

Ref:01012024-31122028mcll: lease between mcl ltd and ltl transformers Tanzania pvt ltd from 01.01.2024 to 31.12.2028

LEASE AGREEMENT

- BETWEEN -

MULTI CABLE

LTD

(The "Lessor")

- AND -

LTL TRANSFORMERS TANZANIA (PVT) LIMITED

(The "Lessee")



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LEASE AGREEMENT

THIS LEASE is made at Dar es Salaam on this Day 1st, of January, 2024

BETWEEN

MULTI CABLE LTD

Of PO Box 10380, Dar Es Salaam, (hereinafter referred to as "the LESSOR", which expression shall, where the context so admits, include their assigns, executors and other successors in title) of the one part.

AND

LTL TRANSFORMERS TANZANIA (PVT) LIMITED of P.O. Box 63072, Amverton Tower, Mezzanine Floor, Chole Road, DarEs Salaam (hereinafter referred to as "the LESSEE" which expression shall, where the context so admits include his assigns, executors and other successors in title) of the other part.

WHEREAS

- A. The Lessor is the legal owner of the warehouse located at Godown in Chuma street Plot No 43/00, Temeke, Dar es Salaam, Tanzania. The lessor is also the legal owner of all the machinery and equipment installed in the transformer plant (Refer to Appendix A)
- B. The Lessor is desirous to lease the warehouse with the machinery and equipment (Listed in Appendix A) on Chuma street Plot 43/00, free from any encumbrances whatsoever and the said Lessee is desirous of renting the said premises on the terms and conditions hereinafter appearing, and
- C. The Lessee is ready and willing to rent the warehouse at the rent price of USD\$ 3000/- plus VAT per month for Commercial purposes only subject to the covenants herein contained.
- D. And the Lessee is ready and willing to rent the machinery and equipment installed in the said warehouse (Refer to Appendix A) at the rent price of USD\$ 3500/- plus VAT per month for Commercial purposes only subject to the covenants herein contained.

NOW THEREFORE THIS AGREEMENT WITNESSES as follows:

1. CONSIDERATION

In consideration of the rent and the Lessee's covenants hereinafter reserved and contained, the Lessor HEREBY DEMISES unto the Lessee the said property (hereinafter to be referred to as the "demised premises") for the period of 5 years, From 1st January, 2024 up to 31st

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December 2028. (Hereinafter "the initial period") subject nevertheless to the provisions for termination hereof.

2. RENT

USD 7,670/- inclusive of VAT (United States Dollars seven Thousand six hundred and seventy Only) per month x 6 months Making a Total of \$ 46,020/- inclusive of VAT per 6 months (United States Dollars forty-six thousand and twenty only, inclusive of VAT, rent payable as agreed according to the agreement.

3) MODE OF PAYMENT/INSTALMENTS

The payment shall be made in 20 installments half yearly each in full and prior

- | | |
|--|----------------------|
| A. 1st installment – On signing contract | (1.01.2024) |
| B. 2nd Installment - On or Before | (30.05.2024) |
| C. 3rd installment - On or Before | (30.11.2024) |
| D. 4thinstallment –On or Before | (30.05.2025) |
| E. 5thinstallment - On or Before | (30.11.2025) |
| F. 6thinstallment - On or Before | (30.05.2026) |
| G. 7thinstallment - On or Before | (30.11.2026) |
| H. 8thinstallment - On or Before | (30.05.2027) |
| I. 9thinstallment - On or Before | (30.11.2027) |
| J. 10thinstallment -On or Before | (30.05.2028) |

The above stated rent shall be payable in advance upon signing this agreement and shall be paid promptly by the Lessee to Lessors' bank account details that have been duly provided

3. PAYMENT ACCOUNT

The Lessee shall pay such rent price to the Lessor's bank Account as indicated hereunder: -

Multi Cable Ltd

Standard Chartered Bank Tanzania Ltd

International House

TZS Account No.: 0102292104900

USD Account No.: 8702092104900

SCBLT2TX

Should there be a change in these payment details, the Lessor shall ensure that such change is communicated in writing to Lessee

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4. SERVICES

The following services and utilities shall be provided as indicated in the chart hereunder;

| Service or Utility | Lessor | Lessee |
|---|--------|--------|
| Electricity Consumption for Ware House | | ✓ |
| Electricity Consumption common areas | ✓ | |
| Water consumption | | ✓ |
| Security Services | | ✓ |
| Janitorial /Garbage Collection | | ✓ |
| Sewage system Maintenance | ✓ | |
| Roof drainage maintenance | ✓ | |
| Water supply piping and storage maintenance | ✓ | |
| Environment permit | | ✓ |

5. RENEWAL

- A. In the last year of the initial period of the lease, unless the Lessee has expressed its intention, in writing, to terminate the lease at least 90 days prior to the expiry of the initial period, this agreement shall be extended for further period equivalent to the initial period.
- B. In the event the Lessee wishes to continue with the Lease upon the expiry of the initial period, both the Lessor and the Lessee shall finalize lease agreement including new terms, if any, within 90 days prior to the expiry of the initial period. Should the Lessor and the Lessee fail to reach into an agreement on the rent prior to the expiry of initial period, the parties may terminate the lease agreement.

6. GOVERNING LAWS

This agreement shall be governed by the laws of United Republic of Tanzania and the arbitration shall be in English language and take place in Arusha, Tanzania.

7. LESEE'S COVENANTS

The Lessee HEREBY COVENANTS with the Lessor to the intent that the obligations shall continue throughout the said term as follows:

1. To pay the agreed monthly rent (6 months) as indicated in the table hereinabove and agreed as per this agreement
2. The lessee to deduct and remit to the Commissioner for Income Tax relevant rate of withholding tax in respect of the rent for the premises and provide Lessor with evidence of receipt/certificate for the same

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3. Stamp Duty will be paid by the Lessee
4. At all times to keep the interior of the demised premises and the appurtenances thereof including fittings and machinery (APPENDIX A) in good and lease-able repair and condition throughout the said term (fair wear and tear excepted).
5. The Lessee shall obtain and maintain for the entire term of this Agreement at its own expense, comprehensive insurance against loss or destruction or damage to machines and equipment (APPENDIX A) including without limitations destruction or loss by fire, theft and other risks or loss as customarily insured against on the type of machines equipment leased hereunder. The amount of insurance against loss, damage or destruction of machines and equipment shall not be less than the greater of the full replacement value of machines and equipment or its instalments. The Lessee shall insure the Machinery and Equipment for the value of such Machinery and Equipment to cover any loss arising out of damage, misuse, theft or fire. In event of any loss, arising out of damage, misuse, theft, or fire, the lessee shall be liable to pay the lessor full amount of the equipment in full, plus any damages that may happen to the property.
6. Not to make any structural alterations on the premises without prior consent of the Lessor. Such consent shall not be unreasonably withheld.
7. The Lessee shall retain title and ownership of any machinery and equipment that are installed by the Lessee in the Demised Premise ("Lessee's Machinery and Equipment") at any time during the period of this agreement and the Lessee shall cover all the costs related to their equipment. The lessee must notify the lessor in case of installing any major heavy machinery in the premises.
8. On the expiration of this lease period or any extension thereof or earlier termination thereof, the Lessee shall hand over peacefully and vacant possession of the demised premises in good and leasable condition to the Lessor with all keys, locks and fasteners as shall be in compliance with this agreement.
9. Upon termination of this agreement, the Lessee shall remove and clear all the Lessee's Machinery and Equipment from the Demised premises.
10. To permit the Lessor or its agents with the necessary workmen and appliances at reasonable times during the day and upon not less than 24 hours' prior notice in writing addressed to the Lessee to enter upon the said property for purpose of viewing the state thereof and to execute repairs which they have covenanted with the Lessee to carry out under this agreement.
11. To use the demised premises for commercial purposes only.



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12. Not to sublet, assign or part with possession of the said premises without written consent of the Lessor. Such consent shall not be unreasonable withheld.
13. At all times during the lease period, the lessee shall maintain the demised premises in operable conditions and shall ensure that the premise is not extremely damaged at the end of this lease agreement. The lessee shall handover the premises and machinery (listed in Appendix A) in operable conditions. However, ordinary wear and tear shall not be considered as 'extreme' damage of property.
14. The Lessee shall pay the relevant charges, as set out in clause 4, for the entire period of this agreement.

8. LESSOR'S COVENANTS

The Lessor HEREBY COVENANTS with the Lessee as follows:

- A. To keep the exterior of the demised premises together with the roof and the main structure, walls, electrical wirings and fittings thereof, water taps, pipes, drainage system, sewer system and tanks used in connection with the water installation in the demised premises in good and let able repair and condition and to remedy all faults of construction inside and outside the demised premises giving proper and convenient use and occupation of the demised premises. The Lessee shall be entitled to record with the Lessor items requiring repair and get confirmation from the Lessor.
- B. To carry out all structural repairs of the premises as shall be necessary.
- C. To allow the Lessee to peacefully hold and enjoy the said property during the period of this lease without any hindrance.
- D. To pay all the present and future rates, taxes, duties and outgoing, as may be existing at present.

9. TERMINATION

1. The term of this lease agreement shall be for five (5) years, commencing on [1st January 2024] and ending on [31st December 2028]. The parties agree that this lease agreement cannot be terminated before the completion of the full five-year period, as stated in the duration clause.



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2. Either party shall have no right to terminate this lease agreement prior to the expiration of the initial five-year term, unless and until the other party issues a six (6) months written notice to the other party.
3. In the event of breach of contract by either party, the non-breaching party shall have the right to terminate this lease agreement and seek legal remedies as provided by law.
4. Any attempt by either party to terminate this lease agreement, before the completion of the initial five-year term, without proper legal grounds, shall be considered as a breach of contract and shall entitle the non-breaching party to seek damages and other legal remedies.
5. Upon the completion of the initial five-year term, this lease agreement shall automatically terminate, unless otherwise as provided for under clause 5 of this agreement.
6. . The termination of this lease agreement, whether by expiration of the term or through mutual agreement, shall not relieve the parties of their obligations under any other provisions of this agreement, which shall survive termination.

10. CONFIDENTIALITY

Except as required by the law, no party shall disclose or communicate, use or exploit any propriety or confidential information acquired or received from the other party as a result of entering into this agreement, without the prior written consent of the other party.

11. FORCE MAJEURE

1. No party hereto shall be considered in default of its obligation herein if the performance thereof is prevented or delayed because of war, hostilities, mutiny, rebellion, insurrection, revolution, civil commotion, terrorism, labor conflicts, contagious diseases, accidents, fire, strong winds, floods, earth quake or because of any law, order, proclamation, regulation or ordinance of the government of subdivision thereof or because of any other reason beyond the reasonable control of the party affected, provided that notice in writing of the occurrence of such event and its effect on the party's ability to perform its obligation is given within the shortest possible period.
2. As soon as the cause of the force majeure has been removed, the party affected by such cause shall notify the other party. Should one or both of the parties hereto to be prevented from fulfilling its obligations by a state of force majeure lasting for more than



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six months, the parties shall consult with each other and determine on the future performance of this agreement. None of the parties shall have the right to claim any damage from the other party because of the occurrence of force majeure.

12. DISPUTE RESOLUTION

If any dispute or difference shall arise between the parties touching any clause, matter or thing whatsoever herein contained or the operation or construction thereof or any matter or thing in any way connected with this agreement or the rights duties or liabilities of either party under or in connection with this agreement then and in every such case such dispute or difference shall be determined in accordance with the Arbitration Act (Cap.15) of the laws of Tanzania or any statutory modifications or re-enactment thereof for the time being in force.

13. MISCELLANEOUS

A. Minor Maintenance such as plumbing, bulbs replacement etc, shall be carried out by the Lessee.

B. Security shall be the sole responsibility of the Lessee. Lessor is not providing any security services or engaging a security company for providing of security services to the lessee at the said premises

C. The Lessor shall not be responsible for any loss / destruction / damage due to theft/illegal content /fire - for goods or any property that have been kept in the warehouse, whatever the case may be or due to any reason known or unknown.

D. Lessee shall be entitled, at its own cost and expense, to construct such fences and/or other structures or equipment for security and / or safety purposes, if applicable or necessary, and affix the warning signs for security and / or safety purposes and to share details with the Lessor for approvals, prior to any construction.

E. The Lessor shall not be responsible for any bodily injury of Lessees or the occupant been in the said premises during the occupancy of the lease premises from any cause whatsoever.

14. PROVIDED ALWAYS AND IT IS HEREBY AGREED AND DECLARED THAT:

- A. If the rent hereby agreed or any part thereof shall remain unpaid for thirty (30) days after becoming due, or if the Lessee is in breach of the covenants herein contained, the Lessor shall formally serve the Lessee a notice of 30 working days in writing demanding immediate payment of such outstanding payment or remedy for the breach; and failing to make such payment or remedy that breach within a period of ten (30) working days after receipt of notice to that effect from the Lessor; then and in any



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of such events the Lessor shall have the right, (but shall not be obliged), forthwith to terminate this Agreement.

- B. Lessee shall be entitled, at its own cost and expense, to construct such fences and/or other structures or equipment for security and / or safety purposes, if applicable or necessary, and affix the signage, all warning signs for security and / or safety purposes and to share details with the lessor for approvals prior to any construction..
- C. That the Lessee will furnish the Lessor with the below listed documents as required by governing laws, failure to comply on the above for all listed documentation requirements, the Lessor will not take any responsibility whatsoever in regard to legal and government laws in accordance.

A) DIRECTORS PASSPORT SIZE PHOTOS (4 pcs)

B) TIN CERTIFICATE

C) VRN CERTIFICATE

D) BUSINESS LICENSE

E) CERTIFICATE OF CORPORATION

F) PASSPORT COPY AND NATIONAL ID FOR LOCAL PERSONNEL

G) PASSPORT & PERMIT COPY FOR – FOREIGNERS

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IN WITNESS WHEREOF: These presents have been executed on the date first above written.

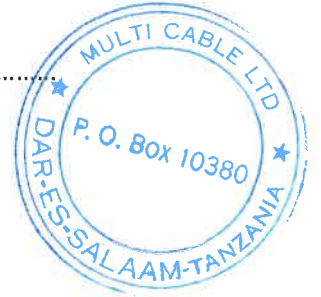
SEALED by the COMPANY seal of
MULTI CABLE LIMITED
in the presence of us at Dar es Salaam
This 1st Day of JANUARY, 2024

Name: AKBERALI ALIBHAI
Address: P.O. BOX. 10380, DSM
Qualification: DIRECTOR,

} _____

Alibhai

LESSOR



SEALED by the COMPANY seal of
LTL TRANSFORMERS TANZANIA (PVT) LIMITED
in the presence of us at Dar Es Salaam
This 1st Day of JANUARY, 2024

Name: SUDATH ANNASIWATTA
Address: P.O BOX 505/X
Halbarawa Gardens
Thalahena Malabe
Sri Lanka

} _____

Sudath Annasiwatta

LESSEE



Qualification: DIRECTOR,

Before me: *DEUS ERESTARIKI TARIMO*

Signature: *[Signature]*



Address: *P.O BOX 72015 - DSM*
Qualification: ADVOCATE



SD = 914,760/=

*Bardon.
26/3/20*