

LEASE AGREEMENT

BETWEEN

**GS COMMERCE COMPANY LIMITED
(LESSOR)**

AND

**TANZANIA BUD ELECTRIC CAR CO. LIMITED
(LESSEE)**

**IN RESPECT OF THE PART OF THE LAND AND THE PROPERTY SITUATED ON PLOT NUMBER
39, P32119 MIKOCHENI WITHIN KINONDONI MUNICIPALITY WITHIN DAR ES SALAAM
REGION, MEASURED 500 SQM**

LEASE AGREEMENT

THIS LEASE AGREEMENT is made on this01..... day of01..... 2025

BETWEEN

GS COMMERCE COMPANY LIMITED, a limited liability company incorporated under the laws of Tanzania, whose address is P.O Box 10503 Dar es Salaam. (Hereinafter called the **"the Lessor"** which expression shall where the context so admits include and extend to persons deriving title under the **'the Lessor**, its affiliates and subsidiary companies, successors and assigns) of the one part.

AND

TANZANIA BUD ELECTRIC CAR CO. LIMITED, a limited liability company incorporated under the laws of the of Tanzania, whose registered address is within Dar es Salaam and P.O Box...70241.....Dar es Salaam, Tanzania. (Hereinafter called the **"the Lessee"** which expression shall where the context so admits include and extend to persons deriving title under the **'the Lessee**, its affiliates and subsidiary companies, successors and assigns) of the one part.

RECITALS: -

WHEREAS,

The Lessor is the absolute owner of the premises and accordingly absolutely entitled to use, occupy, possess and let out the landed property located on PLOT NUMBER 39, P32119 Mikocheni within Kinondoni Municipality, Dar es salaam, together with all present and future developments thereon.

WHERE AS

The lessor desirous to lease part of the area on PLOT NUMBER 39, P32119 MIKOCHENI WITHIN KINONDONI MUNICIPALITY, Dar es salaam, measured 500 SQM.

WHEREAS, the Lessor is willing to lease and the Lessee is desirous to lease from the Lessor the landed Property as better described In this Agreement as the Demised Premises to be used for the purposes of operating his business.

1.0 GRANT OF LEASE AND TERM OF LEASE

1.1 Grant of Lease and Duration

1.1.1 The Lessor, In consideration of the rents to be paid and other covenants and agreements to be performed and observed by the Lessee, does hereby lease to the Lessee and the Lessee does hereby agree to lease and take from the Lessor **the 500 SQM piece of land** for a period of **one (1) year** from the 1st day of January 2025.

1.1.2 The lease may be extended at the sole discretion of the lessor and on terms and conditions to be agreed upon.

2.0 Use of property by the Lessee

The Lessee shall use the Demised Premises for commercial purposes and shall at all times ensure they conduct legal business as well possess valid trading licenses.

3.0 PAYMENT OF RENTALS

3.1 Monthly Rent and Taxes

3.1.1 The Lessee shall pay a monthly base rent of Tanzania shilling of one million and two hundred thousand (1.2M) **Inclusive of VAT for 500 SQM** Payable one year in advance.

3.1.2 The lessee shall in addition to the rent, pay a one-month equivalent of rent in the form of security deposit and the same shall be refundable to the lessee after the expiry of the lease subject to the deduction of costs associated with the restoration of the property in original condition as at the date of hand over.

3.2 Withholding Tax and stamp duty on Rent

3.2.1 The rent to be paid shall be subject to a 10% withholding tax or such other percentage as may be determined by Tanzania Revenue Authority at the time of making the payment.

3.2.2 The tenant shall be obligated to pay stamp duty as well as provide proof of payment of withholding tax as well as the stamp duty.

4.0 MUNICIPAL AND OTHER UTILITY CHARGES

- 4.1 In addition to the rent payable to the LESSOR, the LESSEE shall be liable for and shall pay on demand all municipal levies, utility bills as well as any waste charges due and payable on the property.
- 4.2 The Lessee shall further be responsible for all renovations and decorations for the interior of the property that is being leased and at the end of the lease, to ensure that they remove all their movable items and fixtures on the land.
- 4.3 For the purposes of licenses and permits required for carrying out renovations by the Lessee as set forth in this agreement, the Lessor shall, when requested by the Lessee to assist, endeavour to do so in order to ensure the licences and permits are procured with quickest time possible.

5.0 SUBLETTING, TRANSFER OF OWNERSHIP, CESSION AND ASSIGNMENT

- 5.1 The LESSEE shall not cede or assign or mortgage or pledge any of its rights under this lease or any part hereof, nor sublet the leased PREMISES or any part thereof, nor allow any person, company or any other entity to occupy or possess the PREMISES or any part thereof on any condition whatsoever or for any reason whatsoever, without the **LESSOR's written consent**.

6. ADVERTISING AND SIGNS

- 6.0 The LESSEE shall ensure that it procures all necessary approvals from the Municipal Council for fixing a signage and advertising boards, and all costs and taxes associated with the advertising and signage shall be on the account of LESSEE.
- 6.1 The LESSEE shall keep and maintain any such signs in good, clean and proper working order and condition and comply with the requirements of any competent authority pertaining to such signs.
- 6.2 The LESSEE shall, upon the expiration or earlier termination of this lease, remove all signs affixed, painted, placed, displayed, erected or installed by it and make good at its own reasonable cost any damage caused as a result of such removal.

7. ALTERATIONS MADE TO PREMISES

- 7.0 Save for the express permissions as set forth in clause 4.2 above, The

LESSEE shall not, without the written consent of the LESSOR, make any alterations or additions to the leased PREMISES.

7.1 If consent is given by the LESSOR in terms of this agreement, then during the currency of this lease or any extension thereof such alterations or additions may be with the LESSOR's consent, be altered by the LESSEE at its sole discretion and upon the expiration or earlier termination of this lease:

7.1.1 The LESSEE shall be entitled to remove the said alterations or additions from the leased PREMISES in question, at the LESSEE's cost, to their same condition fair, wear and tear excepted carrying out of such alterations or additions;

7.1.2 If the LESSEE fails to remove any additions or alterations, the said additions or alterations shall become the LESSOR's property and no compensation therefore shall be paid by the LESSOR.

8. LIMITATION OF LIABILITY OF LESSOR

8.0 The LESSEE shall not have any claim of any nature against the LESSOR for any loss, damage or injury which the LESSEE may directly or indirectly suffer by reason of any latent or patent defects in the leased PREMISES or building, or fire in the leased PREMISES of the building, or theft from the leased PREMISES or by reason of the leased PREMISES, or any other cause either wholly or partly beyond the LESSOR's control, or arising out of any act or omission by any other LESSEE of the building. Save where such loss, damage or injury is caused by the LESSOR, its employees or agents under these circumstances;

8.1 The LESSEE shall have no claim of any nature whatsoever whether damages, remission of rent or otherwise, against the LESSOR, for any failure of or interruption in the amenities and services provided by the LESSOR and/or any statutory authority to the leased PREMISES and/or the building, notwithstanding the cause of such failure or interruption save where such failure or interruption is attributed to the act or omission of the LESSOR or its employees or agents;

9. THE LESSEE HEREBY COVENANTS WITH THE LESSOR as follows:

- 9.1 To pay the Rent hereby reserved on the day and in the manner set out in this Lease (or by such other mode of payment nominated by the Lessor) to the account of the Lessor notified by the Lessor to the Lessee free and clear of all taxes and deductions (save for statutory withholding tax) whatsoever.
- 9.2 To pay and to indemnify the Lessor against in addition to rent, Value Added Tax (VAT) (or any tax of a similar nature that may be substituted for it or levied in addition to it), stamp duty and/or any other tax chargeable in respect of any payment made by the Lessee under any of the terms of or in connection with this Lease.
- 9.3 To keep the Demised Premises, both internal and external, including all buildings, doors, windows, floors, ceilings, glass, fittings and fixtures, the boundary wall and surrounding areas clean and in good and tenantable repair, order and condition.
- 9.4 To make good any damage caused to the Property (including the Demised Premises) by the Lessee or any of the Lessee's servants, employees, agents or others.
- 9.5 To take good care of the Demised Premises and surroundings, comply with all laws and government regulations applicable to it and to the Property, indemnify and save harmless the Lessor from and against any and all liability arising from injury during the said Term to any person or property, occasioned wholly or in part by any act or omission of the Lessee or of any of its servants, employees or agents and at the end of the Term or sooner termination of the Term to quit and surrender the Property and the Demised Premises with all the said fixtures and fittings in good order.
- 9.6 To insure the PREMISES at all times with a reputable insurance company and the insurance to cover all the personal belongings, stock and all materials belonging to the Lessee. To comply with all conditions of the insurance policy and provide the Lessor copies of relevant certificates of insurance and policies on demand.

10.0 THE LESSOR HEREBY COVENANTS WITH THE LESSEE as follows:

- 10.1 The Lessor warrants and represents, upon which warranty and representation the Lessee has relied in the execution of this Lease, that the Lessor is the owner of the Demised Premises, free and clear of all encumbrances and that the Lessor has obtained the necessary approval
- 10.2 The Lessor covenants and agrees that, subject to the Lessee paying the rent and observing and performing all of the terms, covenants and conditions on the Lessee's part to be observed and performed hereunder, the Lessee may peaceably and quietly have, hold, occupy and enjoy the Demised Premises in accordance with the terms of this Lease without hindrance or molestation from the Lessor or any persons lawfully claiming through the Lessor.
- 10.3 The Lessor Covenants and agrees that during twelve (12) years of the lease, it shall not sale or enter into a transaction that may lead to the change of ownership of the property.

11.0 TERMINATION

Neither Party shall have the right to terminate this Agreement except as provided for in this Agreement.

- 11.1 The Lessor shall have the option to determine this Lease in the event if:-
 - 11.1.1 the Lessee fails to pay the Rent or any part thereof within one (1) month from the due date of payment of the same (whether or not the same has been formally demanded) or fails to pay or discharge any other obligation and liability payable or to be discharged by the Lessee; or
 - 11.1.2 The Lessee defaults in the observance or performance of any of the covenants and agreements required to be performed and/or observed by the Lessee hereunder and such default is not remedied within thirty(30) days after notice to the Lessee in writing of such default.
 - 11.1.3 Insolvency or bankruptcy of the Lessee; or

11.1.4 Fundamental Change of circumstances rendering it impossible for the Parties herein to maintain this Agreement.

11.1.5 Upon the end of the lease period and no written extension for the lease is executed.

11.2 The Lessee shall on termination of this Agreement, (whether at the end of the Term of the Agreement or otherwise), remove all its movable substances and plant and machinery from the Demised Premises and make good the flooring and ceiling. For the avoidance of doubt, the Lessee shall not remove any permanent structures and additions on the Demised Premises including all those structures and repairs that the Lessee shall have made to the Demised Premises as provided for under Clause 3 of this Agreement.

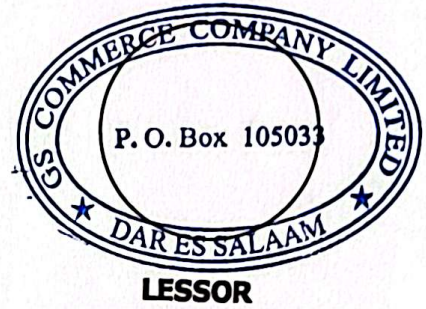
12.0 GOVERNING LAW AND DISPUTE RESOLUTION

12.1 This Agreement shall be governed in accordance with the Laws of Tanzania.

12.2 That any dispute that may arise between the parties in connection with this agreement shall first be settled amicably and once the same is not settled within a period of 30 days from the date of occurrence of the dispute, the aggrieved party shall be entitled to have the same referred to the Court with the competent jurisdiction within the United Republic of Tanzania.

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.

SEALED with the **COMMON SEAL** of the said
GS COMMERCE COMPANY LIMITED
 And DELIVERED at DAR ES SALAAM
 In the presence of us
 this.....01.....day of.....January.....2025



LESSOR

Name:.....SHI YOUQING.....
 Signature:.....
 Address:.....PO BOX 105033.....
 Designation:.....DIRECTOR.....



Name:.....
 Signature:.....
 Address:.....
 Designation:.....

SEALED with the **COMMON SEAL** of the said
TANZANIA BUD ELECTRIC CAR CO. LIMITED and
 DELIVERED at DAR ES SALAAM
 in the presence of us
 this.....day of.....2025



LESSEE

Name:.....ZHENGHUA ZHANG.....
 Signature:.....
 Address:.....
 Designation:.....



Name:.....
 Signature:.....
 Address:.....
 Designation:.....

STAMP DUTY

Shs:.....1020347..... Collected
 9984119944535
 Receipt No:..... Date: 10/1/2025

Regional Manager - Kinondoni Tax R...