

IN THE UNITED REPUBLIC OF TANZANIA
THE LAND ACT AND LAND REGISTRATION ACT
(CHAPTER 113 R.E 2019 AND CHAPTER 334 R.E 2019)



Dated this 15TH DAY OF DECEMBER 2022.

TENANCY AGREEMENT
BETWEEN

JITEGEMEE TRADING COMPANY LIMITED
"LESSOR"

AND

SHENG DA PLASTIC INVESTMENT LIMITED
"LESSEE"

SUBJECT OF TENANCY: AN AREA OF WAREHOUSE/FACILITY OWNED BY LESSOR COVERING ABOUT **2174** SQUARE METRES WITH ITS SURROUNDINGS ON **PLOT NO.6 BUGURUNI** INDUSTRIAL, ILALA CITY COUNCIL, WITHIN DAR ES SALAAM REGION

DRAWN BY:

Legal Department
Jitegemee Trading Company Limited.
P.o.Box 76054
Dar Es Salaam

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This LEASE is made on this 15TH DAY OF DECEMBER 2022.



BETWEEN

JITEGEMEE COMPANY LIMITED, a limited liability company incorporated in the United Republic of Tanzania having its registered office in Dar es Salaam and of **Post Office Box 76054, Dar es Salaam** (Hereinafter referred to as "**the Lessor**", which expression shall include, when the context so admits, its successors, transferees and assigns) of the one part;

AND

SHENG DA PLASTIC INVESTMENT LIMITED a limited liability company incorporated in the United Republic of Tanzania, of **Post Office Box Number 3496 Dar es Salaam** (hereinafter referred to as "**the Lessee**" which expression shall include, where the context so admits, its successors, transferees and assigns) of the other part.

WHEREAS:

- A. The lessor is the registered owner of warehouse/factory facility measuring about **2174** Square meters located on Plot 6 Buguruni Industrial Area, Ilala City Council, Dar es Salaam. (hereinafter '**the Premises**').
- B. The lessor is desirous of leasing the premise for a term herein below stated and the lessee is desirous of renting the said premise on the terms of this agreement.

NOW, THEREFORE, the parties hereto hereby agree to be bound by this Agreement on the terms and conditions more specifically set out hereunder:

1.0. DEFINITIONS AND INTERPRETATIONS: -



1.1 In this Agreement, unless the context otherwise requires, the following words shall have the meanings described below:

- (a) "the Lessor" means **JITEGEMEE TRADING COMPANY LIMITED.**
- (b) "the Lessee" means **SHENG DA PLASTIC INVESTMENT LIMITED**
- (c) "rental period" means the period commencing **15TH FEBRUARY 2023** and ends on **14TH FEBRUARY 2028**
- (d) "the Parties" means (a) and (b) hereinabove.

1.2 Headings are included in this Agreement for convenience only and shall not be deemed to affect the interpretation of this Agreement.

2.0. Now this deed witnessed as follows:

- 2.1. The lessor herein lets the property described in recital 'A' above unto the lessee, which is about **2174** Square Meters (hereinafter collectively referred to as '**the premises**')
- 2.2. The lease shall be for a term of **FIVE (5) YEARS** effective from the **15TH DECEMBER 2022** and ends on **14TH FEBRUARY 2028**
- 2.3. Terms to this agreement shall be reviewed after every **TWO (2) YEARS.**
- 2.4. This agreement may be renewed, in writing, subject to negotiations and agreement on new terms and conditions between the parties. The negotiations as to the said renewal shall commence three (3) months before expiry of this agreement by the Lessee issuing a notice of intention to renew to the Lessor. Otherwise, renewal of the agreement shall be by mutual agreement between the parties.



- 2.5. The LESSOR and the LESSEE have agreed as herein before **09 FEB 2023**
- 2.5.1. The Lessor have agreed to give a ~~TWO (2) MONTHS~~ **period from the 15TH DECEMBER, 2022 to 14TH FEBRUARY 2023** to allow for any renovation works to the facility that shall be paid for by the Lessee.
- 2.5.2. The Lessee to submit to the Lessor the detail design of the leased premises containing scope of business activities and environmental compliance commitment latest by **15TH FEBRUARY 2023** (Emphasis: this clause forms one of the separate condition of lease agreement)
- 2.5.3. The rental period shall commence effectively on **15TH FEBRUARY, 2023**
- 2.5.4. The Lessee to use the available fixtures and utility infrastructures within the demised premises without affecting other tenant's rights and neighbors at large.
- 2.5.5. Subject to prior notice, the Lessee shall have no objection for Lessor or its representatives carrying out periodic inspections and building alterations during the duration of the Lease Agreement. However Lessor will take due care not to cause any damage to products and interior fit out works carried out by the Lessee.
- 2.6. The Annual rent and associated penalties for the premises shall be as follows:
- 2.6.1. The annual rent will be **USD 85,000 (UNITED STATES DOLLARS EIGHTY FIVE THOUSAND ONLY)** for the above-mentioned rentable area.

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- 2.6.2. The rent is inclusive of VAT and Withholding Tax.
- 2.6.3. The Lessor has allowed a discount of **USD 15,000 (UNITED STATES DOLLARS FIFTEEN THOUSAND ONLY)** from the first rental payment of the period between the **15th of February 2023** to the **14th of February 2024** to cover for renovation works to the premises prior to the lessee's occupation. This is a one-time deduction on the first payment only.
- 2.7. The said annual rent shall be paid in two (2) equal Installments annually and in advance every year during the duration of this agreement.
- 2.8. That it is hereby agreed that as long as this lease is in operation, the lessee shall pay first installment not later than **14th of February** every year and second Installment on **15th of August** every year.
- 2.9. As the case may be, failure to pay rent accordingly as per prescribed dates mutually agreed, lessor will charge **USD 500** per day for delayed payment after expiry of grace period for payment that is fourteen (14) days from intended payment.
- 2.10. The parties hereby confirm to have carried out a prior inspection of the premises and are satisfied that it is in good condition, but the lessee undertakes to renovate the same to meet its needs/requirement without changing the structure of the premises. The scope and extent of renovation is based on the designs which are communicated prior to Lessor.
- 2.11. Ordinary Periodic survey by Lessor:
- 2.11.1. Without prejudice to clause 2.5.5 of this agreement, it is hereby agreed that there shall be periodic survey by lessor of

the leased premises on Six (6) months basis, whereby Lessor will establish the extent of actual damage to the property not arising from reasonable tear and wear.



2.11.2. The Lessor shall issue a fourteen (14) days notice stating the nature of damage with Instruction to remedy the damage within fourteen (14) days from issuance of the said notice.

In the event that the damage on property is not remedied within prescribed time of fourteen (14) days Lessor shall issue Invoice equivalent to assessed damage and the same is mandatory to be paid within seven (7) days from raising the said invoice of payment.

3.0. The Lessee hereby covenants with the Lessor as follows:

- 3.1. To observe all the terms and conditions of the certificate of occupancy as if the said terms and conditions were set out in this lease.
- 3.2. To use the premises for agreed purposes as suggested by lessee in concept design. Any other use planned by the Lessee other than those stated planned needs to be approved by the Lessor, failing which the Lessor has the right to ask the Lessee to suspend operating the business till the obligation is fulfilled.
- 3.3. To pay all utility bills, including but not limited to, electricity, gas, telephone and water bills consumed on the premises and all others of the same reflection that will be imposed by local government as levies.
- 3.4. The lessee shall be responsible for the security of the Leased premises during the entire lease period.

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- 3.5. The lessee shall be responsible to cover for insurance on all of his activities that might affect lessor property or the neighbors.
- 3.6. Not to assign, sublet or part with possession of the premises in any form or by any legal or practicability implication whatsoever.
- 3.7. Not, without the prior consent in writing of the lessor, to erect or cause to be erected on the premises any addition thereto, nor demolish, modify, cut, maim or injure any part thereof.
- 3.7.1. The lessee shall seek approval of the lessor for any proposed renovation, addition, or improvement of the premises.
- 3.7.2. Any cost for any of lessee's proposed alteration, additions or improvements post entering the premises and approved by the lessor's shall be borne by the lessee without refund.
- 3.7.3. Any additional structure of utilities equipment installed by the lessee during the lease period shall remain as property to the lessor unless it was agreed prior to its installation that it shall be removed upon termination of the lease.
- 3.7.4. Any damages caused to the premises during removal of any additions or structures of any material so placed upon, in or attached to the premises by the Lessee at the expiry of the term has to be made good by the Lessee at its own cost.
- 3.7.5. The lessee shall submit to the Lessor all the documents relating to the changes if any or made on the Leased premises and such documents are, new wiring system, new plumbing system, Floor plan, partitioning or any other changes made within. Such documents shall be submitted to the Lessor within Seven (7) days prior to installation.





3.7.6. The Lessee agrees to obtain all requisites for carrying out the external and interiors work and that health and safety measures are taken at all times together with all environmental concerns are taken into consideration as regulated by **OSHA** and **NEMC**.

3.8. Not to do or permit or cause to be done upon the premises anything which may be a nuisance or annoyance to or in any way interfere with quiet enjoyment and comfort of the neighbors or which may have a tendency to offend the rules and regulations of the City Council and other relevant laws.

3.9. Not to keep or permit to be kept on the premises any materials of dangerous or explosive nature or the keeping of which may contravene any law or local regulations or by laws without obtaining legal permission, certification or license to do so.

3.10. In the event of default or breach of the terms herein, the lessor shall be entitled to terminate the lease agreement, demand repossession of and re-enter the premises upon giving the lessee a forty (40) days' notice to remedy the default and if the lessee fails to remedy the default within the given period the lessor shall exercise right of termination, demanding repossession and re-enter the premises.

Provided that the ninety (90) days' notice requirement shall not apply, if the default by the lessee is non-payment of rent contrary to clauses 2.4 and 2.5 herein above, then, the thirty (30) days' notice shall suffice.

3.11. To give the lessor three (3) months' notice in the event the lessee wants to terminate the lease agreement before expiry of the

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duration herein granted and the rental shall be payable till the end of the notice period.

- 3.12. To peacefully yield the premises at the expiration of the term hereby created or its sooner determination in good and tenable repair and condition in accordance with the covenants herein contained.
- 3.13. At all times to keep the premises and the appurtenances thereof including doors, windows and other fixtures, fittings, fastenings, electrical wires, all items and appliances left in the premises, water drains and other pipes, sanitary and water apparatus therein and the paintings thereof in good condition and the mentioned items shall not be changed without prior written consent of the Lessor.
- 3.14. To properly and safely dispose of the garbage outside the premises in order to be collected by the garbage facilities of the city or municipal council, if service is available, or dispose the same as required by law.
- 3.15. Not to leave the premises unoccupied for the purposes stated herein for a period exceeding one month whilst ensuring security and safety of the same. In the event the lessee intends to leave the premises unoccupied for a period which exceeds one week and does not exceed one month, the lessee shall notify the lessor in advance, but all issues of security shall remain under care of the lessee.
- 3.16. The lessee shall pay stamp duty of this lease. Further, withholding tax shall be deducted and paid from the rent and the lessee shall submit to the lessor original documents evidencing payment thereof to the lessor within Ten days of effecting such payment to Tanzania Revenue Authority.
- 3.17. To notify the lessor and give particulars of:



3.17.1. any defect in the premises which might give rise to an obligation to either the lessor or the lessee.

3.17.2. Any demand, directive or order given by any authority in respect of the premises within a maximum of seven (7) days or a reasonable shorter period thereof depending on the nature of the matter in question.

3.18. The Lessee shall be criminally liable in the event of any criminal charges, investigations or arrest connected in his business pursuit during the subsistence of this lease.

3.19. The Lessee shall do all the fit out works/renovation of the Leased area on his own costs without any refund from the Lessor.

4.0. The Lessor hereby covenants with the Lessee as follows:

4.1 To pay and discharge land rent and property taxes in respect of the premises.

4.2. To ensure that the lessee, performing the obligations on its part herein contained, shall peacefully enjoy the premises during the said term without any interruption, let or hindrance.

4.3. The lessor shall hold free the lessee of all encumbrances and claims, if any, brought against the lessor and in favor of third parties.

4.4. To notify the lessee of any intended major change in the ownership of the premises provided that the same shall not lead to termination of the lease agreement before expiry of the lease period herein created.

5.0. Further, the parties hereby agree as follows:



5.1. This lease shall absolutely determine upon expiration of the period hereby created, the Lessee shall hand over the premises in a good tenable condition to the Lessor.

5.2. Subject to clause 3.14 herein above, should the lessee wish to terminate the lease for any lawful cause before the expiry of the term hereby granted, the lessee shall give a ninety (90) days' notice to the lessor, stating the reasons for the intended termination.

Provided that there shall be no compensation for any renovation costs incurred. Otherwise, the contract shall automatically terminate at the expiry of the lease period and in the event no renewal is made.

5.3. The lessee covenants with the lessor to permit the said lessor during the last three months of the tenancy of this lease, to put up upon the premises, notices of the lessor's intention to lease the same; and also to permit during the same time such persons as may be desirous of leasing the premises at the expiration of this lease to visit and inspect the same, on written or verbal notice to the lessee, given at least 24 hours before the time of such visit.

5.4. Every notice to be given under this Lease Agreement shall be delivered by hand, registered postal mail, email or other equivalent recognized courier delivery at the following addresses:

5.4.1. The lessor's address:

**GENERAL MANAGER,
JITEGEMEE TRADING COMPANY LIMITED
P.O. BOX 76054,
PLOT NO.39, BLOCK 77
LUMUMBA /KIUNGANI/SOMALI STREET,
DAR ES SALAAM, TANZANIA.**



5.4.2. The Lessee's address:

**MANAGING DIRECTOR
SHENG DA PLASTIC INVESTMENT LIMITES
P.O. BOX 3496
PLOT NO. 6, BUGURUNI INDUSTRIAL AREA
DAR ES SALAAM, TANZANIA.**

NOTE: further addresses and mode of communication shall be established in course of tenancy given that, they shall be personal addresses of General Manager for Lessor and Registered Directors from part of lessee.

5.5. This instrument contains the entire and only agreement between the parties, and no oral statements or representations or prior written matter not contained in this instrument shall have any force and effect. This Lease shall not be modified in any way except by a writing executed by both parties.

5.6. All matters pertaining to this agreement (including its interpretation, application, validity, performance and breach) in whatever action may be brought, shall be governed by, construed and enforced in accordance with the laws of the United Republic of Tanzania.

----- Signature Page follows -----

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IN WITNESS WHEREOF the parties hereunto have set their respective hands and seals to this Agreement on the day and year and the place appearing hereunder:

SEALED at Dar es Salaam with the COMMON SEAL of the said, JITEGEMEE TRADING COMPANY LIMITED, and DELIVERED in our presence,

This 15th day of DEC. 2022.

Name: JANABU YUSSUF JULIA

Signature: [Handwritten Signature]

Postal Address: P.O. BOX 76054, DAR ES SALAAM, TANZANIA.

Qualification/Designation: GENERAL MANAGER



Name: Emmanuel Fungo

Signature: [Handwritten Signature]

Postal Address: 20356 DAR ES SALAAM

Qualification/Designation: ADVOCATE



SEALED at Dar es Salaam with the COMMON SEAL of the said, SHENG DA PLASTIC INVESTMENT LIMITED, and DELIVERED in our presence,

This 15th day of DEC. 2022

Name: LIU HONG WEI

Signature: [Handwritten Signature]

Postal Address: P.O. BOX 3496, DAR ES SALAAM, TANZANIA

Qualification/Designation: DIRECTOR



Name: TARAWA M. MANDAMEI

Signature: [Handwritten Signature]

Postal Address: 77567 - DAR ES SALAAM

Qualification/Designation: ADVOCATE



TIN: 162-357-417

S/D: 500,000

WHT: 5,000,000 [1 Year]

1500,000

STAMP DUTY

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Shs: 500,000/- Collected

Receipt No: 9984110477463 Date: 1/2/2023

[Signature] Regional Manager - Itala Tax Region



START OF LEGAL RECEIPT

LAWYAN ATTORNEYS
P.O.BOX 1045 DAR ES SALAAM
TEL NO +255 673 506 509
STREET: CONGO/NDUVU
TANZANIA



TIN 141116649

URN 40037469J

SERIAL NUMBER 03T2443003325

UIN

0118LM

-10587530414111664903T2443003325

TAX OFFICE KARIAKOO

CUSTOMER NAME

JITEGEMEE TRADING CO. LTD

CUSTOMER ID TYPE BUYER'S TIN

CUSTOMER ID

100149958

CUSTOMER URN

10007395L

CUSTOMER MOBILE

0658209898

RECEIPT NUMBER

86

ZNo

1/0318

DATE 29-12-2022

TIME 10:08:23

ECR: 01

OP: 01

LEGAL CONSULTANCY 50'000.00 A

TOTAL EXCLUSIVE OF TAX 42'372.00

TAX A-18.00% 7'627.12

TOTAL TAX 7'627.12

TOTAL INCLUSIVE OF TAX

50'000.00

CASH

50'000.00

ITEMS NUMBER

1

RECEIPT VERIFICATION CODE

7E835A86



*** END OF LEGAL RECEIPT ***

