

LEASE AGREEMENT.

This Agreement is made at Dar es Salaam this 20th day of AUGUST 2023

By and Between

KIBAHA CASHEWNUTS FACTORY LIMITED (Lessor) A company duly registered under the Companies Act Cap 212, with registration No. 51041 of P O Box 110046, Dar es Salaam - Tanzania, hereinafter called "the Lessor" which expression shall where the context so requires include its administrators, executors and assigns of the one part.

And

BAJUTA H.R JUTE INDUSTRIES LIMITED (Lessee) a Company A company duly registered under the Companies Act Cap 212, based in Dar es Salaam region with the address of P.O. Box12103 Dar Es Salaam (hereinafter called "the Lessee" which expression shall, unless the context requires otherwise, include its assigns and successors in title and/or right.

Whereas

The Lessor is desirous of leasing the demise premises structure space of 3,600 Sq metres, located at Mkongoni Street Block 'B', Mkuza ward at Kibaha District Pwani Tanzania. (Hereinafter referred to as he 'demise premises'), to the lessee.

AND WHEREAS the Lessor has agreed to lease the demised structure space of 3,600 sq metres as part of the demised Premises, further agrees to provide and facilitate two office spaces and the use of basic utilities such as canteen, washroom and others of such case around the demise premises referred hereinabove to the Lessee on the terms and conditions hereinafter contained.

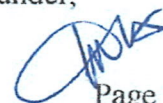
Now This Agreement Witnesseth as follows:

1 Lease

In pursuance of the said agreement and in consideration of the rent hereby reserved and the Lessees' Covenants hereinafter mentioned, the Lessor hereby demises unto the Lessee the demised premises space with 36,00 sq metres at Mkongoni street, within Mkuza ward at Kibaha District Pwani.

2 Rent

In consideration of the grant of the Lease to use the demise premises as aforesaid, the Lessee shall pay to the Lessor a yearly rent of 200,000,000 million Tanzania shillings payable after every 1 year in advance from the date of commencement of the lease Agreement (hereinafter referred to as ("the rent")) to be furnished in the manner and style as hereunder;



- 2.1 The rent shall be payable every six months at half the amount of rent stated above herein in paragraph 2. The rent shall be paid in advance by the lessee to the lessor without any default
- 2.2 The Lessee shall pay to the Lessor the rent hereby agreed by way of direct electronic funds transfer to the Lessor's designated Bank account.

3 **Renewal of the Term**

Upon expiry of the term, and upon the Lessee's fulfilment of the terms and conditions of this lease, the term of the lease may be renewed at the option of the Lessee, by giving the Lessor three months (3 months) written notice of the intention to renew the Lease on the terms and conditions to be agreed between the parties.

Should the Lessor wish to not renew the lease, he shall communicate through a written notice to the lessee three months before the end of the Lease period, and the Lessee shall make arrangements to vacate fully the premises before the end of the lease period

4. **Lessor's Warranties and Representations**

The Lessor warrants and represent to the Lessee that he is a legal owner and in possession of the Premises part of which is herein demised and that he is legally capable and duly authorised to enter into this Lease and perform all the obligations set out herein.

- 4.1 That the Lessor has not entered into other leases or contracts that would prevent it from leasing demised premises to the Tenant.
- 4.2 The demise premises is free of any liens or encumbrances

5 **Lessees' Rights and Obligations**

The Lessees 'hereby covenant with the Lessor as follows: -

- 5.1 To pay the rent at the time and in the manner herein provided;
- 5.2 To occupy the demised premises for the Lessees' normal activities only;
- 5.3 To pay for all charges in respect of consumed water, electricity, telephone, garbage disposal, and sewerage charges, and other utilities, in connection with the demised premises during the said term;
- 5.4 To keep the interior of the demised space and appurtenances thereof tidy and in good condition throughout the term (fair wear and tear excepted);



- 5.5 Upon prior appointment, to allow the Lessor and/or his officers and agents at all reasonable times to enter upon the property to inspect or carry out repairs or for other purposes in connection with the demised premises;
- 5.6 Not to do or permit to be done anything in or upon the demised frame or any part thereof which may be or become a nuisance, annoyance, damage or inconvenience to the Lessor, occupiers of adjoining frames or property or the neighbourhood (installations and mounting of aerials for radios, televisions and other communications excepted);
- 5.7 Not to use the demised premises or any part thereof for any illegal or immoral purpose;
- 5.8 To yield up the demised premises with fittings and additions thereto at the expiration or sooner determination of the term in good repair and Lessee able condition in accordance with the covenants herein contained, fair wear and tear excepted;
- 5.9 The Lessee shall have the right, during the existence of this Lease, to attach fixtures in or upon the demise Premises hereby Leased, which fixtures, so placed in or upon or attached to the said frame shall be and remain the property of the Lessee and may be removed there from by the Lessees prior to the termination of the Lease, or within a reasonable time after the Lease is terminated;

6 Lessor's Rights and Obligations

The Lessor hereby covenants with the Lessee as follows:

- 6.1 Subject to the Lessees' performing all the covenants herein above specified, not to interfere or allow other person rightfully claiming under or in trust for the Lessor to interfere, interrupt or intrude upon the Lessees' peaceful enjoyment of the demised premises throughout the said term;
- 6.2 The Lessor reserves the right to enter the demised space to inspect the demised premises space structure so long as such entry is at prearranged times, with the consent of the Lessee (which consent shall not be unreasonably withheld) and, at Lessees' discretion.
- 6.3 Subject to any provisions herein to the contrary, and except for maintenance or replacement necessitated as the result of the act or omission of the lessee, the Lessor shall be required to repair defects, deficiencies, deviations or failures in the demise premises. The Lessor shall keep the Leased Demise Premises free of such defects, deficiencies, deviations or failures before commencement of the Lease agreement hereto.
- 6.4 To pay and discharge all rates, taxes, and land rent assessment, except electricity charges, water rates and service charges resultant to the external services offered to the Lessee by virtue of being a Lessee, and in reference to item 5.3 of this Agreement.

7 Lessees' Default

In the event the Lessee fails to fulfil any of its obligations under this Lease, and where this Lease specifically provides no other remedy for such failure, the Lessor shall give the Lessee notice in writing to remedy the breach within a period of not less than one month. If upon notice, the Lessee fails to remedy the default, the Lessor will be entitled to issue statutory notice of termination of the Lease.

8 General Terms and Conditions

It is hereby provided always and it is hereby expressly agreed and declared as follows:

- 8.1 If at any time during the term of lease for the demised premises or any part thereof shall be destroyed or damaged by fire (not occasioned by the wilful act, neglect or default of the Lessees or his licensees, invitees, visitors or servants) or act of God or force majeure then and in any such cases and so often as the same shall happen the rent herein before reserved or a fair and just proportion thereof according to the nature and extent of the injury sustained shall cease and be suspended during and so long as the frame hereby demised or the destroyed or damaged part shall remain inhabitable or unfit for use by reason of such destruction or damage;
- 8.2 Should the Lessee desire to vacate the demised premises during the continuation of the Lease, the Lessee shall give one month's written notice signifying such intention;
- 8.3 If the Lessee shall be desirous of taking a lease of the demised premises for any further term upon the expiration of the term hereby granted, he shall be obliged to give the Lessor a one month notice of such desire prior to the expiration of the term hereby granted;

If the Lessee shall have reasonably performed and observed the several stipulations herein contained on his part to be performed and observed up to the termination of the term of one year as hereby granted then the Lessor may let the demised premises to the Lessee for the further term and on such conditions as will be mutually determined by both parties;

9 Dispute Resolution, Governing Law and Jurisdiction

- 9.1 This lease Agreement shall be governed by and construed in accordance with the laws of the United Republic of Tanzania.
- 9.2 Each party irrevocably agrees to submit to the exclusive jurisdiction of the courts of Tanzania over any claim or matter arising under or in connection with this Agreement or the legal relationships established by it.

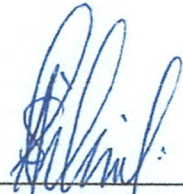


10 Execution Copies

This Lease shall be executed in duplicate; one shall be retained by the Lessee and the second by the Lessor.

In Witness Whereof the Parties hereto have duly executed these presents in the manner hereinafter appearing.

Signed and Delivered at Dar es Salaam
By the Director of **Kibaha Cahsewnuts Factory Limited**
duly authorised to sign on behalf of the Company under his
capacity as Director of the said company who is lessor above
named at Dar es Salaam this 20 day of 8 2023.



Lessor

Signed and Delivered at Dar es Salaam
by the Director of **Bajuta H.R Jute Industries Limited**
duly authorised to sign on behalf of the Company under his
capacity as Director of the said company who is lessee above
named within my presence this 20 day of 8 2023.



Lessee

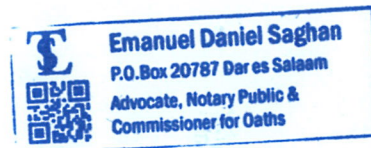


Before me:

Signature: Emanuel Saghan

Name: 

Address: 20877 DSM



Qualification: Commission for Oaths