

LEASE AGREEMENT

BETWEEN

HAFIDH HAMOOD HILAL(LESSOR)

AND

KDG AFRICA LIMITED (LESSEE)

IN RESPECT OF THE LAND AND PROPERTY LOCATED ON PLOTS NO.260 AND 261 BLOCK "B" AND INCLUSIVE OF ALL THE FENCED AREA WITHIN KIZIZA UNGINDONI STREET KIGAMBONI MUNICIPALITY MEASURED 5234 SQM



PREPARED BY *[Signature]* 12.02.2025

Alexander Kyaruzi (Advocate)

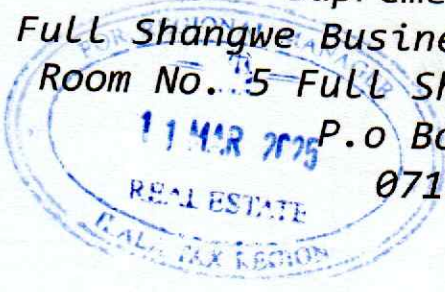
Supreme Law Chamber

Full Shangwe Business Complex Ground Floor

Room No. 5 Full Shangwe Kibada Kigamboni

P.o Box 7332 Dsm

0715-268126



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LEASE AGREEMENT

THIS LEASE AGREEMENT is made on this 12TH day of FEBRUARY, 2025.

BETWEEN

HAFIDH HAMOOD HILAL, of P.O BOX 15914 DSM Mobile No. 0621-133133
(Hereinafter referred to as **the "LESSOR"** (which expression shall include his administrators, heirs, successors, executors, assignees and other persons who derive title from it) on one part).

AND

KDG AFRICA LIMITED of P.O Box 78845 Dar es salaam hereinafter referred to as **the "LESSEE"** (which expression shall include his administrators, heirs, successors, executors, assignees and other persons who derive title from it) on the other part.

RECITALS; -

WHEREAS, the lessor is the lawful owner of the demised premises and is desirous of leasing the same to the LESSEE for the purpose of running the business of **YARD**

AND WHEREAS, the lessee is willing and desirous of leasing the same for the purposes and usage stipulated above under term and conditions appearing herein below;

NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. PREMISES

The lessor hereby rents to the lessee and the lessee accepts the property located at the following address:



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12.02.2025

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PLOT NO.260 AND 261 KIZIZA AREA UNGINDONI STREET
KIGAMBONI MUNICIPALITY, INCLUSIVE OF ALL THE FENCED AREA.

2. TENURE/DURATION

(i) The term of this lease shall be NINE (09) years commencing from 1ST MARCH 2024 to 1ST MARCH 2034 but subject to renewable after every three (03) years.

(ii) This lease shall be divided into three (03) terms of three (03) years each.

3. RENT.

(i) That the monthly rent of the demised property shall be Tanzania shillings **Three Million Shillings only** (Tshs. 3,000,000/=)

(ii) That, the initial rent of Tshs. 108,000,000/= for period of 3 years shall be paid by installment as follows;

a) Tshs.36,000,000/= at the time of signing this agreement.

b) Tshs. 54,000,000/= at the time of handing over /entering vacant possession of the leased premises.

c) Tshs. 18,000,000/= within 06 months from the date of vacant possession.

(iii) That after the expiry of the initial three (3) years, the annual rent payable shall be paid to the lessor ~~one~~ year in advance.

(iv) Subject to clause 2 (ii) above, there shall be a 5% increment against the rent after the expiry of



every three (03) years in the duration of this agreement.

4. MODE OF PAYMENT

All rental payments shall be done through CRDB Bank Account No. **0152288750900 FATMA SAID SALIM**. Payment done other than this account shall not be recognized.

5. RENEWAL

That, upon expiry of the ~~NINE~~ (~~...09~~.) year's period, this lease shall be renewed for tenure under terms and conditions to be agreed by the parties and each party shall give to the other a **six (06) months'** notice of the intention to renew the lease agreement.

6. QUIET ENJOYMENT

Lessor agrees that, if lessee timely pays the rent and performs the other obligations in this lease, lessor shall not interfere with lessee's peaceful use and enjoyment of the leased premises.

7. USE OF PREMISES

LESSOR is desirous of leasing the said property above mentioned to the lessee for running business of YARD and lessee is willing and ready to lease the same for purpose and usage above stipulated under the terms and conditions contained herein. Lessee shall not use the leased premises for the purpose of storing, manufacturing or selling any explosive, flames or other inherently dangerous substance, chemical, thing or device.

8. NUMBER OF STRUCTURES/BUILDINGS LEASED

That the number of structures or buildings leased is as follows; Two houses

9. LESSOR'S COVENANTS



12.02.2025

The lessor herein agrees and commits to do the following;

- a) Cut all the trees currently present in the premises.
- b) Extend the height of the wall to approximately two (2) to three (3) feet and install an electric fence on the wall.
- c) Install one additional gate in the wall/premises as agreed between the lessor and the lessee, *at the cost of the tenant.*

10. CONDITION OF PREMISES

Lessee agrees that, he has examined the premise, including the grounds and all buildings and improvements and that they are at the time of this lease, in good order, good repair, safe, clean, and leasable condition.

11. FIRST RIGHT TO PURCHASE

- i. The lessee shall have the 1st right and priority in the event the lessor chooses to sell the leased premises before any other party/purchaser.
- ii. The Lessor shall, in good faith, extend the right referenced in Clause 11.i to the Lessee at the same prevailing market price or value as any offer received from another purchaser.

12. ASSIGNMENT AND SUBLETTING

The lessee shall not assign this lease or sublet or grant any concession or license to use the premises or any part of the premises without lessor's prior written consent.

11 MAR 2025
(i) Any assignment, subletting, concession, or license without the prior written consent of lessor, or an assignment or subletting by operation of law, shall



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be avoid and, at lessor's option terminate this lease.

13. CHANGES

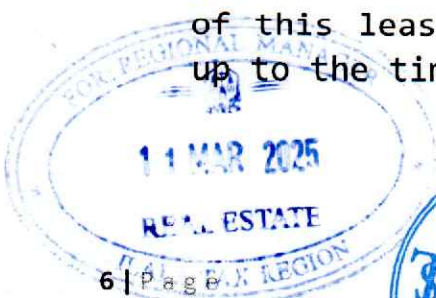
(i) Lessee shall make no alteration to the premises or construct any building or make other improvements without the prior written consent of lessor.

(ii) All alteration, changes, and improvement built, constructed, or placed on or around the premises by lessee with the exception of fixtures properly removable without damage to the premises and movable personal property shall, unless otherwise provided by written agreement between lessor and lessee, be the property of lessor and remain to the premises at the expiration or earlier termination of this lease.

(iii) The Lessor shall make no changes on the leased premises that affect the proper and smooth running of the Lessee's business and or any improvements or development which is an obstacle to usage of the premises or hinder the visibility of the Lessor's business.

14. DAMAGE TO PREMISES

If the premises or any part of the premises shall be partially damaged by fire or other casualty not due to lessee's negligence or willful act, or that of lessee's family, agent, or visitor, there shall be an abatement of rent corresponding with the time during which, and the extent to which, the premises is unleaseable. If lessor shall decide not to rebuild or repair, the term of this lease shall end and the rent shall be prorated up to the time of the damage.



[Signature]
12.02.2025

[Signature]

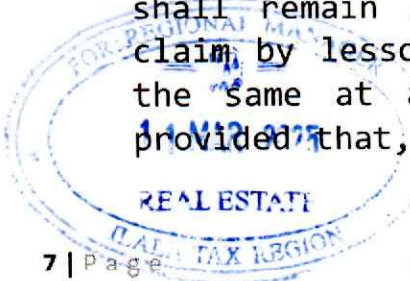
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15. UTILITIES

Lessee shall be responsible for arranging and paying for all utility services required on the premises. Lessee shall not default on any obligation to a utility provider for utility services at the premises. Lessee shall pay all charges for water, electricity, garbage collectors, standby generator fuel and other services and utilities used by lessee on the leased premises during the term of this lease unless otherwise expressly agreed in writing by Lessor. Lessee acknowledges that the leased premises are designed to provide standard BAR use electrical facilities and standard BAR lighting. Lessee shall not use any equipment or devices that utilize excessive electrical energy or which may, in Lessor's reasonable opinion, overload the wiring or interfere with electrical services to the other lessees.

16. ALTERATION AND IMPROVEMENTS

The Lessee at lessee's expenses shall have the right following Lessor's consent to remodel, redecorate, and make additions, improvements and replacements of and all or any part of leased premises from time to time as lessee may deem desirable, provided the same are made in workmanlike manner and utilizing good quality materials. Lessee shall have the right to place and install personal properties trade fixtures, equipment and other temporary installations in and upon the leased premises, and fasten the same to the premises. All personal properties, equipment, machinery, trade fixtures and temporary installations, whether acquired by lessee at the commencement of the lease term or placed or installed on the leased premises by lessee thereafter, shall remain lessee's property free and clear of any claim by lessor. Lessee shall have the right to remove the same at any time during the term of this lease provided that, all damage to the leased premises caused



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by such removal shall be repaired by lessee at lessee's expense.

17. RIGHT OF INSPECTION

Lessor and lessor's agents shall have the right at all reasonable times during the term of this lease and any renewal of this lease to enter the leased premises for the purpose of inspecting the premises and /or making any repairs to the premises or other items as required under this lease. Lessor shall provide notice for the purpose of inspection within a reasonable time frame.

18. SURRENDER OF PREMISES

At the expiration of the lease, the lessee shall quit and surrender the premises in as good a condition as it was at the commencement of this lease, reasonable wear and tear and damages by the elements excepted.

19. ABANDONMENT

19.1. If at any time during the term of this lease, lessee abandons the premises or any of lessee's personal properties in or about the premises, the lessor shall have the following rights:

i. Lessor may at the Lessor's option enter the premises by any means without liability to lessee for damages and may re-let the premises, for the whole or any part of the then unexpired term, and may receive and collect all rent payable by virtue of such re-letting;

ii. Also at the Lessor's option, the Lessor may hold the lessee liable for any difference between the rent that would have been payable under this lease during the balance of the unexpired term, if this lease had continued in force, and the net rent for such period



Law.



12.02.2025

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realized by the Lessor by means of such re-letting.

iii. Lessor may also dispose of any lessees abandoned personal properties as the lessor deems appropriate, without liability to lessee.

19.2. The Lessor is entitled to presume that lessee has abandoned the leased premise under the following circumstances;

a. If lessee removes substantially all of lessee's furnishings from the premises or

b. If the premises is unoccupied for a period of four (4) consecutive weeks, or

c. If it would otherwise be reasonable for the Lessor to presume under the circumstance that the lessee has abandoned the leased premises.

20. **SEVERABILITY**

If any part or parts of this lease shall be held unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect.

21. **INSURANCE**

Lessee acknowledges that the lessor will not provide insurance coverage for lessee's properties, nor shall the Lessor be responsible for any loss of lessee's property, whether by theft, fire, acts of God or otherwise.

22. **BINDING EFFECT**

The covenants and conditions contained in the lease shall apply to and bind the heirs, legal representatives, and permitted assignees of the parties.

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Handwritten date: 12.02.2025

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23. GOVERNING LAW

It is agreed that, this lease shall be governed by, construed and enforced in accordance with the Laws of the United Republic of Tanzania.

24. ENTIRE AGREEMENT

This lease shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this lease is hereby superseded. This lease may be modified only by a writing signed by both the Lessor and Lessee.

25. TERMINATION

25.1. That, taking into consideration the investment made by the LESSEE the lease may be terminated by the LESSOR giving a **ONE (1) YEAR WRITTEN NOTICE** if it shall be proved that the LESSEE has changed usage of the demised premises contrary to agreement, and by the LESSEE giving a **SIX (6) MONTHS WRITTEN NOTICE** and the lease agreement shall be deemed to have ceased at the expiration of the said term and in that case the LESSEE shall claim nothing.

25.2. During the nine-year lock-in period of this lease agreement, if the lessor chooses to terminate the lease before its expiration, they shall be obligated to reimburse the lessee a sum of Tanzania Shillings Ten Million (Tshs. 10,000,000/=), being the amount previously paid by the lessee for the Town Planning process.

26. NOTICE

Any notice required or otherwise given pursuant to this lease shall be in writing; hand delivered, mailed



12.02.2025

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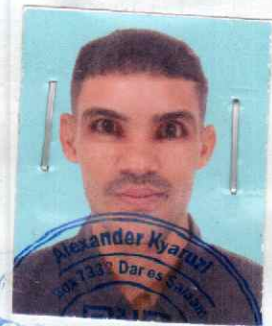
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certified return receipt requested, or delivered by overnight delivery service, if to lessee at the premises and if to Lessor, at the address appearing above.

IN WITNESS WHEREOF, the parties hereto have executed this lease the day and year above written or have caused this lease to be executed by their respective officers thereunto duly authorized.

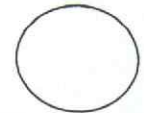
Signed and DELIVERED in the presence Of us by the said HAFIDH HAMOOD HILAL this 12th day of FEBRUARY 2025

[Signature]
LESSOR



BEFORE ME
Name Alexander Kyaruzi
Signature [Signature]
Address P.O. Box 7332 DS
Qualification ADVOCATE

Signed and DELIVERED at Dar es Salaam by by the said on behalf of KDG AFRICA LIMITED this 12th day of FEB 2025



(Official Seal)

BEFORE ME
Name RAHUL TYAGI
Signature [Signature]
Address P.O. Box :- 78845
Qualification DIRECTOR



BEFORE ME: [Signature]
12/02/2025

TIN:
COPY: 1500/-
11/3/2025

STAMP DUTY

Shs: 1500/- Collected
9984121095192 11/3/2025
Receipt No: Date:

[Signature]

Regional Manager - Ilimu Tax Region