

TENANCY AGREEMENT

This agreement is made30th.....day of...January.....2024 between **Pyramid Pharma Limited** a company dully incorporated under the laws of Tanzania whose registered office is at Mikocheni Industrial area P.O. Box 16215 Dar es Salaam (hereinafter referred to as **'THE LANDLORD'**) of one part,

And

DEAPEX NATIONAL SERVICE COMPANY LIMITED (owner of TIN Number 163-014-777) of P.O. Box 10533 Dar es Salaam and having office registered in Dar es Salaam (hereinafter referred to as **'THE TENANT'**) which expression shall, where the contents so admits, include the tenant successors in the title of the other part.

NOW THEREFORE the landlord and the tenant agree as follows.

- i) The landlord is the title deed owner of the premise situated at plot number **46-48, Mikocheni Light Industrial Area, Dar Es Salaam** intends to let the said part of the premises to the tenant for the period of **Thirty-Six months** commencing on **1st February 2024** until **31st January 2027**, at a rent rate of **3,000.00** USD (VAT exclusive) per month.
- ii) The part of tenancy being referred here is Workshop Space.
- iii) That, rent will be payable quarterly in advance, not later than the 10th Day of the first month of each quarter;
- iv) That the amount rent is exclusive of security and service fee;
- v) That service and security will be billed separately as per need and agreed fee;
- vi) That the rent may be reviewed after two years based on the market rate.

IN CONSIDERATION of the rent covenant hereinafter reserved and the **TENANT'S** covenant hereinafter contained or implied and to be performed and observed by the Tenant premises situated at plot no 46 - 48 Mikocheni light industrial area;

The Workshop premises will be used mainly for production and storage relevant to the Tenant business.

1. COMPENSATION

1.1 Total rent paid per month shall be **USD 3,000.00 say, USD Three Thousand Only, VAT exclusive**. Below is the payment breakdown:

Description	Amount (USD)
Workshop Space (600m ² x 5 USD)	3,000.00
VAT (18%)	540.00
Deduction (Withholding Tax 10%, Payable by Tedant for Landlord)	300.00
Total	3,240.00

- 1.1 That all payments can be made in Tanzanian shillings, basing on the exchange rate of 1 USD = TZS 2,600 at the date of payment;
- 1.2 The rent will be payable quarterly in advance, not later than 10th Day of the first month of each quarter;
- 1.3 The first rent payment is payable to Landlord when Tenant signs this Agreement. All payment to be made to the account details stipulated in the relevant invoice;
- 1.4 The Tenant to make payment to the Landlord sums equivalent to one (1) month's rent as security deposit (refundable) for any miscellaneous done by the tenant during the tenancy period. The Landlord shall refund back to the Tenant the security deposit once an inspection of the premises is complete prior to the handover of access keys from Tenant to the Landlord;
- 1.5 Rent will escalate at a maximum rate of 5% every Two (2) years;
- 1.6 A late fee will be charged if rent is not paid on time, within Fourteen (14) days after due date. Rent shall be paid at the beginning of every quarter. After the 10th day of beginning of each quarter, will be deemed as late;
- 1.7 If rent is not paid within the agreed time, a set late charge of USD 2.00 per day will accrue. One-month late payment will lead to termination of the lease;
- 1.8 The Tenant shall have one (1) month's rent-free period from 1st February 2024 or as parties may agree to do repairs, fittings and fixtures fit for the Tenant's business. The rent payment shall commence from after the one (1) month's rent-free period being 1st March 2024.

2. RESPONSIBILITIES

The tenants **HEREBY COVENANTS** with the landlord to the intent that the obligations shall continue throughout the said terms as follows.

- i) To pay the said term reserved rent at the times in the reserved manner aforesaid;
- ii) At all times to keep the interior of the demised premises and surroundings thereof including the doors, windows, fixtures and fittings in good, clean and substantial repair conditions throughout the said term (fair wear tear and damage by fire excepted) as well as taking care of the yard/court outside the workshop space;
- iii) To permit landlord agents, surveyors and other authorized by the landlord at all reasonable times of a day upon not less than 24 hours previous notice to enter upon the demised premises for the purposes of carrying out thereon and effecting to the office premises any desirable and necessary repair;

CONTRACT NO: PPL/DNSCL/TA/2024-2026

2 PM NP J

- iv) To store in compliance with GSP all articles brought upon the demised premises especially combustible/inflammable and goods of dangerous nature;
- v) To process and obtain all production and storage permits as may be required by any relevant regulatory boards in the industry;
- vi) Not to do or suffer on the demised premises of part thereof any act, matter, or thing howsoever which may be or tend to annoyance or nuisance damage or disturbance of the landlord or owners or occupiers of neighbor properties;
- vii) Not to do or suffer on the demised premises of part thereof any act, matter or thing howsoever which may be or tend to breach the laws of the country;
- viii) Provide their own backup power generator or alternative to TANESCO power;
- ix) Not at any time without previous written consent of the landlord to assign and or sublet the demised premises or any part thereof to a third party;
- x) To yield up the demised premises with the fixture and fittings at the expiration or sooner determination of the said term in good condition in accordance with the covenants herein contained;
- xi) To handle all compliance issues necessary for the premises to qualify for production and storage including survey and installation of fire extinguishing gears, servicing the units as well processing for fire safety certificate as regulated by the National Salvation Army;
- xii) Payment of the utility bills such as electricity and water as per consumption;
- xiii) To pay the service charge billed separately upon agreed fee (which will be inclusive of disposable/waste handling and cleaning of cloakrooms);
- xiv) Shall be responsible for insuring goods stored in the premises as per their insurance policy.

4.2 The **LANDLORD HEREBY COVENANTS** with the tenant as follows.

- i) To maintain, repair, amend, renew, clean, repaint and redecorate and otherwise keep in good and habitable conditions.
 - a) The structure of the building and in particular the roofs foundations and wall thereof.
 - b) Any boundary wall and fences of the building
- ii) That the Tenant paying the rent hereby reserved performing and observing the several covenants and stipulations on its part herein contained shall peaceably **HOLD AND ENJOY** the demised premises throughout the said term without any interruption from the **LANDLORD** or any person rightfully claiming under or in the trust of the landlord.

CONTRACT NO: PPL/DNSCL/TA/2024-2026

2 PM NP 2

- iii) Ensure availability of utility services (limited to water and energy)
- iv) If the rent hereby reserved or any thereof shall be unpaid for the period of thirty days after becoming payable whether lawfully demanded or not or if any covenants on the tenant's part herein contained shall not be performed or reserved it shall be lawfully for the landlord at any time thereafter to re-enter the demised premises or any part thereof and there upon the term hereby created and this lease shall forthwith cease and determined but without prejudice to any right of action of the landlord in respect of any breach of the Tenant's covenants herein contained.
- v) Prior to leasing to the tenant, the landlord must ensure the integrity of the roof to prevent any issues arising from leaks during the term of the lease. During the lease period, if notified of any damage or leakage to the roof, the landlord shall promptly inspect and undertake repairs. In emergency situations, the landlord may take temporary measures to address leaks, provided that such measures do not unduly disrupt the lessee's business operations.
- vi) The landlord is required to ensure that the floor is level and sturdy, free from any damage such as holes, indentations, or other structural flaws before the commencement of the premises lease.
- vii) The landlord will provide a power cable consists of four (4) cores and have a cross-sectional area greater than twenty-five (25) square millimeters.

3. FORCE MAJEURE

- i) For the purpose of this agreement, "force Majeure" means an event which is beyond reasonable control of a part, and which makes a party's performance of its obligation under the contract impossible or so impractical as to be considered impossible under the circumstances.
- ii) No party hereto shall be considered in default of its obligations hereunder if the performance thereof is prevented or delayed by circumstances of Force Majeure which shall include war, hostilities, revolution, civil commotion, labour conflicts contagious diseases, accidents, fire, strong winds, floods, earthquake, or because of any law, order, proclamation, regulation or ordinance of the Government or subdivision thereof, or because of any reason beyond the reasonable control of the party effected.
- iii) If either part is unable by any reason of force majeure has been removed the party affected by such cause shall notify the other. If a party is prevented from fulfilling its contractual obligations by a state of force majeure lasting more than thirty days, the parties shall consult with each other to determine the future performance of the agreement.
- iv) Circumstance of force majeure shall not affect parties right already accrued.

4. TERMINATION OF CONTRACT

- i) The tenant shall, unless terminated for wishes or breach of terms of contract, last for an initial fixed period of twenty-four months subject to renewal on mutual consents on such terms and conditions as the parties may agree in future. In the event the tenancy is terminated by wishes or

CONTRACT NO: PPL/DNSCL/TA/2024-2026

2 PM HP J

after expiry of its term the tenant shall make well the premises and /or demolish all introduced alterations to let the premises become as it was before the commencement of the lease.

- ii) Either party may terminate the tenancy prematurely in the event one party wishes or commits a breach of a fundamental covenant of this agreement. The party seeking to terminate the tenancy on the ground of wishes or breach of covenant shall serve the other party a one month written notice of intention to terminate the tenancy. In case of breach of covenants the party will prescribe the nature of the breach and instruct the breaching party to remedy the breach within the period of the notice.
- iii) In the event the tenancy is terminated for wishes or breach of covenants, any rent paid in advance for the term of the tenancy then unexpired, after deducting the notice period aforesaid, shall be reimbursed to the tenant within thirty days following the termination of the tenancy agreement.
- iv) Termination of the tenancy agreement as provided in this clause shall be without prejudice to any right of action or remedy of either party in respect of any antecedent claim of breach of the terms and conditions contained herein.

5. DISPUTE RESOLUTION

- i) If there is any misunderstanding or disagreement or dispute between the **TENANT** and **LANDLORD** on any issue regarding this agreement, the misunderstanding or disagreement or dispute shall be first being settled amicably within twenty-eight (28) days, failure of the amicable settlement the matter will be referred to court of jurisdiction for determination.
- ii) The laws of the united republic of Tanzania shall apply to the substantive issues in dispute.

6. NOTICE

- i) Any notice served under or in respect of this agreement may be served by posting it by registered post to the respective postal addresses of the parties or by physical delivery of the notice to the office of the Chief Executive Officer/ Managing Director/Director of Operations of the parties.
- ii) If the tenant shall be desirous of taking a new lease of the demised premises after the expiration of the term hereby granted the tenant shall deliver to the landlord notice in writing of not less than three months before expiration of the said term hereby granted, and if there shall be no substantial breach of any of the tenant's obligations under this agreement the landlord may GRANT to the tenant a renewal of tenancy.
- iii) Any notice given pursuant to this agreement shall be in writing and may be given by delivering the same through postal address, facsimile transmission, telex, or cable confirmed in accordance with generally accepted standard for the medium addressed to the party which may have notified in writing to the other party. Any notice as given shall be deemed to have been served fourteen (14) days after it was posted or as the case may be at the time it was delivered as aforesaid.

Addresses for service of notice shall be;

- i) **LANDLORD**
Managing Director
Pyramid Pharma Limited
P.O. Box 16215, Dar es Salaam
Tanzania United Republic Of
- ii) **TENANT;**
Managing Director
Deapex National Service Company Limited
P.O. Box 10533, Dar es Salaam
Tanzania United Republic Of

CONTRACT NO: PPL/DNSCL/TA/2024-2026

22 PM NP J

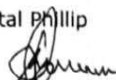
IN WITNESS WHEREOF: the parties dully authorized hereto have executed this agreement presents on the day and year in the manner hereinafter appearing:

SIGNED AND DELIVERED

For and on behalf of **PYRAMID PHARMA LIMITED**

This 30/1/2024.....

Name: Naftal Phillip

Signature: 

Postal address: 16215, Dar es Salaam

Designation: Director of Operations

PYRAMID
PHARMA LIMITED
P. O. Box 16215
DAR-ES-SALAAM

BEFORE ME;

In the presence of


Name PRODY MPAMBO.....

Signature: 

Postal address: 16215 DSM

Designation: LEGAL OFFICER

NAME; KELVIN MICHAEL

SIGNATURE: 

POSTAL ADDRESS; 32974, DSM

DESIGNATION; ADVOCATE

SIGNED AND DELIVERED

For and on behalf of **DEAPEX NATIONAL SERVICE COMPANY LIMITED**

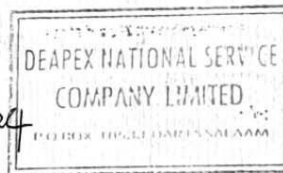
This 30/1/2024.....

Name: Hui Liu

Signature: 


Postal address: 10533, Dar es Salaam

Designation: Director of Operations



In the presence of

Name: YI WANG

Signature: 

Postal address: 10533, Dar es Salaam

Designation: Director

30.01, 2024