

THE LAND ACT, No. 4 OF 1999

SALE AGREEMENT

BETWEEN

HORTI SQUARE LIMITED

AND

ENZA ZADEN AFRICA LIMITED

CONCERNING THE SALE OF TWO (2) PARCELS OF LAND MEASURING 13 ACRES AND 7 ACRES COMPRISED UNDER CERTIFICATE OF TITLES NUMBERS 20145 AND 18067/1 RESPECTIVELY TOGETHER WITH ALL DEVELOPMENTS THEREON SITUATED AT EAST BANK OF MAJI YA CHAI RIVER, MERU DISTRICT WITHIN THE ARUSHA REGION

Drawn By:

Mawalla Advocates

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SALE AGREEMENT

This **SALE AGREEMENT** is made this 21st day of June 2024.

BETWEEN


HORTI SQUARE LIMITED a company incorporated and registered under the Companies Act No.12 of 2002 of the laws of the United Republic of Tanzania of P. O. Box 277 Usa River Arusha, Tanzania bearing a Certificate of Incorporation Number 134159 (hereinafter called the "**Vendor**" which expression shall include and extend to persons deriving title under the Vendor, its successors and assigns) of one part;


AND

ENZA ZADEN AFRICA LIMITED a company incorporated and registered under the Companies Act No.12 of 2002 of the laws of the United Republic of Tanzania of P. O. Box 2750 Arusha Tanzania (hereinafter called the "**Purchaser**" which expression shall include and extend to persons deriving title under the Purchaser, his successors and assigns) of the other part.

PREAMBLE:

- A. WHEREAS** the Vendor is the legal and registered owner of the Property (defined below) comprised of two (2) parcels of land measuring 13 acres and 7 acres comprised under Certificate of Titles numbers 20145 and 18067/1 respectively together with all developments thereon situated at East Bank of Maji ya Chai River, Meru District within the Arusha Region together with all the exhausted and unexhausted improvements and together with all other developments and appurtenances contained therein.
- B. AND WHEREAS** the Purchaser leases the Property from Vendor under a lease agreement executed by the Vendor on 17 April 2024 and by the Purchaser on 18 April 2024 ("**Lease Agreement**") which expires on the 31st of January 2025.
- C. AND WHEREAS** the Vendor has agreed to sell and transfer to the Purchaser the aforesaid Property and the Purchaser has agreed to purchase the Property and the made developments therein on the terms and conditions as hereinafter

Vendor's Initials..... 

Purchaser's Initials 

appearing free from any encumbrances (herein referred to as "**the Transaction**").

D. AND WHEREAS the Parties understand that the sale and transfer of the Property contemplated in this Agreement is subject to government statutory approvals and consents and each Party (as per Section 5 for the Vendor and Section 6 for the Purchaser) hereby confirms to act in good faith to use its best efforts to fulfil their obligations to ensure a successful completion of the Transaction within the shortest period of time.

NOW THIS SALE AGREEMENT WITNESSETH AS FOLLOWS:

ARTICLE 1



1.0 DEFINITIONS AND INTERPRETATION

1.1 In this Sale Agreement unless the context otherwise provides:

"Agreement" means this Sale Agreement governing the sale of the Property (as defined hereunder) between the Vendor and the Purchaser.

"Business Day" means a day other than Saturday, Sunday, or a public holiday and any other day on which commercial banks are open for business in Tanzania.

"Commissioner" means the Commissioner for Lands or any person holding the position of the Commissioner for Lands, appointed from time to time under the Land Act, or any other person upon whom the powers of the Commissioner to consent dispositions of land have been vested or delegated or upon whom the functions of part of the Commissioner's powers to approve dispositions of land have been vested or delegated or authorized to be performed under the Land Act.

Vendor's Initials.....
Purchaser's Initials

"Completion" Completion of this Agreement in accordance with clause 10.0.

"Land Act" means the Land Act, 1999, as amended.

"Land Registration Act" The Land Registration Act (CAP. 334 R.E. 2019).

"Maintenance Costs" means costs related to (i) maintenance of machines and equipment, (ii) maintenance of the premises, greenhouse and other buildings on the property, and (iii) costs related to security.

"Parties" means the signatories to this Agreement.

"Property" means the parcel of land which is the subject of this Agreement as described in Article 2 hereof.


"Purchase Price" means the amount of One Million Four Hundred Thousand Euros (€ 1,400,000.00) only exclusive of Value Added Tax (VAT) payable by the Purchaser to the Vendor as consideration for the purchase of the Property.


"Signature Date" means the last date upon which this Agreement has been duly executed and signed by each of the parties.

1.2 Words importing the singular shall, where the context so admits, be construed as importing the plural and vice versa.

1.3 Words importing persons shall, where the context so admits, be construed as importing a corporate body and *vice versa*.

1.4 The headings to the respective Articles do not form part of this Agreement and are for convenience of reference only and shall not affect the construction or interpretation of the terms and provisions hereof.

Vendor's Initials.....

Purchaser's Initials.....

1.5 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 and the said invalid, illegal and unenforceable provision shall be deemed never to have been contained herein.

ARTICLE 2

2.0 DESCRIPTION OF LAND SOLD

ALL THAT land being two (2) parcels of land measuring 13 acres and 7 acres comprised under Certificate of Titles numbers 20145 and 18067/1 respectively together with all developments thereon situated at East Bank of Maji ya Chai River, Meru District within the Arusha Region and includes all things naturally growing on the land, buildings and other structures permanently affixed to the land, and all other improvements whatsoever in or on the land.

ARTICLE 3

3.0 CONSIDERATION AND MODE OF PAYMENT

3.1 In consideration of the Purchaser paying the Purchase Price to the Vendor, the Vendor shall transfer to the Purchaser the title and absolute ownership of the Property together with the improvements and developments thereon free from any encumbrances whatsoever.

3.2 Both Parties have agreed that the Purchase Price shall be paid as follows:

3.2.1 The first instalment being an amount of Seven Hundred and Twenty Thousand Euros (€ 720,000) only shall be paid within seven (7) Business Days from the Signing Date of this Agreement (the "**First Installment**").

Vendor's Initials.....
Purchaser's Initials.....

- 3.2.2 The remaining balance of the Purchase Price being an amount of Six Hundred and Eighty Thousand Euros (€ 680,000) only shall be paid within seven (7) Business Days following receipt by the Purchaser of the derivative titles from the TIC ("**Balance Payment**").
- 3.2.3 The Purchase Price is exclusive of any taxes including VAT, if applicable in relation to the transfer of the Property.
- 3.3 It is agreed that the said Purchase Price shall be paid to the Vendor's nominated bank account to be communicated to the Purchaser in writing.
- 3.4 Notwithstanding this Agreement, the Lease Agreement shall continue and remain in force, and the Purchaser shall continue to occupy the Property on the same terms and conditions specified therein.
- 3.5 If Completion occurs within the terms of this Agreement, the Lease Agreement will be deemed terminated forthwith upon Completion and the rental fee related to the month in which Completion occurs shall be applied pro rata.
- 3.6 Should the transfer of the Property and issuance by the TIC of derivative title in the name of the Purchaser not be completed on or before 31st January 2025 or the lease term under the Lease Agreement expire prior to the Purchaser receiving derivative title in respect to the Property from the TIC, the lease term under the Lease Agreement shall automatically be extended for a further five (5) years ("**Extended Lease Term**") in which case this Agreement shall stand cancelled and the amount paid to the Vendor by the Purchaser under clause 3.2.1 hereinabove shall be treated as an advance rental payment for the Extended Lease Term while the Balance Payment stated under clause 3.2.2 shall no longer be payable to the Vendor. The rental payment for the last two years of the five years extended Lease term shall be paid yearly (12) months in advance.
- 3.7 It is hereby agreed by the Parties that in the event of an Extended Lease Term as stipulated in clause 3.6, 'the Extended Lease Agreement' shall be duly registered with the Commissioner in accordance with the Land Act and Land Registration Act and both Parties shall take all necessary steps to facilitate the registration process.

Vendor's Initials... 
Purchaser's Initials... 

- 3.8 The Parties agree that in the event of an Extended Lease Term, the Purchaser shall assume all Maintenance Costs for the period of the Extended Lease Term.
- 3.9 The Parties have also agreed that should the Purchaser fail to pay the Vendor the first installment in line with clause 3.2.1 above, the Agreement shall automatically terminate without further notice.
- 3.10 It is also agreed that should the Purchaser fail to pay the Vendor the second installment in line with clause 3.2.2 above for more than three (3) months after the consent of the Commissioner has been obtained, the Vendor shall have the right to terminate this Agreement.

ARTICLE 4

4.0 SPECIFIC CONDITIONS TO THE SALE

- 4.1 That the Property is being sold by the Vendor to the Purchaser on an "as is where is" basis.
- 4.2 The Property is sold and agreed to be transferred to the Purchaser subject to the terms and conditions contained in the certificate of occupancy upon prior approval of the Commissioner.
- 4.3 Both Parties have agreed that the Vendor shall provide vacant possession of the Property to the Purchaser immediately upon receiving full Purchase Price from the Purchaser. All risks and liability for the Property shall pass to the Purchaser after the Vendor has handed over vacant possession of the Property to the Purchaser.

ARTICLE 5

5.0 VENDOR'S OBLIGATIONS

- 5.1 Immediately upon payment of the first instalment specified under clause 3.2.1 above, the Vendor shall deliver to the Purchaser the original certificates of title in respect to the Property, all the necessary transfer documents duly executed by the Vendor and such other documents as will

Vendor's Initials 

Purchaser's Initials 

be necessary in respect to the Transaction for purposes of processing the transfer of the Property to the Purchaser.

5.2 The Vendor shall:

5.2.1 Respond promptly to all reasonable enquiries from the Purchaser or his advisors for information about the said Property.

5.2.2 Not do any act on the Property to prejudice or in any way affect the interests, present or future, of the Purchaser.

5.2.3 Not negotiate or agree with any other person(s) any terms for the sale of the said Property whether such sale is to take place during or after the end of this Transaction.

5.2.4 Promptly pay all utility accounts and all outgoings levied or assessed on the Property until such time as when physical possession of the Property shall have been delivered to the Purchaser. These include but are not limited to water, Land rent and any dues to government agencies and/or commercial vendors.

5.3 Pay capital gains tax and VAT within fourteen (14) business days from receipt of the capital gains and VAT assessment from the TRA, and immediately thereafter provide the Purchaser with the capital gains tax and VAT receipt and tax clearance certificates for the Transaction.

5.4 Deliver to the Purchaser a valuation report duly endorsed by the Chief Government Valuer on the Property duly for purposes of the Transaction and deliver to the Purchaser.



ARTICLE 6

6.0 PURCHASER'S OBLIGATIONS

The Purchaser shall:

6.1 Honor and implement all the terms and conditions of this Agreement.

6.2 Make such enquiries as it considers relevant and necessary for the purposes of the intended transfer of the Property.

Vendor's Initials... 
Purchaser's Initials ...

6.3 Pay for approval and consent fee (TZS 120,000), stamp duty (1 % of the valuation), registration fee (1 % of the valuation), and any FCC and TIC costs in relation to the Transaction.

ARTICLE 7

7.0 VENDOR'S REPRESENTATIONS AND WARRANTIES

7.1 The Vendor represents and warrants as follows to the Purchaser and acknowledges that the Purchaser is relying upon such representations and warranties in entering into this Agreement;

7.1.1 it is a company with limited liability duly incorporated under the laws of Tanzania and has power to carry on its business as presently conducted;

7.1.2 it has the power to enter into and perform its obligations under this Agreement and all required ancillary documents including the transfer deed required to complete the transaction contemplated herein;

7.1.3 it has duly observed and performed the covenants and conditions contained in the certificate of occupancy relating to development, state and condition of the Property;

7.1.4 it is not entitled to receive any consent from any person whatsoever and if any such consent will be required, the Vendor shall use all their reasonable endeavors to seek and obtain the same and all other consents legally required to be obtained in respect of the disposition of the land and/or properties and developments therein contained;

7.1.5 that it has good marketable title to the Property and that the Property is and shall be free from any mortgage, charge, lien, claim or any encumbrances of any nature whatsoever and further that there is no litigation pending before any forum or court in respect of the said land or proposed sale and transfer. And in the event of such claims, the Vendor shall indemnify the Purchaser immediately;

7.1.6 the entry into and performance of this Agreement and the transactions contemplated hereby, do not conflict with any law or regulation of any

Vendor's Initials...
Purchaser's Initials ...

official or judicial order governing the Vendor or to which the Vendor is subject;

7.1.7 the entry into and performance of this Agreement does not constitute a breach of any material contractual obligation of the Vendor or require any consent under any agreement or other instrument to which the Vendor is a party or by which it is bound or any judgment, decree or order of any statute, rule or regulation applicable to the Vendor. The transactions provided for in any other material contracts to which the Vendor is a party do not constitute a breach of any of the contractual obligations or provisions of this Agreement;

7.1.8 no litigation or arbitration proceeding or claim which may by itself or together with any other such proceeding or claim either have a material adverse effect on or materially adversely affect their ability to observe or perform their material obligations under this Agreement and the transactions contemplated thereby, is presently in progress or, to the best of their knowledge and belief after making reasonable enquiries, is pending or threatened against them or the Property;


7.1.9 the Purchaser purchases the Property subject to all terms of use applicable, and as stipulated in the certificate of occupancy;

7.1.10 all information that has been made available to the Purchaser or its representatives by the Vendor or any of its representatives in connection with the Transaction is complete and correct in all material respects, is not misleading, and does not omit any material fact;

7.2 Each representation and warranty in clause 7.1 above shall be a separate representation and warranty and shall be deemed to be material and to have induced the Purchaser to enter into this Agreement. The Vendor acknowledge that the Purchaser has entered into this Agreement relying on these representations.

7.3 It is understood that in the event the sale and the eventual transfer envisaged in this Sale Agreement shall fail for any reason whatsoever outside the Parties control, clause 3.6 above shall come into force.

- 7.4 All restrictions, conditions and covenants applicable to the Property have been fully observed and complied with in all material respects, and no notice of any material breach thereof has been received or is to the Vendor's knowledge likely to be received.
- 7.5 That the sale and transfer contemplated in this Agreement is subject to government statutory approvals of disposition.
- 7.6 The execution or performance of the terms and conditions of this Agreement, transfer deed and all related documents shall not result in any breach of the Vendor's Memorandum and Articles of Association, or any related corporate documents.
- 7.7 All information given by or on behalf of the Vendor to the Purchaser in the course of all negotiations leading to this Agreement was, when given, and remains true, complete and accurate in all material respects, and the Vendor is not aware of any facts or matters which would render such information untrue, incomplete, inaccurate or misleading in any material respect.
- 7.8 The execution of this Agreement and the transfer deed or the performance of its terms will not result in any breach of any agreement to which the Vendor is a party or of any court order or decree.
- 7.9 The Vendor acknowledges that all beacons and markers to identify the Property are in place and in the event any is found to be missing the Vendor shall immediately replace them at its own cost.
- 7.10 It will not do or omit or permit to be done any act or thing or permit the omission of any act or thing, which is intended to or may impair or have an adverse effect upon the consummation of the transactions contemplated in this Agreement on the whole or part of the Property.
- 7.11 All negotiations related to this Agreement and the transactions contemplated hereby have been carried on by the Vendor and its lawful agents, without intervention of any other person or entity in such manner as to give rise to any valid claim against the Purchaser for a broker's commission, finder's fee or other like payments to any person or entity.

Vendor's Initials.....



Purchaser's Initials

- 7.12 That it represents and warrants that it has the right, power and all necessary authority to enter into this Sale Agreement and to transfer to the Purchaser the Property free of all encumbrances whatsoever.
- 7.13 The Vendor agrees to indemnify and hold harmless the Purchaser from all claims, demands, losses, causes of action, damage, lawsuits, judgments, including legal fees and costs, but only to the extent caused by, arising out of, or relating to non-adherence of the applicable laws by the Vendor.
- 7.14 Until the date of Completion or termination of this Agreement, whichever is earlier, the Vendor will not solicit or otherwise agree to enter into any agreement for the sale, lease or transfer of the Property and shall not encumber or otherwise dispose or deal with the Property (or any part of it) in a manner which is inconsistent with this Agreement.
- 7.15 That the Vendor shall, at the request of the Purchaser, do all acts and execute all documents for the better assurance or perfection of the Purchaser's title deed in the Property.
- 7.16 The land is not contaminated, hazardous or declared by the appropriate authority to be so in terms of section 7 of the Land Act and is not in violation of any environmental laws or regulations.
- 7.17 All negotiations related to this Agreement and the Transaction have been carried on by the Vendor and its lawful agents, without intervention of any other person or entity in such manner as to give rise to any valid claim against the Purchaser for a broker's commission, finder's fee or other like payments to any person or entity.

ARTICLE 8

8.0 THE PURCHASER'S REPRESENTATIONS AND WARRANTIES

The Purchaser represents and warrants as follows to the Vendor and acknowledges that the Vendor is relying upon such representations and warranties in entering into this Agreement.

Vendor's Initials... 
 Purchaser's Initials ... 


- 8.1 The Purchaser has good and sufficient power, authority and right to enter into this Agreement and complete the transactions contemplated hereby.
- 8.2 The Purchaser will perform their obligations as imposed under this Agreement and comply with the applicable law. The Vendor shall not be liable for any loss that may arise because of failure on the part of the Purchaser to comply with such law.
- 8.3 The Purchaser confirms to have inspected the Property and that the Property is being sold by the Vendor to the Purchaser on an "as is where is" basis.
- 8.4 It will not do or omit or permit to be done any act or thing or permit the omission of any act or thing, which is intended to or may impair or have an adverse effect upon the consummation of the Transaction contemplated in this Agreement overall or part of the Property.
- 8.5 All negotiations related to this Agreement and the Transaction have been carried on by the Purchaser and its lawful agents, without intervention of any other person or entity in such manner as to give rise to any valid claim against the Vendor for a broker's commission, finder's fee or other like payments to any person or entity.

ARTICLE 9

9.0 VENDOR'S AND PURCHASER'S COVENANTS

The Parties hereby covenant that:

- 9.1 This Agreement constitutes the entire contract between the Parties with regard to the matters dealt with in this Agreement and no representation, terms or warranties not contained herein shall be binding on the Parties.
- 9.3 No agreement varying, adding to, deleting from or canceling this Agreement shall be effective unless in writing and signed by the Parties.
- 9.4 Each Party shall pay its own legal costs for this Transaction.

Vendor's Initials..... 
 Purchaser's Initials..... 

ARTICLE 10

10.0 COMPLETION OF THE TRANSACTION

The Vendor and the Purchaser hereby expressly agree that the completion of the Transaction will take place on the occurrence of the following events:

- 10.1 Payment of full Purchase Price to the Vendor by the Purchaser in line with clause 3.0 above.
- 10.2 Handing over of vacant possession of the Property by the Vendor to the Purchaser in line with clause 4.3 above.

ARTICLE 11

11.0 EXPENSES

Except as provided for in Clauses 5.4 and 6.4 above, each party to this Agreement shall bear their respective expenses incurred in connection with the preparation, execution and performance of this Agreement and the transaction contemplated therein, including all fees and expenses of agents, representatives, counsel, and accountants. In the case of termination of this Agreement, the obligation of each party to pay their own expenses shall be subject to any rights of such party arising from a breach of this Agreement by the other party.

ARTICLE 12

12.0 NOTICES

All notices, requests, consents, demands, waivers, and other communications, duly given by either party, shall be in writing in the English language, and shall be sent by hand delivery or prepaid post letter:

FOR THE VENDOR:

Directors
Horti Square Limited

Vendor's Initials 
Purchaser's Initials 

P.O. Box 277 Usa River
Arusha – Tanzania

FOR THE PURCHASER:

Directors
Enza Zaden Africa Limited
P.O. Box 2750
Arusha - Tanzania

ARTICLE 13

13.0 GOVERNING LAW

All matters arising from and in connection with this Sale Agreement shall be governed and construed in accordance with the laws of the United Republic of Tanzania.

ARTICLE 14

14.0 DISPUTE RESOLUTION

14.1 Should any dispute or difference arise between the Parties to or in connection with this Agreement (or its construction, operation or termination) or other arrangements between them connected with its implementation, the aggrieved party shall issue notice to the defaulting party within seven (7) days from the date the dispute or difference arose for the Parties to amicably rectify and settle the same within thirty (30) days from the date of the Notice.

14.2 Should the Parties fail to settle the dispute amicably within thirty (30) days, the aggrieved Party shall subject the dispute to a court of competent jurisdiction in Tanzania.

ARTICLE 15

15.0 FORCE MAJEURE

15.1 Neither party shall be in breach of this Agreement if there is any total or partial failure of performance by it of its 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 any of the parties from or hindering any of the parties' ability to fulfil the obligations hereunder undertaken to be provided.

15.2 If either party is unable to perform its duties and obligations under this Agreement as a direct result of the effect of one of the reasons explained under Clause 15.1 above, that party shall give written notice to the other of the inability, which sets out full details of the reason in question. The operation of this Agreement shall be suspended during the period (and only during the period) in which the reasons continue. Forthwith upon the reason ceasing to exist, the party relying upon it shall give written advice to the other of this fact. If the reason continues for a period of more than ninety (90) days and substantially affects the commercial intention of this Agreement, the party not claiming relief under this clause 15.0 shall have the right to rescind this Agreement, upon giving a written notice of such rescission to the other party and the provision for recission stated under Clause 3.5 shall apply mutatis mutandis.

ARTICLE 16

16.0 MISCELLANEOUS PROVISIONS



16.1 Each Party to this Agreement undertakes to take all steps necessary for its implementation and to sign, from time to time all documents, contracts or writings and to do, or to see done, all which is considered necessary to be done in order to fulfill the object of this Agreement and in order to give full effect to its provisions.

16.2 The parties to this Agreement shall maintain confidentiality and shall not disclose to any third party, the subject matter, the terms, and contents of this Agreement, except by mutual consent in writing or to the extent required by law.

16.3 Except in the case of express waiver, the fact that one Party does not exercise all or any part of its rights, which are conferred upon it by this Agreement, shall not constitute in any event the waiver, or abandonment of the rights not exercised.

16.4 This Agreement has been executed in three (3) identical originals, all of which shall constitute one instrument.

Signature page to follow


Vendor's Initials.....
Purchaser's Initials

IN WITNESS HEREOF, the Parties hereto have executed three (3) originals of this Sale Agreement on the date and year first herein above written in the following manner:

SEALED with the **COMMON SEAL** of the
said **HORTI SQUARE LIMITED** and
DELIVERED in our presence this
24th day of June 2024.



NAME: C.W. Salomons

SIGNATURE: 

QUALIFICATION: Director

POSTAL ADDRESS: PO box 277, USA River

NAME: M. Salomons - Schuerman

SIGNATURE: 

QUALIFICATION: Director

POSTAL ADDRESS: PO box 277, USA River

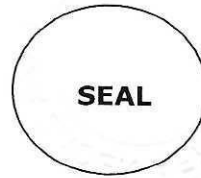
Vendor's Initials 
Purchaser's Initials 

SEALED with the **COMMON SEAL** of the said.

ENZA ZADEN AFRICA LIMITED and

DELIVERED in our presence this.

21st day of June 2024.



PURCHASER

NAME: Enza Zaden Management B.V.

By: D.H. Neelis

SIGNATURE: [Handwritten Signature]

QUALIFICATION: Director

POSTAL ADDRESS: Haling 1E
1602 DB Enkhuizen
The Netherlands

NAME: Enza Zaden Seed Operations B.V.

By: A.G. Thomas

SIGNATURE: [Handwritten Signature]

QUALIFICATION: Director

POSTAL ADDRESS: Haling 1E
1602 DB Enkhuizen
The Netherlands

STAMP DUTY
Shs: 42,728,000 Collected
Receipt No: 998421277103
Date: 25/6/2024
[Handwritten Signature]
Deputy Commissioner Medium Taxpayers

Vendor's Initials [Handwritten Signature]
Purchaser's Initials [Handwritten Signature]