

LEASE AGREEMENT

This Lease Agreement (hereinafter referred to as the "Agreement") is made this 15th day of January, 2025.

PARTIES:

AFRICAN VILLAGE ESTATE CO. LTD, a private limited company duly incorporated and existing under the laws of the United Republic of Tanzania of with its registered office at Baraka Plaza, 4th Floor, Mwai Kibaki Road, Plot No.168/2, Msasani Beach, of P.O. Box 71708, Dar es Salaam, hereinafter referred to as the "Lessor" and including its successors and assigns as the context so permits,

CINA HOSPITAL CO. LTD, a private limited company duly incorporated under the laws of the United Republic of Tanzania with its registered office at New Bagamoyo road Mikocheni Area, hereinafter referred to as the "Lessee". The expression shall include its successors and assigns as the context so permits.

WHEREAS: The Lessor is the Owner of whole of the property situated at Plot No.168/2, Mwai Kibaki Road, Msasani Beach, Dar es Sala, Tanzania, hereinafter referred to as the "Leased Premises".

WHEREAS: the Tenant wishes to lease, and the Lessor now agrees to lease to the Tenant, a portion of the property located at Plot No.168/2, Mwai Kibaki/ Old Bagamoyo road, Msasani Beach, Dares Sala, Tanzania, to hold the same subject to the terms and conditions set forth in this Agreement.

NOW, IT IS HEREBY AGREED AS FOLLOWS:

1. LEASED PREMISES:

The Lessor is willing to enter into a lease arrangement with the Tenant granting the Tenant the exclusive right to occupy and use a portion of the property located at Plot No.168/2, Mwai Kibaki road, Msasani Beach, Dar es Sala, Tanzania. The Leased premises includes a part of the area on the Ground Floor (starting from the left entrance at the center of the building, with a total area of 110 square meters), the entire area of the first floor, the entire area of the second floor, the entire area of the third floor, the entire area of the open space and the entire area of the fourth floor and extending to the rear and front parking lots, all advertising spaces from the first floor to the fourth floor, and as part of this lease arrangement, the Tenant is hereby granted the right to fully enter and use the Leased Premises.

2. LEASE TERM:

The lease term is Fifteen (15) years, commencing on 1st August, 2025 and ending on 30th July, 2040. This maybe renewable at the option of the parties.

3. RENT STRUCTURE:

The total rent is US\$30,000.00 per month.

4. PAYMENT AND GRACE PERIOD:

- a. The first installment of rent is US\$ 180,000.00 for 6 months. Thereafter, the rent shall be payable every 6 months, which in advance.
- b. From 1st February, 2025 to 30th July, 2025, the Tenant will be granted six (6) months rent-free grace period for partial renovation, equipment installation, license application, personnel signboard, etc.



5. RENT INCREMENT

Based on the initial rent, every five-year period is regarded as a cycle, and the rent increases by 5% in each cycle. That is to say, the calculation method is as follows: The rent for each cycle = Initial rent + Initial rent \times N (where N represents the number of cycles. Initially, N = 0, and in this agreement, the maximum value of N is 2) \times 5%.

6. PAYMENT METHOD OF RENT:

- a. The rent shall be paid in United State dollars (USD) or an equivalent amount in Tanzanian shillings.
- b. The Tenant agrees to deposit or transfer the rent amount into the bank account of the Landlord as follows:
Bank Name: AMANA BANK TANZANIA LTD
Account Name; AFRICAN VILLAGE ESTATE CO.LTD
Account Number; 002110622128002
Swift Code: AMNNTZTZ
- c. That soon after making payment, the Tenant shall promptly provide the Landlord with proof of payment, such as a payment slip or transaction confirmation.
- d. The Tenant agrees to pay the first installment of the 6-month rent within 10 days from the date of signing this Agreement.

7. LATE PAYMENT:

- a. If the tenant fails to pay the rent within 30 days of the due date, the landlord shall notify the tenant in writing. If the tenant still fails to pay the rent within 30 days after receiving the notice, starting from the second month, the tenant shall pay interest at a rate of 0.1% of the unpaid rent for each overdue day.
- b. If the tenant fails to pay the rent for three consecutive months after receiving a written notice of demand, the landlord has the right to terminate this agreement. In such a case, the landlord is entitled to demand that the tenant pay the rent for the occupied months and the interest due.

8. OCCUPANCY AND RENOVATION:

- a. The Leased premises will be handed over to the Tenant on 1st February, 2025.
- b. Tenant may renovate the Leased Premises, including the installation of new air conditioning, fire extinguishing systems and fire extinguishing products, staircase, floor and tile repairs, partitions and repainting of the building to suit Tenant's needs.
- c. The Landlord agrees that the Tenant shall build some houses on the vacant space on the fourth floor (the top floor) to meet the needs of the tenant's employees, without any additional cost to the Tenant.
- d. The Landlord agrees to provide the Tenant with two elevators (one small elevator and one large medical elevator), existing generators, transformers, Existing air conditioners, existing room partitions, water treatment systems, existing fire protection systems and other existing facilities, without any additional cost to the Tenant. The Tenant is required to use and repair and maintain them reasonably.

9. STRUCTURAL CHANGES AND CONSENT:

- a. The Tenant may make changes without affecting the safety of the building, but must obtain the prior consent of the Landlord.
- b. Any alteration involving the removal or addition of walls or structures must be approved by the Landlord in advance to ensure that it does not affect the safety and integrity of the building.

10. PARKING FACILITIES:

- a. The Tenant may use the parking facilities and parking lots in the front and rear, and the other Tenant on the ground floor has the right to use a small part of the parking lot, without any additional cost to the Tenant.
- b. The Tenant agrees to reasonably plan, maintain and service the parking lot during the Lease Period.
- c. The landlord shall be responsible for reclaiming the kiosk in the parking lot and handing it over to the tenant for operation. The landlord agrees that the tenant may construct a restaurant for the hospital at a reasonable location within the parking lot.

11. USE OF THE LEASED PREMISES:

- a. The Tenant has the right to use the Leased Premises exclusively as a hospital. In addition, the Tenant may also establish hospital-related offices, cafeterias, restaurants, warehouses and open a pharmacy to sell medicines in the Leased Premises.
- b. The Tenant shall ensure that all activities conducted in the Leased Premises comply with applicable laws, regulations and requirements related to hospital operations and related services.
- c. The Tenant guarantees that the Leased Premises are used only for the purposes agreed upon in this Lease Agreement and that no alcohol will be sold at the leased premises.
- e. Any change in the use of the Leased Premises beyond the provisions of this Contract shall require the prior written consent of the Lessor.

12. COMPLIANCE WITH LAWS:

- a. The Tenant is responsible for obtaining and maintaining all licenses and permits required to operate a hospital, offices, cafeterias, restaurants and pharmacies in the Leased Premises.
- b. The Tenant shall comply with all laws, regulations and ordinances applicable to the operation of such facilities.

13. SUBLEASE AND MORTGAGE:

- a. Tenant hereby agrees not to sublease any part of the Leased Premises without the prior written consent of Landlord. Any sublease shall be subject to the terms and conditions set forth in a separate agreement approved by Landlord.
- b. Tenant further agrees not to mortgage, pledge or encumber the Leased Premises without the express written consent of Landlord.
- c. The landlord agrees, if the Building is sold, this Agreement must be maintained in full force and effect.

14. INDEMNIFICATION:

- a. The tenant agrees to compensate the landlord for the actual losses caused by the breach of the subletting and mortgage clauses of this agreement
- b. Landlord agrees to indemnify and hold harmless Tenant for any loss, damage, cost or expense resulting from any breach of the sublease and mortgage provisions of this Agreement.

15. BOARD RESOLUTION:

- a. The directors of Landlord shall sign a board resolution confirming the Leased Premises and committing to abide by the terms of the Agreement.
- b. The executed Board Resolution shall be prepared and delivered to the Tenant for safekeeping within the date of execution of this Agreement.

16. CHANGE OF NAME:

- a. In the event of a change in the name of either party (whether the Lessor or the Tenant), such change shall not affect the terms and conditions of this Lease.
- b. In the event of a change in name, the Parties may, at their sole discretion and as circumstances permit, execute an Addendum to this Agreement reflecting the new name. The Addendum shall be legally binding and deemed to be an integral part of this Lease.
- c. Notwithstanding the change in the legal names of the Parties, the obligations, rights and liabilities of the Parties under this Lease shall continue seamlessly.

17. NOTICE OF CHANGE OF NAME:

The Party having a change in name shall promptly notify the other Party in writing of the change and provide relevant documents for evidence.

18. TENANT'S COVENANTS:

The Tenant hereby covenants with the Landlord as follows:

- a. To pay the rent hereunder at the agreed time and in the manner provided for in this Lease.
- b. To pay the electricity, garbage collection, cleaning service, water and any other utility charges related to the Leased Premises.
- c. not to transfer or assign possession of the Leased Premises or any part thereof to any third party without the prior written consent of the Lessor.
- d. to maintain the interior of the Premises and all equipment and fixtures in a condition suitable for the Tenant at all times and to modify them at its own expense to suit its business needs.
- e. To repair at its own expense all minor defects and breakages caused by normal wear and tear.
- f. To repair any damage to the Leased Premises caused by the negligence of the Tenant, its workmen or its agents.
- g. With the consent of the tenant, the landlord, its service personnel, and agents may enter and inspect the leased property at reasonable times to check its condition, provided that it shall not affect the tenant's normal business operations.
- h. To provide the Landlord with copies of the passports of the Tenant's directors and shareholders and the authorization document authorizing the designated person to sign this Agreement on behalf of the Tenant at the time of signing this Agreement.
- i. To keep all fixtures and equipment in a reasonably good condition after the Lease is finalized.

19. LANDLORD'S COVENANT:

The Landlord hereby covenants with the Tenant as follows

- a. The Landlord promises that it is the legal owner of the Leased Premises and has the legal right to lease the said Premises to the Tenant.
- b. The Landlord shall provide the Tenant with all necessary certificates and documents, including but not limited to the Land Certificate, Business License, architectural drawings of the Leased Premises, identity card of each director and the authorization document authorizing the designated person to sign this Agreement on behalf of the Landlord.
- c. To promptly carry out repairs and all necessary major overhauls to ensure that the leased property meets the tenant's usage requirements.
- d. Pay the land rent, property taxes and any other fees payable by the Lessor in accordance with current laws and regulations.
- e. Ensure the peaceful enjoyment of the Leased Premises by the Tenant

20. FORCE MAJEURE:

- a. In the event of force majeure, which is an unforeseeable circumstance beyond the control of either party, including but not limited to acts of nature, war, strikes, civil unrest, government restrictions or any other event, which makes it impossible for either party to perform its obligations under this Lease Agreement, the affected party shall immediately notify the other party.
- b. After the occurrence of a force majeure event, the parties agree to negotiate in good faith to review and adjust the rent to reflect the impact of the force majeure event on the Leased Premises and the ability of the Tenant to continue to perform its financial obligations under this Agreement.

21. EARLY TERMINATION:

- a. Unless this contract is terminated in advance through mutual consultation between the two parties or the force majeure situations stipulated in this contract occur, neither party shall terminate this contract in advance when the other party has not breached the contract..
- b. In the event of a breach of any term of this Contract by either party, the aggrieved party may give notice to the other party requiring the breach to be rectified within three months. If the breach is not rectified after the prescribed three-month period, the aggrieved party shall be entitled to terminate this Agreement early or seek any other remedy provided by applicable law.

22. TERMINATION BY LESSOR:

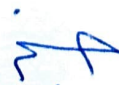
The landlord hereby agrees that during the lease term, the contract shall not be unilaterally terminated or dissolved, unless the tenant is in breach of the circumstances stipulated in Article 7 and Article 21(a) of this Agreement.

23. TERMINATION BY LESSEE:

- a. The tenant hereby agrees that during the lease term, the contract shall not be terminated or dissolved. In the event of early termination, the tenant shall compensate the landlord for the rent of the remaining lease period.
- b. Alternatively, the Tenant may find another Tenant willing to pay a similar rent to the Landlord, upon which such arrangement is made, the Tenant may vacate the Leased Premises.

24. OWNERSHIP OF PROPERTY AFTER TERMINATION:

- a. Upon termination of this Lease Agreement, whether expiration or earlier, the improvements, plumbing, electrical installations, tiles and fire protection products installed by the Tenant in the Leased Premises shall become the sole property of the Landlord. The landlord shall provide the tenant with a certain amount of compensation in accordance with the market price.
- b. The Tenant acknowledges and agrees that such improvements and installations shall not be deemed to be removable fixtures or fittings but shall be deemed to be an integral part of the Leased Premises and shall pass into the ownership of the Landlord upon termination of this Lease;



25 PAYMENT OF TAXES:

The responsibility for various taxes and fees in connection with this Lease Agreement shall be allocated as follows:

a). Landlord's Responsibilities:

- i. The Landlord shall be responsible for paying to the tax authorities withholding tax at a rate of 10% of the rent received.
- ii. In addition, the Landlord shall be responsible for paying property taxes related to the Leased Premises.

b) Lessee's Responsibilities:

- i. The Lessee shall be responsible for paying stamp duty of 1% at the applicable rate on this Lease Agreement.
- ii. The Lessee shall also be responsible for VAT at the applicable rate on the services provided under this Lease Agreement and shall be required to provide proof if tax exempt.

26. NOTICES:

All notices, requests, demands or other communications required or permitted under this Agreement shall be in writing and delivered personally or by registered mail to the addresses of the parties set forth in this Agreement.

27. GOVERNING LAW:

This Agreement shall be governed by and construed in accordance with the laws of the United Republic of Tanzania.

28. AMENDMENT OF AGREEMENT:

The terms and conditions of this Agreement may be amended by the parties in writing, which shall be attached as an appendix to this Agreement. No oral amendment to this Agreement, even if agreed to by the parties, shall be of legal effect.

29. INVALIDITY:

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, such provision shall be ineffective to the extent of the invalidity but shall not in any way invalidate or affect any other provision of this Agreement.

30. SETTLEMENT OF DISPUTES:

- a. If any dispute arises between the parties in the performance of this Agreement, the parties shall make good faith efforts within 30 days to settle the dispute amicably.
- b. If after the expiration of the 30-day period, the dispute remains unresolved, the parties may submit the matter to mediation. The mediator shall be selected by the parties jointly or with the assistance of a third party.
- c. If the mediation fails to resolve the matter within 30 days, either party may submit the dispute to a court of competent jurisdiction.

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31. ENTIRE AGREEMENT:

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral.

32. OTHERS:

The lessee is not responsible for damage to the house due to quality problems or force majeure. The current lessee is not responsible for any problems left by the previous lessee.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.

SEALED with the COMMON SEAL of
the said AFRICAN VILLAGE ESTATE CO. LTD
and DELIVERED at DAR ES SALAAM
In our presence this 24th day of January 2025

LESSOR



Name: Mohyadin M. Hussien

Signature: [Handwritten Signature]

Post Address: BOX 71708 DSM

Qualification: **DIRECTOR**

SEALED with the COMMON SEAL of
The said CINA HOSPITAL CO. LTD
and DELIVERED at DAR ES SALAAM
in our presence this 24th day of January 2025

LESSEE



Name: Mingyang Li

Signature: [Handwritten Signature]

Post Address: _____

Qualification: **DIRECTOR**

BEFORE ME:

Name: Sheila I. Mberesero

Signature: [Handwritten Signature]

Post Address: Box 11133 DSM

Qualification: ADVOCATE

