

LEASE AGREEMENT

HARISH PREMJI

AND

FERROTECH AFRICA LIMITED

In relation to the property comprised in

Plot No. 25 situated at Saibaba Street, Tabata Industrial Area within Ilala Municipality, Dar es salaam.

Certificate of Title No. 181899

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LEASE AGREEMENT

THIS LEASE AGREEMENT ("**Lease Agreement**") is made on this _____ day of _____, 2021

BETWEEN

HARISH PREMJI of P.O. Box 21453, Dar es Salaam, Tanzania with Passport no./ National ID no 19611031-11103-00001-21.....(hereinafter referred to as the "**Lessor**" which expression unless it be repugnant to the context and meaning thereof means and includes its successors in title and assigns) of the first part;

AND

FERROTECH AFRICA LIMITED, a company incorporated in Tanzania under the Companies Act, Act No. 12 of 2002 of the Laws of the United Republic of Tanzania of P.O. Box 1777 Dar es Salaam, Tanzania (hereinafter referred to as the "**Lessee**" which expression unless it be repugnant to the context and meaning thereof means and includes its successors in title and assigns) of the second part;

The Lessor and the Lessee hereinafter together will be referred to as the "**Parties**" and individually a "**Party**".

PREAMBLE

- A. **WHEREAS** the Lessor is the absolute owner of the Godown and accordingly absolutely entitled to use, occupy, possess and let out the premises on Plot No. 25 situated at Saibaba Street, Tabata Industrial Area within Ilala Municipality, Dar es salaam with Title No 181899 (Demised Premises).
- B. **WHEREAS** the Lessee has approached the Lessor with the request to allow the Lessee to occupy and use the Demised Premises on a lease rental basis.
- C. **AND WHEREAS** the Lessor has agreed to grant the Demised Premises to the Lessee on a Lease rental basis on the terms and conditions herein provided.

NOW THEREFORE THIS LEASE AGREEMENT witnesses as follows:

1 DEMISED PREMISES

- 1.1 The Demised Premises leased hereunder comprises of a Warehouse and a office premises and open ground of approximate 6158 sqm. The Lessor hereby agrees and acknowledges that the Lessee may at its own costs, do any refurbishment work on the Demised Premises or additional structural changes to the Demised Premises.

Handwritten signatures and initials in blue ink, including a large signature and the number '1' at the bottom right of the page.

2 TERM

The term of the Lease Agreement shall commence from 1st September 2021 and shall be in force for a period of Three (3) years until 31st August 2024 ("Lease Term") on the same terms and conditions contained herein below.

3 LEASE RENEWAL

3.1 This Lease Agreement shall be automatically renewed for such further period of three (3) years EVERY three (3) years from 1st September 2024 to 31st August 2030 for a total of 9 years starting on 1st September 2021. We have pre agreed the rent increment terms to be 5% increase in rent every 3 years between 1st September 2021 and 31st August 2030.

4 RENTAL AND CONDITION PRECEDENT

4.1 Payment of the rent

4.1.1 pursuance of the said agreement and in consideration of the rent hereby granted and the tenant's covenants hereinafter mentioned, the Landlord hereby demise unto the tenant the demised Land to hold the same without any interference whatsoever, for a period above mentioned at a lease fee of USD 6,000 per month inclusive of VAT per month; payable in advance every 6 months

4.1.2 If the Lessee fails to pay rent charges under this Lease within Seven(7) days from the due date (whether formally demanded or not), the Lessee shall be liable to pay to the Lessor Interest at the rate of 1% penalty/interest per month to be paid in full for that particular month.

4.1.3 The lease fee shall increase by 5% after every 3 years during the lease term; and

4.1.4 The Lessee shall pay the Lessor a rent of the demised premises on every 6 months in advance from the date of commencement of the lease agreement.

4.2 The Lessee shall pay Monthly Lease Rental into the Lessor's bank account set out below:

Bank Name:	[•]
Account Name:	[•]
Account Number:	[•]
Account Currency:	[•]
Bank Branch:	[•]
SWIFT:	[•]

5 WITHHOLDING TAX AND STAMP DUTY

- 5.1 The Lessor hereby acknowledges and agrees that the Lessee shall withhold from the monthly lease rental any and all such amounts as may be chargeable under the Income Tax Act, 2004 being taxation payable by the Lessor as withholding tax in relation to this lease agreement.
- 5.2 The Lessee shall provide the Lessor with the certificate/receipt evidencing payment of the withholding tax within 15 days from the date the withholding tax is remitted to the TRA.
- 5.3 The Lessee shall pay the stamp duty on this lease agreement provided for under the Stamp Duty Act, which shall be at the expense of the lessor.
- 5.4 The Lessee shall remit the withholding tax to the TRA in a timely manner and provide the Lessor with proof of payment.

6 COVENANTS OF THE LESSOR

The Lessor hereby covenants with the Lessee as follows:

- 6.1 That the Lessor shall be responsible for small repairs and maintenance of the Demised Premises before the lessess move in.
- 6.2 That the Lessor shall furnish the Lessee certified copies of documents related to government Approval on Drawings, deed plan and building permit for the Demised Premises; The Lessess shall borne charges for certifying the copies.
- 6.3 That the Lessor shall ensure to course to erect or build a proper bump kind of a barrier that will block water from entering the Demised Premises.
- 6.4 That the Lessor shall hand over to the Lessee the Demised Premises with the godown intact; proper roofing; door,
- 6.5 Electricity and Water Charges:
- 6.5.1 the Lessor shall pay all the electricity and water charges generated before signing this Lease Agreement and make sure there are no pending dues with the Tanzania Electric Supply Company Limited ("TANESCO") and Dar es Salaam Water and Sewerage Corporation ("DAWASCO");
- 6.5.2 the Lessee shall not be liable for any pending dues of the Lessor incurred before signing of this Lease Agreement;
- 6.5.3 in absence of any agreement otherwise, the Lessor shall allow the Lessee vacate with all revamped.
- 6.6 That the Lessee shall peacefully hold and enjoy the Demised Premises during the Lease Term without interruption by the Lessor or any person claiming under or in trust for the Lessor. However, the Lessor or his representative shall be at liberty to inspect the Demised Premises, at all reasonable hours after giving reasonable prior notice of such inspection to the Lessee;

6.7 That the Lessor shall pay all rates, assessments, impositions, including Government Land Rent, Property taxes and Municipal rates which now are or at any time during the Lease Term may be assessed or imposed on the Demised Premises or any part thereof by the Government or Municipal local or other authority save for the express provisions to the contrary herein; and

6.8 That this Lease Agreement shall continue to inure on the terms mentioned herein.

7 LESSEE'S COVENANTS

The Lessee hereby covenants with the Lessor as follows:

7.1 That the lessee shall pay the rent reserved by this lease agreement at the time and manner specified in the lease agreement;

7.2 That the Lessee shall provide the Lessor with withholding certificate as per clause 5.2 herein.

7.3 That the Lessee shall use the demised premises solely for investment purposes and auxiliary services incidental thereto. The lessee shall not sublet, sub-lease or part with possession of the demised premises, except with prior approval of the Lessor, or create any encumbrance of whatsoever nature thereon and it shall not carry out any hazardous, noxious, offensive or unlawful activity in the demised premises or any part thereof, nor shall do anything therein which may be or may cause harm to the residents and other occupants in the neighbourhood;

7.4 During the Lease Term, the Lessee shall pay the electricity and water charges as incurred;

7.5 That the lessee shall pay for all the fee on garbage collection;

7.6 That shall maintain the Demised Premises in good condition during the lease term.

7.7 That the lessee shall not assign or otherwise transfer its rights, duties and obligations under this lease agreement or any part thereof to any third party, without the prior written consent of the lessor;

7.8 That the lessee shall permit the lessor or his agent or employees at all convenient times and after reasonable noticed to enter on the demised property to examine its condition and to undertake any repairs and make good any defects for which the lessor is responsible;

7.9 That notwithstanding any provision contained herein, the lessee hereby gives irrevocable power and authority without any recourse to the lessor to enter the demised premises with or without permission of the lessee on the expiry of the lease term and remove all the possessions of the lessee in order to secure vacant possession of the demised premises, if the lessee shall fail to remove the possessions on the last date of the lease term in the circumstances, the lessor shall act as agent of the lessee;

- 7.10 To Insure and keep insured its business and the demised premises against loss or damage by fire, theft, or such other risk in the rented premises as are commonly insured with a recognized insurance company in Tanzania.
- 7.11 That during the lease term, the lessee shall be responsible at its own costs for the maintenance, repairs of all wear and tear of the demised premises; and

8 LESSOR WARRANTIES

- 8.1 The Lessor hereby represents and warrants to the Lessee that:
- 8.1.1 the Lessor is the sole legal owner of the Demised Premises and it is authorised to lease the Demised Premises to the Lessee;
 - 8.1.2 the Demised Premises are leased to the Lessee in accordance with the authorised use of the Demised Premises in accordance with applicable laws and regulations;
 - 8.1.3 the Demised Premises is not subject to any environmental concerns.

9 FORCE MAJEURE

- 9.1 In this Clause 9 " Force Majeure" means an event beyond the control of the Lessor and the Lessee, which prevents a Party or the Parties from complying with any of its obligations under this Lease Agreement, including but not limited to:
- 9.1.1 act of God (such as, but not limited to, fires, explosions, earthquakes, drought, tidal waves and floods);
 - 9.1.2 war, hostilities (whether war be declared or not), invasion, act of foreign enemies, mobilisation, requisition, or embargo;
 - 9.1.3 rebellion, revolution, insurrection, or military or usurped power, or civil war;
 - 9.1.4 contamination by radio-activity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel, radio-active toxic explosive, or other hazardous properties of any explosive nuclear assembly or nuclear component of such assembly;
 - 9.1.5 acts or threats of terrorism.
- 9.2 Neither the lessor nor the lessee shall be deemed to be in breach of its covenant and obligation under this lease agreement in so far as it is able to establish that fulfillment of the covenant or obligation has been prevented by force majeure. In such a case, each party shall bear its own costs arising from the force majeure events provided that the party invoking force majeure, shall notify the other party as soon as a force majeure event occurs.
- 9.3 If the Force Majeure event lasts for Ninety (90) days or more without interruption or it is presumed that it will last for that long period, each Party shall be entitled to terminate this Lease Agreement by giving written notice to the other Party and the Lessor shall refund to the Lessee any rent received in advance for the unexpired period of the Lease Term.

10 ENTIRE AGREEMENT

- 10.1 This Lease agreement incorporates the entire agreement between the lessor and the lessee and no alteration, consensual or variation hereof shall be of any force or effect unless it is in writing and signed by both the lessor and the lessee. Both parties hereby acknowledge that no representations or warranties have been made by either the lessor or the lessee, nor are there understandings or terms of lease, other than those set out therein.

11 TERMINATION

- 11.1 This Lease Agreement shall terminate under any or all the following circumstances:
- 11.1.1 in the event of non-payment of lease rental by the Lessee;
 - 11.1.2 If either party shall desire to terminate the contractual term hereby granted, then the party desiring to terminate shall give to the other party no less than six (6) months' notice in writing of such desire. In the event of such termination, the Lessee shall pay the Rent and reserved and contained. Such notice can only be issued after lapse of the Twelve **(12) calender months from the date of commencement of the Lease.**
 - 11.1.3 The Notice under clause 11.1.2 shall only be issued before the lapse of Nine (9) years in the event of the circumstances provided under clause 11.1.1, 11.1.4 and 11.1.5 of this Lease Agreement.
 - 11.1.4 Upon Mutual agreement (consent in writing) by both parties to terminate the agreement before the lease expiry.
 - 11.1.5 in the event of a material breach of any of the material terms and conditions of this Lease Agreement by either Party.

12 NOTICES

- 12.1 Any notice under this Lease Agreement shall be in writing.
- 12.1.1 any notice to the Lessee shall be sufficiently served if addressed to it and left at the demised premises and sent by registered post addressed to it at its usual place of business; and
 - 12.1.2 any notice to the lessor shall be sufficiently served if sent to the lessor by registered post addressed to it or if addressed to it and left at its usual place of business.
 - 12.1.3 When the Lessor exercises the right under clause 11.1.4 herein or when on his own reason wants to terminate the lease agreement shall give the Lessee Twelve (12) month's notice to vacate the Demised Premises.
 - 12.1.4 When the Lessee exercises the right under clause 11.1.4 herein or when on his own reason wants to terminate the lease agreement shall give the Lessor Twelve (12) month's notice to vacate the Demised Premises.

12.2 In absence of any other agreement herein all written notices to be given by the Parties in connection with this Lease Agreement shall be ninety (90) days addressed to the official address of the Party intended to receive the notice.

13 SEVERABILITY

Should any term in this Agreement be held invalid or unenforceable, the remainder of the Agreement shall not be affected thereby and shall remain valid and enforceable to the extent permitted by law. The Parties shall use their best endeavours to agree a valid and enforceable replacement which, as far as possible, achieves materially the same effect.

14 CONFIDENTIALITY

14.1 The Parties agree and undertake that they and their respective directors, employees, advisers, assigns, contractors, sub-contractors or agents will treat and safeguard as strictly private and confidential the terms and conditions of this Agreement and will not at any time, without the prior written consent of the others, disclose or reveal such terms and conditions to any other person whatsoever unless a) such matter is in the public domain (by reason other than disclosure by that Party), b) if any Party shall be compelled by any judicial authority (including, but not limited to, the Authority) to disclose any such information, c) the disclosure is a result of mandatory legal obligations or the disclosing Party, or d) the disclosure is required to fulfil any of the Party's obligation under this Agreement. If any Party is compelled by a judicial authority to disclose or reveal such terms and conditions to any other person, the disclosing Party will immediately notify the other Party of that fact so that the other Party may, if it wishes, seek to prevent or to limit that disclosure.

14.2 No Party shall make any announcement, statement or press release concerning the terms and conditions of this Agreement without the prior written consent of the other Party.

14.3 The provisions of this Clause 14 shall continue to remain in full force and effect for Three (3) years from the expiration or termination of this Agreement.

15 GOVERNING LAW

15.1 This Lease Agreement, its implementation, interpretation and construction shall be governed by, and be in accordance with, the laws of the United Republic of Tanzania.

15.2 The Parties submit to the exclusive jurisdiction of Tanzanian courts in respect of any matter or dispute connected with this Lease Agreement.

16 COMPLIANCE

Anti-Corruption, Competition and Sanctions Laws and Regulations

16.1 Each Party represents that in the context of this Agreement:

16.1.1 neither itself nor, to the best of its knowledge, any of its affiliates, directors or officers has engaged in any activity or conduct which would violate any applicable anti-bribery, anti-corruption, competition or anti-

BEFORE ME:

Name: JOHN MFANGAVO
Postal Address: P.O. BOX 1650, MOROGORO
Signature: [Signature]
Qualification: COMMISSIONER FOR



SEALED with the COMMON SEAL of
the said FERROTECH AFRICA LIMITED
and DELIVERED in the presence of us this
1st day of July 2021



Seal of the Lessee

Name: Noorali Jafferjee
Signature: [Signature]
Address:
Qualification: Director

S/duty = USD 610
WHT = USD 3,051
Total = USD 3661

Name: Murtaza Jafferjee
Signature: [Signature]
Address:
Qualification: Director

THE SIGNATURE ARE FOR
LEASE AGREEMENT FOR RENTAL
ON PLOT No 25 AT SAIBABA STREET

STAMP DUTY
Shs: 1,395,558 Collected
Receipt No: 998420316689 Date: 06/8/21
Regional Manager - Ilala Tax Region

[Handwritten initials]

Control No:

998420310818



TANZANIA REVENUE AUTHORITY

Commissioner for Domestic Revenue Department

Order Form for Electronic Funds Transfer to Bank of Tanzania

Name of Account Holder(s): PKF ADVISORY LIMITED
 Bank Account Number: 0411217004
 Name of Commercial Bank: DIAMOND TRUST BANK
 Mobile Phone: 0762719917

Please transfer from my/our account the amount of TZS 6,980,077.80
 Amount in Words: Six Million Nine Hundred Eighty Thousand Seventy Seven and Eighty Cents Only

Value Date: 06/08/2021 00:00:00
 To: Commissioner for Domestic Revenue Department
 Tanzania Revenue Authority
 Bank of Tanzania

Account Number: 9921134701
 SWIFT Code: TANZTZX

Details of Payment (field 70 of MT103): 998420310818
 Taxpayer TIN: 148084882

TAX INFORMATION FOR WHICH PAYMENT IS APPLICABLE (For TRA use only)

FERROTECH AFRICA LIMITED

W11121119A6980077.80M7Y2021

PAID PAID

Signature Date...../...../20.....
 Signature..... Date...../...../20.....

Bank use only
 Reference number

- Note to Commercial Bank:**
- Please capture the above information correctly.
 - Field 70 of MT103 carries a payment control number, must be captured correctly.

----- Instance Type and Transmission -----

Notification (Transmission) of Original sent to SWIFT (ACK)
Network Delivery Status : Network Ack
Priority/Delivery : Normal
Message Input Reference : 210810DTKETZTZAXXX7535193957

----- Message Header -----

Swift Input : FIN 103 Single Customer Credit Transfer
Sender : DTKETZTZXXX
DIAMOND TRUST BANK TANZANIA LTD
TANZANIA, UNITED REPUBLIC OF TZ
Receiver : TARATZTZXXX
TANZANIA REVENUE AUTHORITY
TANZANIA, UNITED REPUBLIC OF TZ
MUR : EN449401
FIN Copy Service : TIS
UETR : 3cab4594-8213-462b-88c6-17f6e206437d

----- Message Text -----

F20: Sender's Reference
000X210810044225
F23B: Bank Operation Code
CRED
F32A: Val Dte/Curr/Interbnk Settlid Amt
210810 2021 Aug 10
Currency : TZS TANZANIAN SHILLING
Amount : 6980077.80 #6980077.80#
F50K: Ordering Customer-Name and Address
/0411217003
PKF ADVISORY LIMITED
F59: Beneficiary Customer-Name and Addr
/9921134701
TRA-CDR-Commissioner for Domestic R
F70: Remittance Information
/ROC/998420310818
F71A: Details of Charges
SHA

----- Message Trailer -----

{CHK:11624FCD3BF1}



ACKNOWLEDGEMENT OF RECEIPT

TAXPAYER NAME	FERROTECH AFRICA LIMITED
BANK REFERENCE	0010821085729
RECEIPT DATE	10/08/2021 18:47:03
CONTROL NO	998420310818
TIN	148084882
RECEIPT NO	23829503
GePG RECEIPT NO	921222062598986
AMOUNT	6,980,077.80

Control No:

998420310689



TANZANIA REVENUE AUTHORITY

Commissioner for Domestic Revenue Department

Order Form for Electronic Funds Transfer to Bank of Tanzania

Name of Account Holder(s): PKF ADVISORY LIMITED
Bank Account Number: 0411217004
Name of Commercial Bank: DIAMOND TRUST BANK
Mobile Phone: 0762719917

Please transfer from my/our account the amount of TZS 1,395,558.00

Amount in Words: One Million Three Hundred Ninety Five Thousand Five Hundred Fifty Eight Only

Value Date: 06/08/2021 00:00:00

To: Commissioner for Domestic Revenue Department
Tanzania Revenue Authority
Bank of Tanzania

Account Number: 9921134701

SWIFT Code: TANZTZX

Details of Payment (field 70 of MT103): 998420310689

Taxpayer TIN: 148084882

TAX INFORMATION FOR WHICH PAYMENT IS APPLICABLE (For TRA use only)

FERROTECH AFRICA LIMITED

D11414102A1395558Y2021

PAID

Signature Date...../...../20.....

Signature..... Date...../...../20.....

Bank use only
Reference number

Note to Commercial Bank:

1. Please capture the above information correctly.
2. Field 70 of MT103 carries a payment control number, must be captured correctly.

----- Instance Type and Transmission -----

Notification (Transmission) of Original sent to SWIFT (ACK)
Network Delivery Status : Network Ack
Priority/Delivery : Normal
Message Input Reference : 210810DTKETZTZAXXX7535193962

----- Message Header -----

Swift Input : FIN 103 Single Customer Credit Transfer
Sender : DTKETZTZXXX
DIAMOND TRUST BANK TANZANIA LTD
TANZANIA, UNITED REPUBLIC OF TZ
Receiver : TARATZTZXXX
TANZANIA REVENUE AUTHORITY
TANZANIA, UNITED REPUBLIC OF TZ
MUR : EN449328
FIN Copy Service : TIS
UETR : d775994c-63d9-40a7-9746-4ba536c46838

----- Message Text -----

F20: Sender's Reference
000X210810044043
F23B: Bank Operation Code
CRED
F32A: Val Dte/Curr/Interbnk Settl'd Amt
210810 2021 Aug 10
Currency : TZS TANZANIAN SHILLING
Amount : 1395558.00 #1395558.00#
F50K: Ordering Customer-Name and Address
/0411217003
PKF ADVISORY LIMITED
F59: Beneficiary Customer-Name and Addr
/9921134701
TRA-CDR-Commissioner for Domestic R
F70: Remittance Information
/ROC/998420310689
F71A: Details of Charges
SHA

----- Message Trailer -----

{CHK:BC7952EE6E9C}



ACKNOWLEDGEMENT OF RECEIPT

TAXPAYER NAME	FERROTECH AFRICA LIMITED
BANK REFERENCE	0010821085734
RECEIPT DATE	10/08/2021 18:47:02
CONTROL NO	998420310689
TIN	148084882
RECEIPT NO	23829502
GePG RECEIPT NO	921222062598894
AMOUNT	1,395,558.00