

LEASE AGREEMENT

Between

**PING DA GROUP INTERNATIONAL
LIMITED**

And

**S & Q GROUP INTERNATIONAL
COMPANY LIMITED**

Concerning the lease of the property that is known as all the land that is located
on Plot No. 2, Block F, situated at Mkwalia Kitumbo in Mkuranga District
Council with Title Number 17971/1PWN, L.O. No: 1072036 and Ref. No.
LD/PW/13393



LEASE AGREEMENT

This Agreement is entered into on this 1st... date of June. 2024

Between

PING DA GROUP INTERNATIONAL LIMITED, a company incorporated under the laws of Tanzania with Certificate of Incorporation Number 155817372, and registered address of 502 on Plot 89, Block 45B, Kijitonyama, Bagamoyo Road, Kinondoni and P. O. Box 11885, Dar es Salaam (hereinafter referred to as "**the Landlord**") which expression shall where the context so requires or admits includes its successors in title and assigns thereof of the one part,

And

S & Q GROUP INTERNATIONAL COMPANY LIMITED, a company incorporated under the laws of Tanzania with Certificate of Incorporation Number 154647589, whose registered office premises are located at Kijitonyama, Kinondoni and P. O. Box 11858, Dar es Salaam (hereinafter referred to as "**the Tenant**") which expression shall where the context so requires or admits includes its successors in title and assigns of the other part,

WHEREAS;

- A. The Landlord is the holder of rights on title of all the land that is located on Plot No. 2, Block F, situated at Mkwalia Kitumbo, Mkuranga District with Title Number 17971/1PWN.
- B. The Tenant is licensed among other things, to carry out agriculture business.
- C. The Landlord makes available for lease, the land property mentioned in Paragraph A herein, measuring approximately **36,742 square meters**, (hereinafter referred to as "**the Leased Property**") to the Tenant, and Tenant desires to lease the Leased Property from Landlord.
- D. The parties hereby are desirous of affecting this Agreement of renting the Leased Property for the term and rent described below and subject to the terms and conditions herein contained.



NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. DEFINITIONS

In this Agreement, the following terms shall have the meanings specified below:

"Agreement" means this lease agreement and the appendices hereto which are hereby incorporated by reference;

"Business day" shall mean - any day other than a Saturday, Sunday or a prescribed Tanzanian public holiday.

"Confidential Information" shall not be limited to, but shall include information about plans, budgets, financial data, trade secrets, working methods, technical information, inventions, research projects, designs and all other information that is by its nature confidential.

"Day" means calendar days

"force majeure" refers to an event beyond the control of a party (or any person acting on its behalf), which by its nature could not have been foreseen by such party (or such person), or, if it could have been foreseen, was unavoidable, and includes acts of God, storms, floods, riots, fires, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities or other national or international calamity or one or more acts of terrorism or failure of energy sources.

"Laws" shall mean the laws of the United Republic of Tanzania.

"Month" shall mean - a calendar month commencing on the first day of a month and ending on the last day of that month (e.g., 1 January to 31 January).

"Parties" means the landlord and the tenant, and "Party" shall mean either the landlord and the tenant as the context may require.

"Lease Year" shall mean each consecutive twelve (12) month period during the Lease Term.

"Tenant" in the Agreement means S & Q Group International Company Limited and their legal successors in title to the tenant, but not (except with



the written consent of the landlord) any assignee.

"Landlord" means PING DA GROUP INTERNATIONAL LIMITED in the Agreement and the legal successors and assignees in title to the landlord.

The terms of this Agreement shall govern all Transactions hereinafter during the term of this Agreement unless expressly otherwise indicated.

2. Subject Matter

That the subject matter of this Agreement is leasing of the land property covering **36,742 square meters** located at **Plot No. 2, Block F**, situated at **Mkwalia Kitumbo, Mkuranga District Dar es salaam City with Title Number 17971/1PWN**.

3. Term

3.1. The Landlord hereby leases the leased Property together with any and all appurtenances thereto to the Tenant, and the Tenant hereby leases the leased premises from the Landlord, for an **"Initial Term of 30 (Thirty) Years"** commencing from the **.15th** day of the month of **.June.** 2024 to **.15th** day of the month of **.June.** 2054. (a list of the appurtenances shall be herein attached)

3.2. The landlord shall use its best efforts to give Tenant possession of the Lease Property as early as possible at the beginning of the Lease term. The period before possession shall not be counted as part of the payable lease period.

3.3. The Tenant may renew the Lease at its expiration for an agreed extended term, upon the parties entering a mutual written agreement on extension of the same upon any terms to be agreed upon at the time of renewal of the lease agreement. The Tenant shall exercise such renewal option, by giving a written notice to the Landlord in the manner provided herein prior to the expiration of the Initial Term.

3.4. The Parties understand and agree that all renewals shall be subjected to the performance of a due diligence of the corporate affairs of each party of this Agreement and the Leased Property in question before confirmation of payment and any execution required for the renewal term.



4. Effective date

That this Agreement shall become effective after the handover of the lease property from the landlord.

5. Rental Charges

- a. During the Term, The Tenant shall pay the Landlord a rent at the rate amounting to a total of Tsh. 50,000,000 (Fifty Million Tanzanian Shillings Only) per annum, and all other government costs will be calculated in advance to ascertain the same. The payment shall be deposited prior to the handover of the leased premises and the confirmation of all statutory compliance.
- b. The rental amount shall be payable in the Tanzania Shillings Currency.
- c. The rental charges shall be paid to the Landlord.
- d. Notwithstanding the above clause, in the event that the Lessee intends to make payments in foreign currency, the prevailing exchange rate for the given currency shall be used and both entities shall meet and decide on the rate to be used for payment of the Leased property as may be deemed appropriate without affecting either party. Both parties agree to use acceptable business practices in the determination of the exchange rate and reasonability of prudence.
- e. The rent amount for the Leased premises shall remain consistent unless proper notices have been issued.

6. Investigation, Survey and Due Diligence

It is mutually agreed by both parties that prior execution of this Agreement the Tenant has conducted; survey and a topographic map with the coordinates of the Leased Property. A copy of the map with the coordinates is herein attached to form part to this agreement; ground investigation analysis, and appropriate due diligence search.

7. Rights and duties of the parties,

7.1. Tenant

- a. Shall pay rent for the leased property in the time and manner agreed.
- b. Shall respect, obey, comply, and adhere to all environmental laws, regulations and by-laws of the locality where the Leased Property is situated,



- c. Comply with all Laws, regulations, orders, by-laws and other public requirements in Tanzania now or hereafter pertaining to Tenant's use of the Leased Property.
- d. At the Tenant's expense, shall have the right following Landlord's written consent throughout the term of this Lease and any extensions hereof, to remodel, redecorate and make additions, improvements and replacements of and to all or any part of the Leased Property from time to time as may be suitable for carrying out their activities on the Property.
- e. Shall have the right, subject to written approval by the Landlord, to place and install personal property, buildings, trade fixtures, signs, floor covering, interior or exterior painting or lighting, equipment and other temporary installations in and upon the Leased Property and fasten the same to the Premises. The Tenant shall have the right of ownership to these properties and the right to remove the same at any time during the term of this Lease provided that all damage to the Leased Premises caused by such removal shall be repaired by Tenant at Tenant's expense.
- f. Shall comply with the rules of the **Leased Property** as per the date of execution of this agreement, any rules adopted and altered by Landlord from time to time shall be communicated to the tenant before implementation and the tenant shall have the right to request the same to be put up for discussion and if there is no dispute to the implementation of the same, the tenant will cause all of its agents, employees, invitees and visitors to do so; all changes to such rules will be sent by Landlord to Tenant in writing.

7.2. Landlord

- a. The Landlord covenants, warrants and represents that they have full right and power to execute and perform this Lease Agreement and to grant the property demised herein or otherwise, they will obtain the relevant approvals and authority requisite to granting the lease subject matter to this Agreement.
- b. Shall not unreasonably withhold or delay any consent be it written and/or oral which may be required by the Tenant.
- c. Shall have the right to enter upon the Leased Premises at reasonable working hours and upon providing reasonable written notice of at least twenty-four (24) hours prior to inspect the same. The Landlord shall not



thereby unreasonably interfere with the Tenant's business on the Leased Premises or conduct himself in a manner that may affect the business of the tenant.

- d. Subject to the Tenant's fulfillment of the terms agreed herein, the Landlord will keep and provide the Tenant with exclusive, quiet, peaceable, undisturbed and uninterrupted possession of the Leased Property during the entire term of this Agreement.

8. Sublease and Assignment

- 8.1. The Tenant shall have a right, to assign this Lease to a corporation with which they merge or consolidate, to their subsidiary, to any corporation controlling, controlled or under common control with Tenant, or to a purchaser of substantially all of Tenant's assets. Tenant shall not sublease all or any part of the Leased Premises or assign this Lease in whole or in part without Landlord's prior written consent, such consent not to be unreasonably withheld or delayed upon fulfillment of any requirements of the law or relevant consents to be obtained prior.
- 8.2. Any person or entity to which this Lease is assigned pursuant to the provisions of this Agreement shall be deemed without further act or deed to have assumed all of the obligations arising under this Lease on and after the date of such assignment. Any such assignee shall upon request execute and deliver to the Landlord an instrument confirming such assignment.
- 8.3. The Landlord shall not sell, transfer, mortgage, encumber or assign this Lease without serving the tenant ninety days' (90) notice of such transfer, mortgage, encumbrance or assignment and providing written assurance that any such transfer, mortgage, encumbrance and assignment shall not interfere with the rights of the tenant under this agreement.
- 8.4. Any assignment, mortgage, sale and transfer by the Landlord shall not affect this lease or its effective term. Any subsequent assignee or transferee shall acquire all rights, responsibilities and interests as of the Landlord as of the date of this lease. The Landlord shall ensure the protection of the Tenant's interests in such subsequent action and notify any acquiring parties of the same on the date of the change. Any action that breaches such assurance of non-interference by any subsequent assignee or transferee with this lease agreement shall automatically revoke such subsequent actions and revert such responsibilities on the



landlord under this agreement.

9. Taxes, Land Rent, Fees and Duty

- a. The Parties shall ensure proper payments of prior delinquency, land rent, property taxes coming due during the Lease term on the Leased Premises,
- b. The payments of all statutory charges shall be remitted to the responsible government authority as required.
- c. The Tenant shall issue and/or deliver the original WHT Certificate issued thereafter to the Landlord.

10. Utilities

The Tenant shall pay all charges for electricity, telephone, water and other services and utilities if any, used by the Tenant on the Leased Property during the term of this Lease unless otherwise expressly agreed to in writing by Landlord. In the event that any utility or service provided to the Leased Property is not separately metered, the Landlord shall pay the amount due and separately invoice Tenant for the charges as per the meter readings. The Tenant shall pay such amounts within fourteen (14) days of issuance of the invoice.

11. Signs

Following the Landlord's written consent, at their own expense and cost the Tenant shall have the right to place on the Leased Premises, at locations selected by Tenant any signs which are permitted by applicable zoning regulations and private restrictions.

12. Events of defaults (Defaults) and Breaches

Either of the following occurrences will constitute an "Event of Default" by either party under this Agreement:

- a. The Tenant fails, absconds, neglects and/or ignore to pay the rent for the Leased Premises and in the event that the said default shall continue and/or persists for Thirty (30) days after any written notice demanding for the nonpaid rental amount has been received by the Tenant.
- b. Either party fails to pay any other sum or payment under the Agreement to relevant authorities as and when due and such failure continues for a period of twenty (20) days after either party delivers written notice thereof to the other party;
- c. Any other failure or default in the performance of any of the other covenants, agreements, conditions or undertakings under the Agreement to be kept, observed and performed by either party and such failure or default continues for a period of Thirty (30) days after either party delivers written notice thereof to the other;



- d. The Tenant fails or become unable to pay their debts, files for insolvency and/or a petition of winding up is successfully brought against them in the courts of laws.
- e. Either party abandons all of their interests and/or obligations in the Lease Property pursuant to this Agreement;
- f. The Landlord fails to discharge any lien or encumbrance placed or suffered upon the Leased Property within ninety (90) days after such lien or encumbrance is filed against the Property;
- g. Either Party breaches their covenants and warranties or provide false misrepresentation to the other Party on its rights, capacity and sanctions under this lease.

13. Condemnation

If any legally, constituted authority condemns the Leased Property or such part thereof which shall make the Leased Property unsuitable for leasing, the landlord shall communicate such condemnation to the tenant and this Agreement shall cease immediately when the public authority takes possession, and both the Landlord and the Tenant shall account for rental outstanding as of that date.

14. Termination

Either party may terminate this Agreement forthwith by giving a six (6) months' written notice to the other party.

15. Notices

Either party may terminate this Agreement forthwith by giving a six (6) months' written notice to the other party.

- 15.1. Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by certified mail, return receipt requested, and addressed to the addresses provided hereinabove:
- 15.2. The parties to this Agreement shall each have the right from time to time to change the place where the notice is to be given under this paragraph subject to issuance of a five (05) days prior written notice to the other party.

16. Force Majeure

- 16.1. For the purposes of this clause, a Force Majeure Event means an event beyond the control of a party (or any person acting on its behalf), which by its nature could not have been foreseen by such party (or such person), or, if it could have been foreseen, was unavoidable, and includes acts of God, storms, floods, riots, fires, sabotage, civil commotion or civil unrest, interference by civil or military authorities, acts of war (declared or undeclared) or armed hostilities or other national or international calamity or one or more acts of terrorism or failure of energy sources.



- 16.2. Neither Party shall be in breach of this Agreement if there is any total or partial failure of performance by them of their duties and obligations under this Agreement occasioned by any act of God, fire, act of government or state, war, civil commotion, insurrection, embargo, terrorists activity preventing or hindering any of the Parties' ability to fulfil the obligations hereunder undertaken to be provided

17. Severability

If any provision or term of this Agreement or any part thereof shall become or be declared illegal, inoperative, invalid or unenforceable by the law and/or any court of law with competent jurisdiction, such terms or provisions shall be expunged from this Agreement and shall be deemed to be deleted from this Agreement and all other terms shall remain intact; The Parties shall negotiate in good faith to amend and modify the provisions and terms of this Agreement as may be necessary or desirable in the circumstances to accommodate and/or remedy such terms.

18. Confidentiality

Each party hereto agrees not to disclose any Confidential Information of the other party to any third party and shall not use the Confidential Information for any purpose other than in connection with, or in furtherance of, the transactions contemplated hereby. Each party hereto acknowledges that the Confidential Information shall remain the property of the disclosing party and agrees that it shall take all reasonable measures to protect the secrecy of any Confidential Information disclosed by the other party. Notwithstanding the above the parties may disclose such confidential information to their financial, legal advisors and governmental authorities if so, required from time to time in the execution of the agreement.

19. Amendment

This Agreement shall not be amended, modified, varied or supplemented except in writing and signed by both Parties.

20. Dispute Settlement & Applicable Law

- a. This Lease agreement shall be construed and enforced according to the Laws of the United Republic of Tanzania without reference to conflict of law provisions, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws. To the extent that the laws of Tanzania, or any of the provisions in this Agreement, conflict with applicable provisions of the Laws governing leases including but not limited to The Law of Contract Act and The Land Act, the latter shall control.
- b. Any dispute that arises under or with respect to this Lease agreement that



mediation shall be six (6) months from receipt of the written notice of dispute unless such time is modified by written agreement of the Parties involved in the dispute. All disputes arising from or in connection with this Lease shall be settled amicably by the mutual agreement of the parties and such agreement shall be confirmed in writing and signed by both parties, failing of which the aggrieved party shall be at liberty to institute legal proceedings at the Tribunals and or Courts established for such purpose by the Land Act as amended and the laws governing Land Disputes Courts.

IN WITNESS whereof the parties herein have signed this Agreement in consent to the above on the day, month, year and manner herein below appearing:

SEALED with the **COMMON SEAL**
of the said, **PING DA GROUP INTERNATIONAL LIMITED** and **DELIVERED** in the presence of us at **DAR ES SALAAM**
on this 15 day of June 2024.



AUTHORIZED PERSONS

Signature: 陈超明

Name: 陈超明

Address: Mkuranga

Designation:

SEALED with the **COMMON SEAL**
of the said, **S & Q Group International Company LIMITED** and **DELIVERED** in the presence of us at **DAR ES SALAAM**
on this 16 day of June 2024.



AUTHORIZED PERSONS

Signature: 任艳平

Name: 任艳平

Address: Mkuranga

Designation:

