

LEASE AGREEMENT

TERMS FOR THE PROPOSED LEASE OF THE COMMERCIAL SPACE SITUATED ON

Plot No. 05, Block 'LX' VIKONJE B IN MTUMBA WARD, within Dodoma city

This Lease Agreement 【 "Lease" 】 is made this 7th day of August 2023 and be effective on
October 2023 by and between

ON AFRICA CONSTRUCTION LIMITED

TIN: 134-628-103

INCORPORATIONNO: 136822

And

PAN ASIA NEW ENERGY TECHNOLOGIES TANZANIA COMPANY LIMITED

TIN: 167-202-780

INCORPORATION NO:167202780



1. LESSOR: ON AFRICA CONSTRUCTION LIMITED TIN: 134-628-103 INCORPORATION NO: 136822
2. LESSEE: PAN ASIA NEW ENERGY TECHNOLOGIES TANZANIA COMPANY LIMITED TIN: 167-202-780 INCORPORATION NO:167202780

3. PREMISES

Plot No. 05, Block 'LX' VIKONJE B IN MTUMBA WARD, within Dodoma city

4. TENANCY TERM

The tenancy will be for a term of FIVE (5) years from the date of commencement with an option to renew at the expiry of the term on terms and conditions to be agreed at the time of the renewal. The intention of renewal or termination of the Lease shall be in written and sent to the other party 6 months prior to expiry of the term.

5. TENANCY COMMENCEMENT

The tenancy shall commence on the 1st of October 2023, but lessee will be given a grace period from August 2023 to 31st of September 2023.

6. RENT PAYABLE AND PAYMENT TERMS

The monthly rental shall be USD 6,600 inclusive of withholding tax, VAT exclusive payable in six-month basis in advance. The first payment shall be made before 9th of August 2023, and the remaining payment shall be done 7 days prior to due date.

The Lessee shall be in breach of this Agreement in the event the rent falls due and the same is not paid within a period of 30 days upon the receipt of a notice. In such instances and upon expiry of the said 30-days remedial window, the Lessor shall have the right to enter and take possession of the leased premises from the Lessee without any further notice.



7. WITHHOLDING TAX

Withholding Tax shall be the duty of the Lessor to remit to Tanzania Revenue Authority directly. The Lessee shall pay the full payable rent to the Lessor who shall deduct from the rent payable the requisite withholding tax in respect of the Premises, remit the said sum to the Commissioner of Income Tax and provide the Lessee with a receipt and Withholding Tax Certificate from the Commissioner of Income Tax as proof of payment within 14 days of the Lessee paying the rent.

If lessee is exempted, then a proof of exemption from TRA/TIC must be submitted to lessor.

8. SERVICE CHARGE

The Lessee is obligated to pay the service charge to the service provider on time according the service providing agreement.

9. OTHER TAXES AND LEVIES

In addition to the above rental, the Lessee will be liable to pay on demand all other taxes levied from time to time by law in respect of any amounts payable by the Lessee.

10. RENT REVIEW AND INCREASE/DECREASE

The rent for the lease premises shall remain the same for the

- ✓ First year - October 2023 - September 2024 - US dollars 6,600 per month
- ✓ Second year - October 2024 to September 2025 - US dollars 7,700 per month
- ✓ Third year - October 2025 to September 2026 - US dollar 8,800 per month
- ✓ Forth year - October 2026 to September 2027 - US dollar 11,000 per month
- ✓ Fifth year - October 2027 to September 2028 - US dollar 11,000 per month

Account Name	ON AFRICA CONSTRUCTION LTD
Account Number: Tanzanian Shillings	0150706733600
Account Number: United States Dollar	0250706733600
Account Type	AL-BARAKAH CURRENT ACCOUNT
Bank Name	CRDB Bank Plc
Branch	Palm Beach Premier
Swift Code	CORUTZTZ

11. USE OF THE PREMISES The Lessee shall use the Premises as office and warehouse for legal work under the law of United Republic of Tanzania. Also the lessee shall have the right to use all the buildings for the entire compound including the small houses and maintain the building in their original status until the time of termination of contract.

12. LESSEE'S COVENANTS

- 12.1.1. To pay the rent and service charges on time according to the agreement signed;
- 12.1.2. Not to in any way sublet part of or the entire leased premises including the assignment and transfer of the lease without the prior written consent of the Lessor;
- 12.1.3. To pay all the utility bills related to the occupation and use of the property. The bills to be paid by the Lessee shall include but not limited to electricity, telephones,internet, and internal security within the premises among others;
- 12.1.4. To report immediately in writing to the lessor any structural defects and compensate in agreement with the lessor.
- 12.1.5. Not to make any structural alterations, cut, maim or injure any of the structural frames without obtain the prior written consent of the lessor;
- 12.1.6. To obtain all necessary permits from authorities for the business carried out within the premises including but not limited to Business license, OSHA, fire certificate and compliances.
- 12.1.7. Not to build any structure without consent and agreement with lessor
- 12.1.8. To maintain all critical services including water and electricity services.

13. LESSOR'S COVENANTS

That he will have the right and full power to lease the premises;

14. SECURITY

The lessee shall be responsible for their own security costs and responsibility within the business premises.

15. DEPOSIT:

Lessee is responsible for paying an amount equals to 1 month rent, US Dollar 6,600 VAT exclusive as deposit which will be refunded during termination of contract if the premises will have no major damages. The deposit will be refunded within 30 days after termination of contract.

16. SPECIFICATIONS:

The nature and extent of the leased Premises shall be as agreed by both parties. The Lessee shall at his cost design and construct the interior of the leased premises. Lessor shall have first priority for construction business.

17. DESIGN, MODIFICATION OF THE LEASED PREMISES:

The interior partition and decoration will be done at Lessee's cost. Any alteration will be at lessee cost.

Note: Making holes without Lessor's written consent on concrete floor is strictly prohibited.

18. FIT OUT SCHEDULE AND FIT OUT DRAWINGS

The Lessee shall provide a fit-out schedule to the Lessor prior to occupation date. The Lessee shall at its own cost prepare the fit-out drawings and duly submit to the Lessor for approval. It shall be mandatory to have all shop fit-out drawings and specifications including electro- mechanical services, approved by the project consultants, whose details shall be provided, before implementation.

19. SIGNAGE AND ADVERTISING BOARDS

The Lessee shall upon the acquisition of the necessary approvals from the Municipal Council, be responsible to fix a signage and advertising boards for its business. All costs and taxes associated with the signage and advertising boards shall be borne by the lessee. The signage and advertising boards shall only be fixed/installed at locations to be approved by the Lessor.

20. TERMINATION

Either party may terminate this lease before the expiration of its term by giving a six (6) months written notice. Rent paid in advance will be refunded within thirty (30) days except for the three (6) months' rent (which serves as the notice period). If the Lessee breaches the six months' notice requirement provided herein, the Lessor shall be entitled to a compensation of a six months' rent from the Lessee.

The Lessor reserves the right to terminate this Agreement immediately without notice or rent refund to the Lessee when satisfied that the Lessee is conducting illegal business on the leased premises.

21. BREACHES

Failure of a party to fulfil any of its obligations under this Agreement shall constitute a breach of this Agreement. In the event of any breach by either party, the defaulting party shall be obligated to rectify such breach within a period of 30 days from the date of such breach arising failure of which, the non-breaching party shall have the right to terminate the agreement in line with the terms of this Agreement.

22. LEGAL FEES

Each party shall be responsible for the payment of its legal fees associated with the negotiation, drafting as well as the execution of the formal Lease Agreement. The Lessee shall however pay stamp duty.

- i. In case of any occurrence during the lease term of the lessee, the lessee shall be fully liable for any casualties or other losses caused by falling objects (including outer damaged window glass, if installed by the lessee) in the leased area.
- ii. In other areas leased by non-lessee, such as public areas, once the lessor proves the damages to public facilities caused by lessee through monitoring or taking photos, the lessor shall have the right to ask for compensation or replacement of the same facilities.
- iii. The LESSEE during his occupancy of the leased premises, shall hold the

LESSOR free and harmless from any damages or liabilities or responsibilities to any person or property arising out of or as a consequence of the fault and negligence of the LESSEE, his agents, employees, domestic help, or guests. The LESSEE has no liability in case of fortuitous events like earthquakes, explosion, flood, pandemic riots and the like, which are beyond the control of the LESSEE.

The lessor reserves the right to mortgage, sell or otherwise dispose of the property, provided that all Lessee's rights and operational requirements under this lease remain unaffected under these circumstances or after their occurrence.

The lessee agrees to allow the lessor or his authorized representative, to enter the premises, together with the prospective buyer, upon prior notice and arrangement made by the lessor with the lessee and at reasonable hours.

23. FIXTURES

Except for Lessee's personal property and trade fixtures, all buildings, repairs, alterations, additions, improvements, installations, and other non-trade fixtures installed or erected on the Premises, whether by or at the expense of Lessor or Lessee, shall belong to Lessor and shall remain on and be surrendered with the Premises at the expiration or termination of this Agreement. However, at Lessor's option, Lessee shall remove Lessee's alterations or improvements prior to the expiration of this Agreement and return the Premises to its original condition. Any disputes arising from or in connection with this agreement shall be settled amicably between the parties, failing which, the aggrieved party may take legal action in a court of competent jurisdiction.



24. COMPLIANCE WITH BY LAWS AND PROPERTY REGULATIONS

The lessee undertakes to ensure that it complies with all the laws and regulations that shall be agreed upon and passed by all the members/Lessees occupying the property subject of the lease.

25. ACCEPTANCE

By accepting the Terms of this Lease Agreement, the Lessee is deemed to have accepted the conditions contained herein and will be bound irrevocably. The Lessee shall on signing this Lease Agreement return the same with its three executed copies with full payment of the security deposit being made on the day of handing over the property for commencement of fit out work.

26. CONFIDENTIALITY

This offer is made in confidence. No terms shall be discussed with any third party save for the Lessee's and Lessor's legal advisors who shall, in turn be bound by this confidentiality clause.

27. CONTRACT:

Until such time as this Lease Agreement has been executed and registered, all covenants, conditions and the rent agreed shall be deemed to have been incorporated in this Lease Agreement.



28. CONDITIONS

The signed Lease Agreement should be returned with the followings:

- Company registration certificate
- business license

IN WITNESS WHEREOF, the common seal of the Lessor and the Lessee has been affixed this

07th day of August, 2023.

Lessor: -On Africa Construction Limited

Name: NIAZHAN IBRAHIM SHERMOHAMED

Designation: MANAGING DIRECTOR

Signature:

Date: 7th August, 2023



Lessee: -Pan Asia New Energy Technologies Tanzania Company Limited

Name: GAO SHAN

Designation: CHAIRMAN

Signature:

Date: 07th August, 2023



BEFORE ME:

Name: ANETH KEVIN CHARLES

Address: P.O BOX 80036, DAR-ES-SALAAM

Qualification: ADVOCATE

Signature:



