

THE LAND ACT
(CAP. 113 R.E. 2002)

[AS AMENDED BY THE LAND (AMENDMENT) ACT No. 2 OF 2004] AND
THE LAND REGISTRATION ACT [CAP 334 R.E 2002]

LEASE AGREEMENT

DATED THIS 1 DAY OF AUGUST, 2024

BETWEEN

RASHID SAUD RASHID

AND

Qianfeng Group Company Limited

IN RESPECT OF RENTING OF A PROPERTY ON PLOT NO. 58, REGENT ESTATE, IN DAR
ES SALAAM, TANZANIA
Title RASHID SAUD RASHID

This contract has 16 pages including current page

LEASE AGREEMENT

THIS AGREEMENT is made on the01..... ofAUGUST..... 2024

BETWEEN

...RASHID SAUD RASHID Post Office Box ...15441.... Dar es Salaam (hereinafter called the "LESSOR" where the context so admits includes his successors and assigns) of the one part,

AND

Qianfeng Group Company Limited, whose representative is Mr. LI XIAOJIE of passport no. EG4975002 (issued in Guangdong on 06 June 2019, and expiry 05 June 2029, place of birth Guangdong) of the People's Republic of China of a business in Dar es Salaam, in the United Republic of Tanzania, (hereinafter referred to as the "LESSEE" where the context so admits includes his successors and assigns) of the other part.

WHEREAS :-

- A. The Lessor is a lawful holder of a Right of Occupancy of land situated in Plot No...58....., within ...REGENT ESTATE..... in Dar es Salaam City, Tanzania (hereinafter referred to as the "the Premises") and is desirous to lease the same to the lessee.
- B. The Lessor wishes to lease the Premises from the Lessor for a Terms periods, and the Lessor has agreed to lease the Property to the Lessee for up to 6 years.

- C. Automatic annual renewal for up to 6 years is subject to a written agreement by the Lessor to the Lessee as (MoU) Memorandum of Understanding hereinafter referred to as MoU, 6 months before the end of each annual year.
- D. The Lessor and the Lessee are now desirous of entering into a Lease Agreement, being this Lease.

NOW THEREFORE THIS AGREEMENT WITNESSETH as follows:

1.0 TERM OF THE TENANCY

1.1 That the Lessor being legally authorized to lease the Premises, does hereby grant unto the Lessee, the Premises subject to the covenants, conditions, and agreements between the Parties herein written.

1.2 The period of tenancy herein referred to as the "Term" shall be for a term of 12 months, commencing from the Commencement Date amounting to 12 months in total and (can be extendable for a total of up to 6 years, referred to as "Contract" on mutual agreement between both parties)

1.3 The Lessor and Lessee have an option for renewal after 6 years should both the parties agree on the terms of such renewal thereafter.

2.0 RENT PAYABLE:

2.1 Starting from ...1 August 2024 ("The Commencement Date"), the rent for lease of the Premises during the period up of the Commencement Date, shall be US\$...2200.... (United States Dollars two thousand and two hundred per month only, excluding withholding tax). (Refer to SCHEDULE of the Lease Agreement for the Rent breakdown)

SCHEDULE

This contract is valid for up to 6 years subject to annual agreement, as per the following schedule:

- 1-Aug-2024 to 30-July-2025 (rent is USD 2,200 per month)
- 1-Aug-2025 to 30-July-2026 (rent is USD 2,200 per month)
- 1-Aug-2026 to 30-July-2027 (rent is USD 2,400 per month)
- 1-Aug-2027 to 30-July-2028 (rent is USD 2,400 per month)
- 1-Aug-2028 to 30-July-2029 (rent is USD 2,600 per month)
- 1-Aug-2029 to 30-July-2030 (rent is USD 2,600 per month)

Withholding tax is to be paid by the Lessor. The rent is fixed every 2 years (please refer to the schedule)

- 2.2 The rent shall be paid 3 months in advance; the first payment is due when moving in the premises and moving in date is 1st August 2024. Thereafter payment of rent shall be paid (every 3 months). Therefore, yearly rent shall be paid every quarter (3 months) during the Term.
- 2.3 The Parties agree that the rent payment obligations set out in clause 2.1 and 2.2 above shall commence from the Commencement Date.
- 2.4 The Lessor shall pay a withholding tax (or such other applicable rate under any relevant statute) of the rent paid under this Agreement. The tax withheld would be paid every 12 months and shall be submitted by the Tenant to the Tanzania Revenue Authority (TRA)
- 2.5 The rent shall be paid in United States Dollars as directed by the Lessor.

3.0 THE LESSEE HEREBY COVENANTS WITH THE LANDLORD as follows;

- (a) To promptly pay the assessed withholding tax imposed upon the Premises in respect of this lease agreement;
- (b) To pay the costs of stamp duty shall become payable by virtue of this transaction.

- (c) To register this Agreement in accordance with the Land Registration Act Cap 334;
- (d) At all material times after the Commencement Date to keep the Premises including, soft furnishings, Air Conditioning Units, Equipment, doors, windows, water taps and fittings, and pressure pumps, electric light & fittings and other Lessor's fixtures and fittings in good and tenantable repair. For the avoidance of doubt it is clarified that the Lessee is under obligation to only undertake or cause to undertake tenantable repair and reasonable maintenance (at such periods that is reasonably deemed appropriate by the Tenant and in the manner agreed with the Landlord) of all furniture fixtures and fittings in the Premises.
- (e) At all times during the lease period; to ensure that the Premises is properly maintained by the Lessee;
- (f) The Lessee, whenever necessary shall take out and maintain comprehensive insurance policy on the building developments for the entire lease period; It is advisable to take insurance. Any liabilities on the premises will not be covered by the Lessor.
- (g) To permit the Lessor or its agent, at all reasonable times during the said term with or without workers with prior notice (of not less than 48 hours) to enter upon and examine the condition of the Premises.
- (h) Not to damage, or injure any of the walls or timbers of the Premises and assets or suffer or permit the same to be done save as it may be required or as agreed upon by both parties.
- (i) To allow the use of the Premises for business purposes only. The Lessor follows Islamic Principles when it comes to profits from alcohol, (that is the Lessor does not want to profit in rent from alcohol). Any other lawful activity must be approved and agreed to by the Lessor. Business activities such as warehouse, hotel, restaurant is subject to Tanzanian Government Regulations, Municipality and Law

- (j) To pay all charges for telephone, gas, electricity, water, sewage, security services and other services used by the lessee or its employees on the premises rented by the Lessee during the term of this lease agreement.
- (k) Shall make good at Lessee's own expenses both material damage and labor costs or all damage caused to the Premises occasioned through his fault or negligence and shall be responsible for the operational management of the Property.
- (l) The Lessee shall not create or attempt or purport to create any rights of whatsoever nature in favor of any third parties (including a Bank or other financial institution) in or to or in relation to or concerning its leasehold interest or the Premises or any part thereof;
- (m) The Lessee shall not assign this lease or sublet any portion of the Premises without prior written consent of the Lessor. Any such assignment or subletting without consent shall be void and, at the option of the Lessor, may terminate this lease.

4.0 LESSOR'S COVENANTS:

THE LESSOR COVENANTS WITH THE LESSEE as follows:

- (a) To pay and discharge all land rent rates or property tax and assessment payable in respect of the Premises during the contractual period other than bills payable for water, electric light and power telephone facilities, and other services used in the Premises by the Lessee.
- (b) To comply to all laws prevailing thereof and relevant to Lease hereto including but not limited to the national and municipal by-laws.
- (c) To allow and permit the Lessee to sub-lease the Premises (after fulfilling conditions set out in Clause 3 (m) above) should the Lessee wish to do so, provided that the sub-lessees shall not violate the covenants/conditions of this lease agreement;

- (d) Not to transfer ownership of the Property, in any manner, during the lease period or any period, and in the event, ownership changes due to succession, the lease shall survive any change of ownership;
- (e) The rent will be renewed automatically for up to 6 years. However, during this period the Lessor or Lessee is entitled to terminate the contract when faced with extreme issues (bankruptcy, failure to pay rent, serious illness). A Lock in Period of 6 months must be followed during this period.
- (f) Restaurants and hotels running in premises must be according to Tanzanian Government Regulations and Laws and Municipality Regulations
- (g) The rent starts when moving in the premises and moving in date is 1 August 2024. Renovation is up to the Lessee.
- (h) The Lessor follows Islamic principles when it comes to alcohol.
- (i) To handover the premises as it is for the tenancy to the Lessee to perform any alterations approved (by the Lessor) subject to Clause 3 to meet their business operations standards.
- (j) The Lessor shall ensure to the Lessee will reside peacefully and quietly. The Lessor (or any party on his behalf) will ensure that there will not be any unlawful interruption or interference to the Lessee.

5.0 PROVIDED ALWAYS AND IT IS HEREBY MUTUALLY AGREED AND DECLARED AS FOLLOWS: -

5.1 DEFAULT

If default occurs in the performance of any of the covenants on the part of the Lessor or the Lessee, then the term herein contained shall upon failure by the Lessee or the Lessor to remedy such default within thirty (30) days of a written notice cease notwithstanding anything to the contrary and without prejudice to any right of action or remedy of any party in respect of any antecedent breach of any covenants by the Lessee or the Lessor hereinbefore;

5.2 DISPUTE RESOLUTION

5.2.1 Any dispute arising from this Agreement shall be referred for arbitration within ninety (90) days of the dispute arising, in accordance with the Arbitration Act, Cap 15. Arbitration shall be conducted by a single arbitrator appointed by the Tanganyika Law Society and shall be conducted in a place agreed by both parties should the matter fail to be settled amicably.

5.2.2 Any decision by the arbitrator shall be conclusive and binding on both parties and shall be enforceable by any court with competent jurisdiction in Tanzania.

5.3 NOTICE CLAUSE

5.3.1 Any notice under this Lease Agreement shall be in writing and may be served on the party to whom it is addressed, either personally or by an agent duly authorized to receive it, or by leaving it at the Lessor's or Lessees last known places of abode or by sending it through registered post or recorder delivery service to such premises or place

5.3.2 Save as otherwise expressly provided herein, any notice, demand or document to be given or made by one party to this Agreement to the other shall be deemed made:

- (a) when dispatched (if given by facsimile transmission or email during normal business hours on a Business Day, a Business Day is from Sunday to Saturday) provided that the appropriate acknowledgement of proper transmission is obtained by the sender;
- (b) when dispatched during normal working hours on a Business Day at the principal office of each party; or

(c) seven (7) Business Days after posting by registered post provided that proof is given that the notice, demand or document was properly addressed adequately stamped and put into the post by registered post.

5.4 CONFIDENTIALITY CLAUSE

Except as required by law, no party shall disclose or communicate, use or exploit any proprietary or confidential information acquired or received from the other party because of entering into this Lease Agreement, without the prior written consent of the other.

5.5 FORCE MAJEURE

5.5.1 Neither party shall be liable to the other for inability to perform or for delayed performance of the terms of this Agreement, should that inability or delay arise from any cause beyond the reasonable control of such party, provided that the existence of such cause has been drawn to the attention of the other party within a reasonable time of occurrence of such cause (hereinafter referred to as "a force majeure").

5.5.2 For the purpose of this clause, a force majeure event shall, without limitation of the generality of the foregoing, be deemed to include strikes, lockouts, accidents, fires, explosions, theft, war (whether declared or not), invasion by external or foreign enemies, hostilities, civil insurrection, floods, earthquake, lightning, act of local or national government, martial law or any other cause beyond the reasonable control of the party affected;

6.0 MISCELLANEOUS CLAUSES

6.1 This Lease Agreement shall be enforceable throughout the lease period, notwithstanding the existence of any claim or cause of action one party may have against the other;

- 6.2 In case any one or more of the provisions contained in this Agreement shall for any reason be held to be void, voidable, invalid, illegal or otherwise unenforceable, or indications to that effect are received by either of the parties from any competent authority, the parties shall use their best efforts to achieve the purpose and intention of the relevant provision by amending this agreement by adding a new legally valid and enforceable provision or provisions and the said invalid, illegal and unenforceable provision or provisions as the case may be, shall be deemed never to have been contained herein;
- 6.3 Words importing the singular shall where the context so admits, be construed as importing the plural and vice versa and words importing persons, shall where the context so admits, be construed as importing a corporate body and vice versa;
- 6.4 The parties hereto undertake to act in good faith and fairly with respect to each other's rights and obligations under this Lease Agreement and to adopt all reasonable measures to ensure the realization of the objectives of this Lease Agreement;
- 6.5 This lease Agreement contains all covenants, stipulations and provisions agreed by the parties and the parties hereto shall not be bound by or liable for any statement, representation, promise or stipulation not set forth herein, save where such covenants, stipulations and provisions are made by means of an addendum or addenda duly signed by the parties hereto;
- 6.6 Neither party shall be entitled to cede transfer or assign any of its rights and obligations under this lease Agreement in whole or in part without the express written consent of the other party;
- 6.7 Each Party shall bear their own advocate's fees incurred in the preparation and review of this Lease Agreement;

- 6.8 This Lease Agreement shall commence and take effect from 01 August 2024..... which is labeled (“the Commencement Date”);
- 6.9 The interest which is the subject matter of this Lease Agreement is the remainder of the term of the Right of Occupancy on the property of the Lessor from the Government of the United Republic of Tanzania.
- 6.10 Any modification, amendment, or waiver of any provision of this Lease shall be effective only if it is in writing and signed by the authorized representative of each Party. No failure to exercise nor any delay in exercising any right, power, privilege, or remedy under this Lease shall in any way impair or affect the exercise thereof or operate as a waiver thereof in whole or in part. No single or partial exercise of any right, power, privilege, or remedy under this Lease shall prevent any further or other exercise thereof or the exercise of any other right, power, privilege or remedy.

7.0 TERMINATION

7.1 This Lease Agreement shall terminate:

- A) On the expiry of the lease term herein reserved unless the parties mutually agree in writing to renew the Contract agreement of 6 years.
- B) When any violation of the contract including the covenants to both parties/sub-lessees shall amount to breach, (if conditions set in Clause 5.1 above have been fulfilled), then either party shall have the right to terminate the agreement, and shall the breach be caused by the Lessee, the Lessor shall not have any obligation to pay/refund on investments or any construction costs that have been incurred by the Lessee.
- C) In the event the Lessor seeks to terminate the Agreement prior to the expiry period (if the reason to terminate is not caused by a breach on the Lessee covenants); the Lessor shall give a six (6) months notice. Additionally, the

Lessor shall refund the Lessee of any unutilized rent paid before the termination.

D) In the event the Lessee seeks to terminate the Agreement prior to the expiry period; the Lessee shall give a six (6) months notice and shall pay any outstanding rent for the duration of the six (6) months' notice period.

E) There are no liabilities as far as the investments done to the Premises when the contract ends, or at whatever period during the contract. The investments done by the Lessee are their own investments in running their business or otherwise and are not liable by the Lessor under any circumstances. Upon exit from the Lease Agreement, the Lessee, will undertake to return the entire premises in its original condition (the original condition being the condition before the day before signing the contract, 1-August 2024). However, the Lessor shall accept new changes, reasonable, and as part of business development done by Qianfeng Group Company Limited. These developments as part of business, will be discussed during the 10-year Lease Agreement. This is to safeguard the integrity of the premises.

F) The Premises is rented as is, and not subject to any refund (upon termination or end of contract) from Lessor to the Lessee should the Lessee invest into the Premises.

8.0 REPOSSESSION

If;

8.1 The Lessee fails to pay the Rent and/or any other moneys payable hereunder or any part thereof within 14 days from the due date of payment of the same and after notice of not less than thirty (30) days has been served on the Lessee by the Lessor the Lessee fails to remedy this default or fails to pay or discharge any other obligation and liability payable or to be discharged by the Lessee after the Lessor has served on the Lessee thirty (30) days' notice of the breach; or

8.2 The Lessee breaches or fails to comply perform or observe any of the other covenants agreements conditions and undertakings contained herein and to be complied with performed and observed by the Lessee;

Then and in any of the said cases on 8.1 and 8.2 above, the Lessor shall issue a notice in writing to the Lessee:

- (a) specifying the nature of the breach by the Lessee (the "Breach"); and
- (b) (in the case of a Breach capable of remedy) requiring the Lessee to remedy the Breach within thirty (30) days from the date of the Notice; and
- (c) (in any other case other than non-payment of the rent) requiring the Lessee to remedy the Breach by way of a monetary compensation and specifying the amount to be paid by the Lessee.

9.0 RECOVERY OF MONIES DUE

If the Lessee shall make default in making payment of any monies becoming payable hereunder the amount owing may at the discretion of the Lessor be recovered as rent in arrears or as a debt.

10.0 INDEMNITY

The Lessee shall keep the Lessor indemnified against all expenses, costs, claims, damage and loss (including any diminution in the value of the Lessor's interest in the Premises and loss of amenity of the Premises) arising from any breach of any Lessee's covenants in this lease, or any act or omission of the Lessee, any sub lessee or their respective workers, contractors or agents or any other person on the Premises or any other part of the property with the actual or implied authority of any of them.

The Lessee shall also keep the Lessor indemnified against all claims, damages or loss arising from any undertaking or investment or development that is done at the Property.

Lock In Period

Neither party for a period of 6 months shall be entitled to terminate the lease for any reason whatsoever, during the Lock-in Period. Notwithstanding the aforesaid, in the exceptional event the Lessee wishes to terminate the lease anytime during the Lock-in Period, the Lessee may do so, provided that the Lessee pays all rent for the remainder of such lock in period, as if such lease had not been terminated based on the last paid Rent by the Lessee. Additionally, the Lessor may terminate the contract and the remaining of the rent returned in full, for example, if rent was paid for 6 months in advance and the residence time in the property is 1 month, then the remaining 5 months will be returned to the Lessee. Any investments made by the Lessee in the property will not be refunded. Investments are only done by sole discretion of the LESSEE and the LESSOR is not liable for any investments, repair work, or time allocated for the upkeep or modification of the property.

11.0 NUISANCE

Not to do or suffer to be done on the Premises any act or thing which in the opinion of the Lessor may be or become or cause a nuisance, damage, annoyance, disturbance or inconvenience to the Lessor or occupiers of any adjoining or neighboring premises.

Not to use the premises for illegal or immoral purposes; including the use of illegal drugs.

12.0 STRUCTURAL ALTERATIONS

Not to make any alterations or additions or do any construction work whatsoever to the Premises or any part thereof except with the previous consent in writing by the Lessor

13.0 GOVERNING LAW

13.1 This Lease Agreement shall be governed by and construed in accordance with

the Laws of the United Republic of Tanzania.

IN WITNESS WHEREOF the Lessor and the Lessee have executed these presents on the day and in the manner herein appearing.

SIGNED and DELIVERED at Dar es Salaam by the saidwho is known to me personally/identified to me and delivered in the presence of us this1.....day of August.....2024. (LESSOR)

} _____

Name:RASHID SAUD RASHID.....
Signature:
Postal Address:15441.....
Qualification:

SEALED with the Common Seal of the said and DELIVERED in the presence of us this ...1.....day ofAugust.....2024. (LESSEE)



} this ...1.....day of

Name:
Signature:
Postal Address: ...Tel + -----, email ----- Dar es Salaam.....
Qualification: Business-man

Name:
Signature:
Postal Address: Qualification:

BEFORE ME:
Full Name:
Signature:

Address:

Designation:

SCHEDULE

RENT

1.1 To pay the Rent on the days and in the manner set out below by way of to any bank and account that the LESSOR may from time to time nominate or, at the option of the LESSOR, in any other manner that the LESSOR may from time to time require:

1.1.1 The Lease Agreement is from 01 August 2024 to 30 July 2030 (both days inclusive). The annual agreement is subject to the Lessor and Lessee agreement as Memorandum of Understanding as below schedule.

This agreement is valid for up to 6 years subject to annual agreement (terms periods), as per the following schedule:

1-Aug-2024 to 30-July-2025 (rent is USD 2,200 per month)

1-Aug-2025 to 30-July-2026 (rent is USD 2,200 per month)

1-Aug-2026 to 30-July-2027 (rent is USD 2,400 per month)

1-Aug-2027 to 30-July-2028 (rent is USD 2,400 per month)

1-Aug-2028 to 30-July-2029 (rent is USD 2,600 per month)

1-Aug-2029 to 30-July-2030 (rent is USD 2,600 per month)

Withholding tax is to be paid by the Lessor. The rent is fixed every 2 years (as per above schedule)

1.1.2 A month deposit of USD 2,200 shall be paid upon signing the contract (this is to cover any damage done to property). This is refundable upon end of the contract agreement.

1.1.3 A yearly audit shall be done yearly to ensure upkeep of property and regulations and environmental standards. The audit shall be done by the Lessor or a representative of the Lessor.

1.1.4 This contract is extendable for up to 6 years on mutual agreement between both parties, and this agreement is made in goodwill.