

SALE AGREEMENT

MADE BETWEEN

LN FUTURE BUILDING MATERIALS COMPANY LIMITED

AND

KNAUF GYPSUM TANZANIA LIMITED

**FOR THE SALE OF PARCELS OF LAND BEING PLOT NO. 6, BLOCK G
KISEMVULE MKURANGA WITH C.T NO. 134173/1**

THIS AGREEMENT is made on the 15th day of November, 2021.

BETWEEN

LN FUTURE BULDING MATERIALS LIMITED a limited liability company incorporated under the laws of the United Republic of Tanzania, whose address for the purpose of this agreement is of Post Office Box 14957, Dar es Salaam - Tanzania (hereinafter referred to as the "**VENDOR**" which expression shall where the context so admits include and extend to persons deriving title under the **Vendor**, its successors and assigns) of the one party;

AND

KNAUF GYPSUM TANZANIA LIMITED a limited liability company incorporated under the laws of the United Republic of Tanzania, whose address for the purpose of this agreement is of Post Office Box 31873, Dar es Salaam - Tanzania (hereinafter referred to as the "**PURCHASER**" which expression shall where the context so admits include and extend to persons deriving title under the **Purchaser**, its successors and assigns) of the one party;

WHEREAS

The Vendor is the registered Lessee for the below landed property which is held under the Tanzania Investment Centre (TIC) situated at Kisemvule Area, Mkuranga District known as Plot No. 6 Block "G" measuring 0.301 Ha comprised under Certificate of Leasehold Title No. 134173/1 together with all the exhausted or unexhausted improvements, developments and appurtenances therein contained herein after referred to as "**the Property**";

AND WHEREAS:

The Vendor is desirous of selling the said property and the Purchaser is desirous and able to purchase the said property from the Vendor at a consideration of **United States Dollars One Hundred Seventy-Nine Thousand Seven Hundred Seventy Eight (USD 179,778.00) Inclusive of Capital Gain Tax** (hereinafter referred to as the "**Purchase Price**").

NOW THIS AGREEMENT WITNESSETH as follows:

1.0 The Sale:

That the Vendor hereby sell to the Purchaser and the Purchaser hereby buys from the Vendor the said Property subject to the covenants herein contained and subject to the terms and conditions under which the said Property is held by the Vendor prior to this Agreement.

2.0 The Consideration:

- 2.1 That in consideration of the Purchase Price of **United States Dollars One Hundred Seventy-Nine Thousand Seven Hundred Seventy Eight (USD 179,778) Inclusive of Capital Gain Tax** the Vendor is hereby selling the Property to the Purchaser and the Purchaser is hereby purchasing the Property from the Vendor subject to the covenants herein contained.
- 2.2 The Purchaser shall pay the Purchase Price stipulated herein, to the Vendor in accordance with the provisions of clause 3 herein.

3.0 Mode of Payment of Purchase Price:

- 3.1 The parties have agreed to have an Escrow Agent to serve as an intermediate for the payment of the purchase price. Further details are outlined in an additional Escrow Agreement between the purchaser and Vendor which is attached herein and marked as Annexure A and it forms a part to this agreement. The purchaser will deposit the purchase price in the Escrow Account within a period of fourteen (14) working days from the time of opening the account and the same is to be held by the Agent until the Vendor presents a changed Certificate of Title or he receive different instructions which is agreed between the parties. On a written consent from the parties then the Agent shall release the amount and deposit it the vendor's bank account with the following details;

Bank Name:

Bank Account Number:

Bank Account Name:

Branch:

- 3.2 The parties herein agree that the purchase price after the deduction of the capital gains tax shall be paid to the Vendor immediately after the completion of transfer and registration of the title deeds under the name of Knauf Gypsum Tanzania Limited.

4.0 TERMS OF PURCHASE



- 4.1 Subject to clause 3, the **Vendor** shall transfer by way of outright sale, and the **Purchaser** shall acquire and accept the transfer by way of outright purchase the Property, together with all exhausted and unexhausted improvements, developments and appurtenances therein contained.
- 4.2 The Property is sold and agreed to be transferred subject to the terms and conditions contained in the respective Certificate of Leasehold Titles mentioned above in this Agreement.

5.0 POSSESSION OF THE PROPERTY AND DOCUMENTS OF TITLE PENDING COMPLETION

- 5.1 Upon the deposit of the purchase price in the Escrow Account, as hereinabove stipulated, the **Vendor** undertakes to co-operate in the process of the transfer of the Property in the name of the **Purchaser** including the signing and execution of the Transfer Deeds and any other documents required to be signed and executed by the parties in accordance with the Land Act and the Land Registration Act of the laws of the United Republic of Tanzania.
- 5.2 The Vendor shall immediately upon signing this agreement hand over the Original Certificate of Titles for the above-mentioned Property as well as all related transfer documents to its appointed attorneys for purposes of commencing with the transfer of the Certificates of Leasehold Titles to the Purchaser.
- 5.3 The Vendor shall provide Vacant possession and hand over the Property to the Purchaser immediately after the completion of the transfer and registration of the Certificate of Titles for the land in favour of the purchaser.

6.0 APPROVAL OF THE COMMISSIONER FOR LANDS

- 6.1 The transfer of the Right of Occupancy envisaged under this Agreement and any other terms and conditions contained under this Agreement are subject to and conditional upon the grant of the Commissioner's approval for the disposition of land and consent being obtained.
- 6.2 The Vendor **shall execute land forms 29, 30 and 35** seeking the Commissioner's approval, and that the Purchaser shall process and use all reasonable endeavours to obtain the said approval.
- 6.3 The vendor shall give notice to the **Purchaser** when it has obtained the Commissioner's approval as soon as practicable after obtaining it.

7.0 FAILURE TO OBTAIN THE COMMISSIONER'S CONSENT



- 7.1 If the Commissioner's approval and/or consent for the transfer of the land is not granted, either party may then terminate this Agreement effectively after the refusal has been communicated to the parties.
- 7.2 In case of termination of this Agreement under the terms of this Clause neither the **Vendor** nor the **Purchaser** is to be treated as in breach of contract.

8.0 PARTIES' COVENANTS

8.1 GENERAL COVENANT

This Agreement constitutes a legal, valid and binding obligation of the parties and is enforceable against each party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganisation, moratorium and other similar laws affecting creditors' rights or remedies generally.

9.0 COVENANTS BY THE VENDOR

The Vendor hereby covenants with the **Purchaser** that:

- 9.1 To Pay the Capital Gain Tax from the amount deposited in the Escrow Agreement signed by both parties.
- 9.2 The Vendor guarantees that it has all rights to sell and transfer the title of the Property the same are transferable under the law of Tanzania.
- 9.3 It has the power to enter into and perform their obligations under this Agreement;
- 9.4 It has full authority to sell, transfer and dispose of the land and have the powers of sale derived there from, and that they have a good and subsisting right, title and interest, and have full powers to sell, grant, convey, assign or otherwise dispose the said piece and parcel of land in the manner herein provided;
- 9.5 If there is any consent required to be sought, the Vendor shall use all their reasonable endeavours to seek and obtain the same and all other consents legally required to be obtained in respect of the disposition of the Property, land and/or property and developments therein contained;
- 9.6 The deed of transfer is subject to the consent of the commissioner of lands, and Tanzania Investment Centre (TIC). However, the Vendor shall at its own costs do its best effort to acquire this kind of consent from necessary authorities.



- 9.7 The entry into and performance of this Agreement and the transactions contemplated hereby, do not conflict with any law or regulation or any official or judicial order to which the **Vendor** is subject.
- 9.8 The entry into and performance of this Agreement does not constitute a breach of any material contractual obligation of the **Vendor**, or require any consent under any agreement or other instrument to which the **Vendor** is a party or by which they are bound or any judgement, decree or order of any statute, rule or regulation applicable to the **Vendor**. The transactions provided for in any other material contracts to which the **Vendor** is a party do not constitute a breach of any of the contractual obligations or provisions of this Agreement;
- 9.9 No litigation, arbitration or administrative proceeding or claim which may by itself or together with any other such proceeding or claim either have any adverse effect on or materially adversely affect his ability to observe or perform her material obligations under this Agreement and the transactions contemplated thereby, is presently in progress or, to the best of his knowledge and belief after making reasonable enquiries, is pending or threatened against her or the Property as described herein above;
- 9.10 All information that has been made available to the **Purchaser** or their representatives by the **Vendor** or any of their representatives in connection with the transaction contemplated herein is complete and correct in all material respects, is not misleading, and does not omit any material fact.
- 9.11 Each representation and warranty in clause 9 above shall be a separate representation and warranty and shall be deemed to be material and to have induced the **Purchaser** to enter into this Agreement. The **Vendor** acknowledges that the **Purchaser** has entered into this Agreement relying on these representations and warranties.
- 9.12 The Vendor guarantees that there is no liens and/or other encumbrances whatsoever the forms maybe on the right of the Property. In the event any third Party or any governmental authority claims rights or interest for the property, the Vendor shall defend at its own costs to indemnify and hold the Purchaser and its lawful representatives, successors and assignees harmless from and against any and all losses, liabilities, claims, damages, costs and expenses (including reasonable legal fees and disbursements in connection therewith).

10.0 COVENANTS BY THE PURCHASER

The Purchaser hereby covenants with the **Vendor** that:

- 10.1 It has the power to enter into and perform its obligations under this Agreement;



- 10.2 This Agreement constitutes a legal, valid and binding obligation of the parties and is enforceable against each party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, moratorium and other similar laws affecting creditors' rights or remedies generally;
- 10.3 The entry into and performance of this Agreement and the transactions contemplated hereby, do not conflict with any law or regulation or any official or judicial order to which the **Purchaser** is subject;
- 10.4 The entry into and performance of this Agreement does not constitute a breach of any material contractual obligation of the **Purchaser**, or require any consent under any agreement or other instrument to which the **Purchaser** is a party or by which it is bound or any judgement, decree or order of any statute, rule or regulation applicable to the **Purchaser**. The transactions provided for in any other material contracts to which the **Purchaser** is a party do not constitute a breach of any of the contractual obligations or provisions of this Agreement;
- 10.5 No litigation, arbitration or administrative proceeding or claim which may by itself or together with any other such proceeding or claim either have a material adverse effect on or materially adversely affect its ability to observe or perform his material obligations under this Agreement and the transactions contemplated thereby, is presently in progress or, to the best of its knowledge and belief after making reasonable enquiries, is pending or threatened against it;
- 10.6 The **Purchaser** has purchased the Property subject to all terms of use applicable, and free from any encumbrances;
- 10.7 All information that has been made available to the **Vendor** or his representatives by the **Purchaser** or any of its representatives in connection with the transaction contemplated herein is complete and correct in all material respects, is not misleading, and does not omit any material fact.
- 10.8 Each representation and warranty above shall be a separate representation and warranty and shall be deemed to be material and to have induced the **Vendor** to enter into this Agreement. The **Purchaser** acknowledges that the **Vendor** has entered into this Agreement relying on these representations and warranties.
- 10.9 The Purchaser shall actively cooperate with the Vendor in handling relevant procedures. In case of delay or failure to achieve the purpose of the transaction due to the Purchaser's reason, the Purchaser shall be responsible for the expenses and other losses caused to the Vendor.



11.0 NON ASSIGNMENT OF THIS AGREEMENT

This Agreement is personal to the parties and the parties are not obliged to assign, convey or transfer the whole or any part of the Agreement to anyone other than the Parties hereto, without the prior written consent of all the parties hereto.

12.0 MISREPRESENTATIONS

Save for the representations and warranties given under clause 8 hereinabove, and what is expressly agreed under this Agreement, the parties acknowledge that no statement or representation, whether oral or written, which may previously have been made to them or any person concerned on their behalf have induced the parties to enter into this Agreement.

13.0 COSTS

13.1 General costs:

Each party is responsible for its own professional costs incurred with respect to the preparation and implementation of this Agreement.

13.2 Taxes and Specific costs:

13.2.1 All costs required in the execution of the terms as set forth in this agreement shall be borne by each of the parties in accordance with the Laws of the United Republic of Tanzania.

13.2.2 For avoidance of doubt, the Purchaser shall be responsible to pay for stamp duty and registration and transfer fees, while the Vendor shall pay the Capital Gain tax and all related landed property fees including the annual rent until the day, they provide vacant possession of the property to the Purchaser.

13.2.2 The parties herein agree that for all assessments to be got with respect to the statutory payments relating to the transfer of the land, each party responsible for such payment shall ensure that the payment is done within a period of **three (3) working days** from the date when such assessment is issued.

13.3 Legal fees:

That each party shall be responsible for the payment of its lawyer's legal fees with respect to this transaction.



14.0 DISPUTE RESOLUTION, GOVERNING LAW AND JURISDICTION

- 14.1 The validity, construction and performance of this Agreement shall be governed by the Laws of the United Republic of Tanzania.
- 14.2 This Agreement may be executed in quadruplicate, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement.
- 14.3 All disputes, claims or proceedings between the parties relating to the validity, construction or performance of this Agreement shall be subject to a Court with the competent jurisdiction within the United Republic of Tanzania. However, prior to the institution of a suit, parties shall first seek to have the dispute resolved within a period of 30 days from the date of occurrence of such dispute failure of which, the same shall be referred to the Court with the necessary Jurisdiction.

15.0 FORCE MAJEURE

- 15.1 Neither party shall be in breach of this Agreement if there is any total or partial failure of performance by him of his duties and obligations under this Agreement occasioned by any act of God, fire, act of government or state, war, civil commotion, insurrection, embargo, terrorists activity preventing any of the parties from or hindering any of the parties' ability to fulfil the obligations hereunder undertaken to be provided.

16.0 ILLEGALITY

- 16.1 If any provision or term of this Agreement or any part thereof shall become or be declared illegal, inoperative, invalid or unenforceable for any reason whatsoever including but without limitation by reason of the provisions of any legislation or other provisions having the force of law or by reason of any decision of the Commissioner or any Court or other body or authority having jurisdiction over the parties or this Agreement, such terms or provisions shall be divisible from this Agreement and shall be deemed to be deleted from this Agreement; the parties shall negotiate in good faith to amend and modify the provisions and terms of this Agreement as may be necessary or desirable in the circumstances.



17.0 AMENDMENT AND WAIVER

- 17.1 This Agreement shall not be amended, modified, varied or supplemented except in writing and signed by both Parties.
- 17.2 No indulgence, extension of time, relaxation, latitude, failure or delay on the part of either party hereto to exercise any right or remedy under this Agreement shall be construed or operate as a waiver thereof nor shall any single or partial exercise of any right or remedy as the case may be. The rights and remedies provided in this Agreement are cumulative and are not exclusive of any rights or remedies provided by law.

18.0 NOTICES

Any notice or notification required to be given under this Agreement must be in writing. All notices to be sent by any party to the other shall be sent by post or to the physical office location for such party. For purposes of service, the notice shall be addressed as below:

For the Vendor:

The Managing Director,
LN Future Building Materials Company Limited
P.O Box 14957
Dar es Salaam.

For the Purchaser:

The Managing Director
Knauf Gypsum Tanzania Limited
P.O. Box 31873
Off Kinondoni Road-Mwindu Lane street
Plot 17, Block 186030-14110

19.0 CONFIDENTIALITY

- 19.1 Both parties to this Agreement hereby undertake to keep all information (whether written, oral, and/or electronic, and/or otherwise) arising from or in connection with this Agreement strictly confidential and to treat such information with the highest standard of care.
- 19.2 Neither party may disclose information arising from or in connection with this Agreement to any third party without the prior written consent of the other party.

- 19.3 Notwithstanding the above, either party and any person controlled by it may disclose information which would otherwise be confidential if and to the extent:
- 19.3.1 Required by law;
 - 19.3.2 Disclosed to professional advisers, auditors and bankers of each party;
- 19.4 Any party that breaches this confidentiality clause shall indemnify the aggrieved party for any losses and/or damages incurred as a result.

20.0 TERMINATION AND CONSEQUENCES


- 20.1 This agreement shall be terminated upon the breach of any fundamental covenant or obligation as stated herein and such instances shall include but are not limited to:-
- 20.2 Failure to acquire the commissioner's consent as stipulated in clause 7.0 herein.
- 20.3 Failure of the Purchaser to deposit with the Escrow Agent full purchase price as stipulated in clause 3.0 herein.
- 20.4 Upon insolvency, bankruptcy and or liquidation of either of the parties to this agreement.
- 20.5 Upon the occurrence of instances of Force Majeure as stipulated in clause 15.0 herein.
- 20.6 Upon execution of all obligations as stipulated in this agreement.

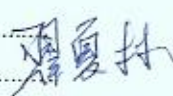
IN WITNESS WHEREOF, the Undersigned have executed this Agreement as of the day and year first written above.

SEALED with the COMMON SEAL of the said
LN FUTURE BUILDING MATERIALS CO LTD and
DELIVERED at DAR ES SALAAM in the
the presence of us this 15th day of November 2021



VENDOR


Full Name WANG RUIZE 
Signature
Postal Address 14957 DSM
Designation Director

Full Name Zhao Xiaolin 
Signature
Postal Address 14957 DSM
Designation Company Secretary

**SEALED with the COMMON SEAL of the said
KNAUF GYPSUM TANZANIA LIMITED and
DELIVERED at DAR ES SALAAM in the
the presence of us this 15 day of November 2021**



PURCHASER

Full Name 
Signature
Postal Address P.O. BOX 31873 DSM
Designation DIRECTOR

Full Name NEUZAT KURK
Signature 
Postal Address
Designation DIRECTOR

Cevizlidere Cad. No.42/17 Balgat Garkaya
Ankara Turkey



THE UNITED REPUBLIC OF TANZANIA
THE LAND ACT, 1999

(NO. 4 OF 1999)
NOTIFICATION OF DISPOSITION
(UNDER SECTION 36)

(To be submitted in triplicate)

CT. NO.134173
PLOT NO. 6, BLOCK G
KISEMVULE AREA
MKURANGA DISTRICT
COASTAL REGION

TO: COMMISSIONER FOR LANDS/AUTHORISED OFFICER

WE, LN FUTURE BUILDING MATERIALS COMPANY LIMITED, a limited liability company of P.O.Box 14957, Dar es Salaam, Tanzania (Hereinafter referred to as "the Transferor"). HEREBY NOTIFY you of the disposition which is intended to be made in favor of KNAUF GYPSUM TANZANIA LIMITED, a limited liability company of P.O.Box 31873, Dar es Salaam Tanzania, in respect of a Right of Occupancy registered under the above reference.

WE HEREBY present the following particulars:

1. Nature of Disposition: **TRANSFER**
2. Particulars of the purchaser: **KNAUF GYPSUM TANZANIA LIMITED** of Post Office Box 31873, Dar es Salaam, Tanzania.
3. The following documents are enclosed:
 - a) Original Certificate of Leasehold Title No. 134173
 - b) Original deed of Transfer of Lease Hold Title in triplicate
 - c) Original Land Rent Receipts
 - d) Original sale agreement in triplicate
 - e) Certificate of Incorporation
 - f) Memorandum and Articles of Association
 - g) Search Report from the Business Registration and Licensing Agency
 - h) Certified passport copies
 - i) Valuation report and Valuation approval receipts
 - j) Disposition and Approval fees receipts
 - k) Land Form No. 30 in triplicate
 - l) Current official Land search

15/11/2021
Date


.....


.....
Applicants' Signatures

Fees.....



SEAL/OFFICIAL STAMP

COMMISSIONER FOR LANDS/AUTHORIZED OFFICER

Date.....

Place.....

THE UNITED REPUBLIC OF TANZANIA

THE LAND ACT, 1999
(NO. 4 OF 1999)

APPLICATION FOR APPROVAL OF DISPOSITION(S)
(UNDER SECTION 39)

CT. NO.134173
PLOT NO. 6, BLOCK G
KISEMVULE AREA
MKURANGA
DISTRICT
COASTAL REGION

TO: COMMISSIONER FOR LANDS/

WE, LN FUTURE BUILDING MATERIALS COMPANY LIMITED, a limited liability company of P.O.Box 14957, Dar es Salaam, Tanzania. (Hereinafter referred to as "the Applicant") HEREBY APPLY FOR APPROVAL of a disposition of the Certificate of Right of Occupancy under the above reference.

We HEREBY present the following particulars:

1. Nature of Disposition: **TRANSFER**
2. Particulars of the purchaser: **KNAUF GYPSUM TANZANIA LIMITED** of Post Office Box 31873, Dar es Salaam, Tanzania.
3. The following documents are enclosed:
 - a) Original Certificate of Leasehold Title No. 134173
 - b) Original deed of Transfer of Lease Hold Title in triplicate
 - c) Original Land Rent Receipts
 - d) Original sale agreement in triplicate
 - e) Certificate of Incorporation
 - f) Memorandum and Articles of Association
 - g) Search Report from the Business Registration and Licensing Agency
 - h) Certified passport copies
 - i) Valuation report and Valuation approval receipts
 - j) Disposition and Approval fees receipts
 - k) Land Form No. 30 in triplicate
 - l) Current official Land search

15/11/2021

Date

Applicants' Signatures

For Official Use Only.

- a) Approval/ Refused.....
- b) Remarks.....

.....
Commissioner For Land/Authorized Officer

Date:.....

Served Upon me:

.....

Signature of the Applicants

Date:

Fee:.....

THE UNITED REPUBLIC OF TANZANIA

THE LAND ACT

(Act No. 4 of 1999)

TRANSFER OF A RIGHT OF OCCUPANCY

(Under Section 62)

CT. NO.134173

PLOT NO. 6, BLOCK G

KISEMVULE AREA

MKURANGA DISTRICT

COASTAL REGION

IN CONSIDERATION of the sum of **United States Dollars Three Hundred and Fifty Thousand (USD 350,000)** WE, **LN FUTURE BUILDING MATERIALS COMPANY LIMITED**, a limited liability company of P.O.Box 14957, Dar es Salaam, Tanzania, **DO HEREBY TRANSFER** to **KNAUF GYPSUM TANZANIA LIMITED**, a limited liability company of P.O.Box 31873, Dar es Salaam Tanzania; the unexpired term of the Right of Occupancy registered under the above reference.

KEY

SEALED with the COMMON SEAL of the said **LN FUTURE BUILDING MATERIALS CO LTD** and **DELIVERED** at **DAR ES SALAAM** in the presence of us this 15th day of November 2021



VENDOR

Full Name WANG RUNZE
Signature
Postal Address P.O. Box 14957, DSM
Designation Director

[Handwritten signature]

Full Name Zhai Xia lin
Signature
Postal Address P.O. Box 14957, DSM
Designation Company Secretary

[Handwritten signature]

BEFORE ME;
Full Name LOUISA MSEMENDO
Signature [Signature]
Postal Address P.O. Box 19036, DSA
Designation ADVOCATE



SEALED with the COMMON SEAL of the said
KNAUF GYPSUM TANZANIA LIMITED and
DELIVERED at DAR ES SALAAM in the
the presence of us this 15 day of November 2021



PURCHASER

Full Name [Signature]
Signature [Signature]
Postal Address P.O. Box 31873 DSA

Designation DIRECTOR

Full Name NEVZAT EVIK
Signature [Signature]

Postal Address Cevizkider Cad. No: 42/17 Balsat Gembaya Ankara Turkey

Designation DIRECTOR

BEFORE ME;
Full Name VICTORIA SIMON NGOWI
Signature [Signature]
Postal Address P.O. Box 11980, Dar ES SALAAM
Designation ADVOCATE

