

LEASE AGREEMENT

THIS AGREEMENT is made on the 7th day of July, 2023

BETWEEN

MAY SARYAEL MUNUO of P.O. Box 5635, Dar Es Salaam, and E-mail: msmunuo@mail.com (hereinafter referred to as "the LESSOR," which expression shall, where the context so admits, include his successors and/or assignees) of the one part;

AND

LEAN MANUFACTURING COMPANY LIMITED of P.O. Box 55122, Dar es Salaam, and E-mail: leanmanufacturing@gmail.com (hereinafter referred to as "the LESSEE," which expression shall, where the context so admits, include its successors and/or assignees) of the other part;

WHEREAS the Lessor is the registered owner of an Industrial area Plot No. 86, Block TEGETA WAZO INDUSTRIAL BLOCK, situated at Kinondoni District, Dar es Salaam, (hereinafter called "the demised premises");

AND WHEREAS the Lessor desires to lease to the Lessee, and the Lessee desires to occupy, the demised premises;

NOW, THEREFORE, THIS AGREEMENT WITNESSES AS FOLLOWS:

That in consideration of the rent and covenants hereinafter contained, the Lessor hereby grants and demises unto the Lessee the demised premises for a term of fifteen years commencing on the 15th day of July 2023.

That the parties agree to the following schedule of rental payments for a total of 7 terms:

- (i) The 1st year of the 1st term will be from 15/7/2023 to 14/7/2024, and the monthly rent will be USD 2,205, payable in advance for 12 months.

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The 2nd year of the 1st term will be from 15/7/2024 to 14/7/2025, and the monthly rent will be USD 2,205, payable in advance for 12 months.

- (ii) The 1st year of the 2nd term will be from 15/7/2025 to 14/7/2026, and the monthly rent will be USD 3,000, payable in advance for 12 months.

The 2nd year of the 2nd term will be from 15/7/2026 to 14/7/2027, and the monthly rent will be USD 3,000, payable in advance for 12 months.

- (iii) The 1st year of the 3rd term will be from 15/7/2027 to 14/7/2028, and the monthly rent will be USD 3,450, payable in advance for 12 months.

The 2nd year of the 3rd term will be from 15/7/2028 to 14/7/2029, and the monthly rent will be USD 3,450, payable in advance for 12 months.

- (iv) The 1st year of the 4th term will be from 15/7/2029 to 14/7/2030, and the monthly rent will be USD 3,970, payable in advance for 12 months.

The 2nd year of the 4th term will be from 15/7/2030 to 14/7/2031, and the monthly rent will be USD 3,970, payable in advance for 12 months.

- (v) The 1st year of the 5th term will be from 15/7/2031 to 14/7/2032, and the monthly rent will be USD 4,560, payable in advance for 12 months.

The 2nd year of the 5th term will be from 15/7/2032 to 14/7/2033, and the monthly rent will be USD 4,560, payable in advance for 12 months.

- (vi) The 1st year of the 6th term will be from 15/7/2033 to 14/7/2034, and the monthly rent will be USD 5,250, payable in advance for 12 months.

The 2nd year of the 6th term will be from 15/7/2034 to 14/7/2035, and the monthly rent will be USD 5,250, payable in advance for 12 months.

- (vii) The 1st year of the 7th term will be from 15/7/2035 to 14/7/2036, and the monthly rent will be USD 6,030, payable in advance for 12 months.

The 2nd year of the 7th term will be from 15/7/2036 to 14/7/2037, and the monthly rent will be USD 6,030, payable in advance for 12 months.

The 3rd year of the 7th term will be from 15/7/2037 to 14/7/2038, and the monthly rent will be USD 6,030, payable in advance for 12 months.

- (viii) The Lessee shall carry out necessary constructions and renovations at their own cost, which shall not be recovered in rent. The Lessee shall bear the cost of constructing a story building or plant, and it will not be refunded or deducted from the rent. The lessor shall duly acknowledge and respect the construction costs incurred by the lessee. Consequently, the lessor shall refrain from terminating this contract during its term. In the event of premature termination, the lessor shall be liable for reimbursing all expenses incurred by the lessee for construction and decoration purposes. Failure to comply with this obligation grants the lessee the right to remain in possession of the property.

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THE LESSEE HEREBY COVENANTS WITH THE LESSOR as follows:

- (i) To pay the reserved rent on the specified day and in the manner aforementioned. Failure to do so shall result in the Lessee vacating the premises and shall not prejudice the Lessor's right to claim any unpaid rent.
- (ii) To pay the water charges every month during their tenure and provide a copy of the receipt to the Lessor for record keeping.
- (iii) To permit the Lessor (upon prior notice) and/or her agents, at reasonable times of the day, with or without workmen, to enter the demised premises to view and inspect its condition. The Lessor shall notify the Lessee of any defects or necessary repairs.
- (iv) Not to use or permit the demised premises to be used in any way that would constitute an unlawful act.
- (v) To comply with all municipal and health regulations pertaining to the demised premises as promulgated by the Dar Es Salaam City Commission from time to time.
- (vi) To surrender the demised premises at the expiration of the term or any extension thereof in accordance with the covenants and conditions herein contained, in good and tenable condition.
- (vii) Not to make any additional partitions to the premises without the prior written approval of the Lessor.
- (viii) The Lessee shall comply with the country's environmental laws and regulations.
- (ix) To pay all fees for sanitary removal, such as emptying cesspits, as well as all rates and charges for water, electricity, and telephone usage related to the demised premises during the said terms.
- (x) To be responsible for insuring the materials and items stored in the demised premises.
- (xi) Not to engage in any offensive trade on the demised premises.

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- (xii) Upon termination of the lease, the Lessee shall remove any walls forming partitions and fixtures installed by them. The partition may remain with the Lessor's agreement.
- (xiii) To keep the premises clean at all times.
- (xiv) The Lessee shall leave the premises in a tenable condition.

THE LESSOR HEREBY COVENANTS WITH THE LESSEE as follows:

- (i) The Lessee, upon paying the rent as reserved herein and complying with the covenants and stipulations contained herein, shall peacefully hold and enjoy the demised premises without any unlawful interruption by the Lessor or any other person.
- (ii) The Lessor shall pay the withholding tax, which is 10% of the rent before the addition of Value Added Tax (VAT). The Lessee shall provide the Lessor with the receipt after making the payment, and the amount shall be deducted from the rent.
- (iii) The Lessor shall pay all existing and future municipal site rates, taxes, assessments, impositions, duties, charges, and outgoings payable or which may be imposed or charged in respect of the demised premises.
- (iv) In the event that the demised premises or a part thereof is damaged or destroyed by fire, an act of God, force majeure, or any other cause not due to the negligent or willful acts of the Lessor or Lessee, rendering the demised premises uninhabitable, a proportionate part of the prepaid rent for the unexpired term shall not be refunded to the lessee. Instead, the lessor will allow the lessee time to renovate the premises, and the duration of the renovation shall be included in the remaining term of the contract.

THE LESSOR AND THE LESSEE HEREBY MUTUALLY AGREE AND DECLARE AS FOLLOWS:

- (i) If the Lessee wishes to renew the lease of the demised premises after the expiry of the term herein granted, they shall give notice to the Lessor of their intention not less than two (2) calendar months before the expiry of the term. The Lessor may grant a new lease subject to mutually agreed covenants and conditions.

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and effect of this agreement shall be referred to the relevant Courts of Law in Tanzania for determination.

- (ii) Either party may terminate the term created herein by giving a written notice of two (2) months (including means of Email, Text, WhatsApp). Such notice can only be given after the expiry of a period of three (3) months from the commencement of this Lease. Any prepaid rent balance shall be refunded to the Lessee upon the Lessor securing a new tenant.
- (iii) Any notice served under this Agreement shall be in writing and properly served either in person or by sending it via registered email in the case of the Lessor, using the aforementioned address, and in the case of the Lessee, by delivering it to the demised premises.
- (v) Notwithstanding anything to the contrary herein, the provisions of this Agreement may be modified by an exchange of letters between the parties, and after the exchange of letters, it shall be read and construed as modified accordingly.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day, month, and year indicated below:

IN WITNESS WHEREOF, the parties hereto have executed these presents on the day(s), month(s) and year hereinafter appearing:

SIGNED AND DELIVERED by the said MAY who is personally known to me/identified to me by _____ the latter being personally known to me. This 7th day of JULY, 2023

NAME: MAY SARYAEL MUNUO

National Number (attached): TAE 494 183

Or Passport Number.

SIGNATURE: [Signature]

DESIGNATION: LESSOR

[Signature]
LESSOR

SIGNED AND DELIVERED by the said Hua Chen who is personally known to me/identified to me by MAY S. MUNUO the latter being personally known to me. This 7th day of JULY, 2023

NAME: Hua Chen

ID: CERTIFICATE OF INCORPORATION

(Attached)

SIGNATURE: [Signature]

DESIGNATION: CEO



M.M.

[Signature]



C.1

TANZANIA



Certificate of Incorporation of a Company

Section 15

No: 165513436

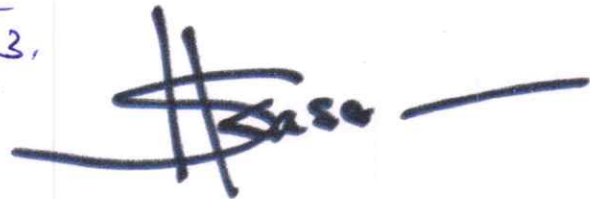
I HEREBY CERTIFY THAT

LEAN MANUFACTURING COMPANY LIMITED

is this day incorporated under the Companies Act, 2002
and that the Company is Limited.

GIVEN under my hand at Dar es Salaam this 11th day of **MAY**
TWO THOUSAND AND TWENTY THREE.


Certified as True Copy of the Original
Mangisoni William Marwa
Advocate, Notary Public & Commissioner
for Oaths
Sign: 
Date: 7/7/2023



PRINC ASST. REGISTRAR OF COMPANIES



THE UNITED REPUBLIC OF TANZANIA
CERTIFICATE OF OCCUPANCY
 THE LAND ACT, Cap 113
 (Under Section 29)



Title Number: DSMT1014750

Date of Registration: 22-Oct-2021 [07:28]

REGISTRAR OF TITLES

(22-Oct-2021)

Registered under section 27 of the Land Registration Act (Cap 334).

I. REGISTERED OCCUPIER AND TENURE

THIS IS TO CERTIFY that MAY SARYAEL MUNUO of P.O. BOX 5635, Kinondoni, Dar es Salaam (hereinafter called "the Occupier") is entitled to the Right of Occupancy (herein called "the Right") in and over the land described herein (hereinafter called "the land") for a term of sixty six (66) years from the first day of July two thousand and twenty one according to the true intent and meaning of the Land Act and subject to the provisions thereof and to any regulations made thereunder and to any enactment in substitution thereof amendment thereof and to special conditions.

II. DESCRIPTION OF THE PROPERTY

District: Kinondoni
 Location: WAZO
 Block: -
 Plot No.: B6
 Area: 8,687.00 Square Metres
 Reg. Plan No.: 43657

Plot Reference Points (Part of):

TAREF11 / UTM ZONE 37S

| | X | Y |
|---|-----------|------------|
| 1 | 519009.12 | 9264730.85 |
| 2 | 519078.51 | 9264811.72 |
| 3 | 519141.63 | 9264744.95 |
| 4 | 519100.57 | 9264713.34 |
| 5 | 519080.89 | 9264698.46 |
| 6 | 519034.66 | 9264687.43 |



III. CONDITIONS OF THE RIGHT

1. The Occupier having accepted the terms and conditions of the Right as prescribed by the Land Act and the regulations made thereto, shall thereafter pay annual rent in advance on the first day of July in every year of the term without deduction PROVIDED that the amount of rent payable may be revised by the Commissioner.
2. The land is general land and shall be used for Industrial (Light, Medium, Heavy and Service) purposes only. Use Group(s) and Use Classes) M (a); as defined in Urban Planning (Use Groups and Classes) Regulation, 2018.
3. The President may revoke the Right for good cause or in public interest.
4. Any other conditions prescribed under the Land Act and any other written law or regulations.

IV. DISCLAIMER

The contents of this Certificate of Occupancy do not disclose information related to encumbrances attached to the Certificate. Any person intending to acquire estate or interest in the land shall enquire to the Registrar of Titles for an Official Search so as to satisfy as to the existence of any encumbrances.

GIVE ✓ under my hand and my official seal the day and year first above written.

COMMISSIONER FOR LANDS
 (22-Oct-2021)

REGISTRAR OF TITLES

M. Saryael Munuo

MAY SARYAEL MUNUO
 (22-Oct-2021)

