Parties respective rights and obligations under this Agreement; and
- (b) no Party shall make, or permit any person to make any public announcement, communication or circular concerning this Agreement.

## **15. General**

15.1 This Agreement (together with the documents referred to in it) constitute the entire Agreement between the parties and supersedes and extinguishes all previous discussions, correspondence, negotiations, drafts, agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

15.2 This Agreement is personal to the Parties and neither party shall assign, transfer, mortgage, charge, declare a trust of, or deal in any other manner with any of its rights and obligations under this Agreement without the prior written consent of the other Party.

15.3 No variation of this Agreement shall be effective unless it is in writing and signed by the Parties (or their authorised representatives).

15.4 No failure or delay by a party to exercise any right or remedy provided under this Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any right or remedy. A waiver of any right or remedy under this Agreement or by law is only effective if it is in writing.

15.5 Except as expressly provided in this Agreement, the rights and remedies provided under this Agreement are in addition to, and not exclusive of, any rights or remedies provided by law.

15.6 If any provision or part provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.

## **16. Successors bound**

This Agreement shall be binding upon and enure for the benefit of the permitted successors, heirs, assigns and personal representatives (as the case may be) of each of the parties hereto.

## **17. Notices**

Any notice or other communication given or made under this Agreement shall be dispatched by letter (personally delivered by courier) to the relevant Party at the designated registered address set out on page 1 of this Agreement or to the following email address:

(a) The Buyer      Majestic Holdings Limited

Email:              [raji@boxfactorytz.com](mailto:raji@boxfactorytz.com)

(b) The Seller      Mwaninga Properties Limited

Email:              [ankush@sumaria.biz](mailto:ankush@sumaria.biz)

## **18. Governing Law and Jurisdiction**

18.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of the United Republic of Tanzania.

18.2 Each party irrevocably agrees that the courts of the United Republic of Tanzania shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

**This Agreement has been entered into on the date stated at the beginning of it.**

## Schedule 1

### Part 1: Property

Property	Plot 105, Kisarawe II, Temeke, Dar es salaam, Tanzania (shown more particularly delineated in red on the Plan).
----------	--

### Part 2: Purchase Price

Purchase Price	\$850,000 (inclusive of any applicable Taxes, save for stamp duty) (United States Dollars Eight Hundred Fifty Thousand)
----------------	--

### Part 3: Purchase Price Payment Schedule

The Buyer shall pay the Purchase Price in accordance with the following payment schedule:

Instalment	Amount	Due date
First Installment	\$245,000 (United States Dollars Two Hundred Forty Five Thousand)	Effective Date.
Final Installment	\$595,000 (United States Dollars Five Hundred Ninety Five Thousand)	Completion Date.

## Schedule 2

### Conditions Precedent

The Seller shall deliver, or procure delivery, to the Buyer of or make available to the Buyer:

- (a) a certificate of occupancy (title deed) issued by the Land Registry which confirms (i) the Buyer has title absolute to the whole of the Property and (ii) the Property can be utilised for the Buyer's Permitted Use as well as all any other documents necessary to prove good and marketable title to the Property; and
- (a) confirmation of tax clearance from the Tanzania Revenue Authority and Land Registry in respect of all Taxes relating to the Property (historical and present).

## Schedule 3

### Seller's Warranties

The Seller represents and warrants to the Buyer:

#### Capacity

- (a) it has the requisite power and authority to enter into and perform this Agreement and the documents referred to in it to which it is a party, and they constitute valid, legal and binding obligations in accordance with their respective terms;
- (b) execution and performance of this Agreement and the documents referred to in it to which the Seller is a party will not breach or constitute a default under any agreement, instrument, order, judgement or other restriction which binds it;

#### Particulars of the Property

- (c) the particulars of the Property set out in Schedule 1, Part 1 are true, complete and accurate;

#### Title

- (d) it is solely legally and beneficially entitled to, and shall deliver a good and marketable title to, the Property;
- (e) the documents of title relating to the Property to be delivered to the Buyer on Completion will be an original document, properly stamped and registered by the Land Registry;

#### Encumbrances

- (f) no Encumbrance has been granted to any person or otherwise exists affecting the Property (and the proceeds of sale from it), and no commitment to create any such Encumbrance has been given, nor has any person claimed any such rights;
- (g) there are no covenants, restrictions, stipulations, easements, wayleaves, licenses, grants or other Encumbrances (whether private or public nature, and whether legal or equitable) affecting the Property which are of an onerous or unusual nature, or affect their value, or which conflict with the Buyer's Permitted Use of the Property;
- (h) there are no circumstances which (with or without taking other action) would entitle any third party to exercise a right of entry to, or take possession of all or any part of the Property, or which would in any other way affect or restrict the continued possession, enjoyment or use of any of the Property;

#### Statutory obligations

- (i) it has complied with all applicable statutory byelaw requirements, and all regulations, rules and delegated legislation, relating to the Property; and

## **Disputes**

- (j) there exists no dispute between the Seller and the owner or occupier of any other premises adjacent to or neighbouring the Property and the Seller does not expect, and is not aware of any circumstances that may give rise to, any such dispute after the date of this Agreement.

**Schedule 4**

**Plan**

soil and  
ed by the

within six

lands.

day of

'B' Uses  
Class

hout the

scribed  
nt of all

Execution Page

Executed as a deed by  
Majestic Holdings Limited  
acting by two duly authorised directors in  
the presence of:

)  
) sign here: *[Signature]*  
)  
)

*[Signature]*  
Signature of witness

print name: *SUMIYA SHABBAR KERMALI*

Name: *JUL PERILO*  
Address: *P.O BOX 5781 PSM*  
Occupation:

sign here: *[Signature]*

print name: *MUSTAFA KARIMALI FAZAL*

Executed as a deed by  
Mwaninga Properties Limited  
acting by two duly authorised directors in  
the presence of:

)  
) sign here: *[Signature]*  
)  
)

*[Signature]*  
Signature of witness

print name: *DIPEN SHAH*

Name: *SALIMA LACHANI*  
Address: *BOX 3016 D'SALAAM*  
Occupation: *COMPANY SECRETARY*

sign here: *[Signature]*

print name: *JAYESH G SHAH*

