

DATED THIS 1ST DAY OF NOVEMBER 2022

THIS LAND ACT NO. 4 OF 1999

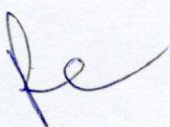
LEASE AGREEMENT

BETWEEN

M/S. MAJESTIC HOLDINGS LIMITED

AND

M/S. THE BOX FACTORY LIMITED



LEASE AGREEMENT

THIS LEASE AGREEMENT is made on the 1st day of November 2022

BETWEEN

M/S. MAJESTIC HOLDINGS LIMITED of Postal Office Box Number 5584, Plot No.9, Changombe, Dar Es Salaam (hereinafter called "**the Lessor**") which expression shall include its successors and assigns in title) of the one part.

AND

M/S. THE BOX FACTORY LIMITED of Postal Office Box Number 39917, Plot No.30 & 35, Dar Es Salaam (hereinafter called "**the Lessee**") which expression shall include its successors and assigns in title) of the other part.

WHEREAS:-

The **Lessor** is a lawful owner of the landed property situated at Plot No.105, Kisarawe II, Kigamboni, Dar es Salaam.

The **Lessee** is willing and able to take over the tenancy of the above mentioned property (hereinafter referred to as "**the demised premises**").

WITNESSETH as follows:

1. IN CONSIDERATION of the rent and Lessee's Covenants hereinafter reserved and contained the Lessor HEREBY DEMISES unto Lessees the premises on Plot No.105, Kisarawe II, Kigamboni, Dar es Salaam within the Dar es Salaam City (hereinafter referred to as "**the Demised Premises**") having an area of 20,000 Sq mtrs.

TO HOLD THE DEMISED PREMISES into the Lease for a term of (5) years with effect from 1st day of November 2022.

- a) Full right and liberty for the Lessee and all persons authorised by them (in common with all other persons entitled to the like right) at all times to peaceful occupation and use of the demised premises.
- b) The Lessee shall pay the rent as in clause 1 (d) after deducting the withholding tax and the Lessee shall provide the Lessor with the exchequer's receipt on payment of the withholding tax.

c) To hold the demised premises unto the Lessee from the 1st day of November 2022 for the term of Five Calendar years next ensuing.

d) **The rent being payable as follows:**

The rent shall be payable 2 months in advance and monthly rent be as below.

- \$45,000 per month (20,000 Sq mtr @ \$2.25 per Sq mtr) at prevailing exchange rate plus VAT as applicable.

e) 10% increase in rentals be considered for every two years.

2. **PROVIDED ALWAYS and it is hereby agreed and declared:**

The period of tenancy shall be five (5) years starting from 1st day of November 2022.

3. **THE LESSEE HEREBY COVENANTS WITH THE LESSOR AS FOLLOWS:**

- Not to assign or part with the possession of the Demised Premises or any part thereof without the written consent of the Lessor.
- To keep the Demised Premises in good state of repair (reasonable wear and tear expected) and to paint the premises and repair all breakage and damage and maintain the demised premises as required by the health authorities.
- Not to make any alteration or addition to the demised premises without the written consent of the Lessor and such consent shall not be withheld unreasonably.
- Unless the lease is renewed to surrender vacant possession of the Demised Premises to the Lessor at the expiry of the contractual period in clean and good tenantable condition and all modification intact and all items within returned in full stock.

PROVIDED THAT if the rent payable in a manner specified in clause 1(c) hereinabove shall remain in arrears for a period of more than **Thirty days before the commencement** of the next lease year, the lease shall be terminated at the option of the **Lessor** without notice.

- Forthwith to comply with any notice that may be given by the **Lessor** requiring any breach of any of the obligations on the part of the **Lessee** under the above mentioned clause to be made good.
- To comply with all by laws, rules and regulations of any Government or local authority affecting the business of the **Lessee** and to obtain or cause to be obtained all requisite approvals in the name of the **Lessee** or a legal entity owned by them including all licenses and authorisations to carry on business at the premises in accordance with prevailing laws and regulations of Tanzania and to pay any charges and or fee levied by the City Council and Local Authority in connection with any signboard, hoarding advertisements erected on the demised premises by the **Lessee**.

Exchange rate 11/1/2022 → 2296.8

Annual Rent = 1,051,149.492 X 1%

Stamp = 10,511,369.5

Duplicate = 1500

~~12,513,195.~~

Annual Rent = 103,356,000 X 1%

Stamp =

- vii. To keep the interior of the demised premises including the decorations thereof and all the fixtures and fittings therein (and the windows and glass thereof) and the doors thereof in good and substantial repair and condition and to deliver up the same to the **Lessor** on giving up possession of the demised premises **PROVIDED ALWAYS THAT** natural and reasonable wear and tear of the said fixtures and fittings shall be acceptable.
- viii. To insure and keep insured, at the Lessor's director the demised premises against loss or damage by fire or such other risk as are commonly insured in Tanzania.
- ix. To maintain its own insurance for the Tenant's business and it's belonging/goods stored and carried at the property.
- x. The Landlord shall not be responsible for any damage for which the Tenant is compensated under the insurance policy or any damage whatsoever involving the Tenant's business/belongings.
- xi. To provide adequate security for the property and all goods kept on the demised premises. The Tenant acknowledges and agrees that the Landlord shall not be liable as a result of any theft or loss on the demised premises during the entire lease period.
- xii. The Tenant is to give the Landlord, or anyone authorised by him in writing, access to the property upon a reasonable notice except in an emergency for the following purposes:
 - a) Inspecting the condition of the property, or how it is being used;
 - b) Doing works which the Landlord is permitted to do under this Lease;
 - c) Complying with any statutory obligation;
 - d) Showing the property during the last two months to the last lapse of the term to prospective Tenants;
 - e) Valuating the Property;
- xiii. To use the demised premises for the intended commercial purposes only and not to use or suffer or permit the same to be used for any unlawful or immoral purpose.
- xiv. Not to sublease, transfer, assign, sell or part with the benefit of this lease or part thereof to any third party without prior written consent of the **Lessor**.
- xv. To pay or discharge all water Bills, Telephone Bills and Electricity Bills to be consumed in the demised premises during the whole period of the lease and which shall only be due and payable after the commencement of this agreement.
- xvi. To be responsible for all damage occasioned to the demised premises or any other part of the building or premises where the same has been caused by any act default or negligence of the **Lessee**.

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Exchange rate as at 11/11/2022 = 2296.8

Annual rent = 1,240,272,000 x 1%

slaty = 12,402,720

Duplicate = 1500

12,404,220

- xvii. Not to alter without the previous consent in writing of the Lessor or interfere with the construction or arrangement of the demised premises or the fixtures or fittings therein belonging to the Lessor. No renovations, constructions, repairs and or changes without the written consent of the **Lessor**.
- I. Upon receipt of consent from the Lessor, the Lessee to comply with all regulations and to pay all statutory fees and expenses arising as a result of these alterations.
 - II. All immovable materials, fixtures and other objects used in the work shall become the property of the **Lessor** and on completion or termination of the agreement the **Lessee** shall not remove them or allow their removal.
 - III. To be liable for and to indemnify the **Lessor** for any expenses, liability, loss or proceedings arising in the course of or out of the work done.
- xviii. To pay and make good to the **Lessor** all and every loss and damage incurred or sustained by the **Lessor** as a consequence of every breach or non-observance of the **Lessee** covenants herein.

4. THE LESSOR HEREBY COVENANTS WITH THE LESSEE AS FOLLOWS:

- I. During the Tenancy of the agreement, and as long as the Lessee observes and perform the covenants herein contained to permit the **Lessee** to hold the demised premises and to occupy the same without any interruption by the **Lessor** or any person or persons lawfully claiming under or in trust for the **Lessor**.
- II. To pay land rent and any other statutory charges which attaches to the demised premises and which are not within the ambit of the obligations of the **Lessee**.

5. PROVIDE ALWAYS IT IS HEREBY EXPRESSLY AGREED AND DECLARED THAT:

- I. If the Lessee wants to modify, add or erect new structure on the demised premises , the Lessee shall be responsible to secure all the necessary permits as may be required under land laws and regulations and to pay all statutory fees and shall seek permission from Lessor in writing.
- II. If any rent or other payment or any part thereof remain unpaid for a period stipulated in clause 1 (d) hereinabove after the same shall have become due (whether legally demanded or not), the **Lessor** may re-enter upon any part of the demised premises in the name of the whole and thereupon the term hereby granted shall determine but without prejudice to the rights of the **Lessor** in respect of any antecedent breach of any covenant or obligation on the part of the **Lessee** herein contained.
- III. In case the demised premises or any part hereof shall at any time during the said term be so damaged or destroyed by act of God or force majeure or other risk against which the **Lessee** shall have insured as to be unfit for occupation and use them (unless the insurance money shall be wholly or partially irrecoverable by reason solely or in part of any act or default of the **Lessee**) the rents hereby reserved or a fair proportion thereof according to nature and extent of the damage sustained

shall be payable until the demised premises shall again be rendered fit for occupation and use.

- IV. Any notice under this lease shall be of Thirty (30) days and in writing and may be served on the person on whom it is to be served either personally or by leaving it for him at the demised premises if he be the **Lessee** or at his last known place of abode, or by sending it by registered post or the recorded delivery service to such premises or place; and in the case of a notice to be served on the **Lessor** it may be served in the like manner upon any agent for the **Lessor** duly authorised in that behalf.
- V. This agreement can be terminated at the discretion of either party by giving the other ninety (90) working days written notice.
- VI. It is hereby agreed by and between the parties that the Lessee undertakes to be held directly responsible and/or compensate the Lessor for any action, litigation and/or complaint for any nuisance, public and /or private alleged to have been caused by the business of the Lessee that may be made to the neighbours, members of the public or the authorities during the subsistence of the lease.
- VII. Not to keep or permit to be kept on the demised premises any materials of dangerous nature or the keeping of which may contravene any statutes or local regulations or by laws or to carry on or to do anything that may constitute a nuisance of public or private nature or be a cause of disturbance or annoyance, or danger to neighbours or the public.
- VIII. If the rent hereby reserved or any part thereof shall at any time be in arrears and unpaid for a period of 30 days after the same has become due and payable whether formally demanded or not or if the **Lessee** at any time fails and neglects to perform and observe any of the covenants and obligation herein contained and on his part to be performed and observed, or If the **Lessee** commits any criminal act or an act of bankruptcy, then and in any such case the Lessor may at any time there after re-enter upon and repossess the **PREMISES** or any part thereof in the name of the whole, and thenceforth hold and enjoy the same as if the lease has not been granted but without prejudice to any right of action for remedy by the **Lessor** for any antecedent breach of the covenants of the part of the **Lessee** and including action for recovery of the rent.
- IX. No liability shall attach in respect of any breach of any positive covenant on the part of the Lessor or the Lessee herein contained or implied so long as they shall be prevented from performing the same by statutory restrictions or matters beyond their control.
- X. Any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination of invalidity thereof, shall be settled amicably by the parties failure of which to arbitration in accordance with Arbitration Act (Cap. 15). Arbitration will be undertaken by three Arbitrators, one Arbitrator to be appointed by each of the parties in dispute and an umpire be appointed jointly by the Arbitrators appointed by the disputing parties. In the event that the two Arbitrators fail to reach an agreement on the identity of the umpire or if one party fails to appoint an Arbitrator, then in either such case the appointment of the umpire or the

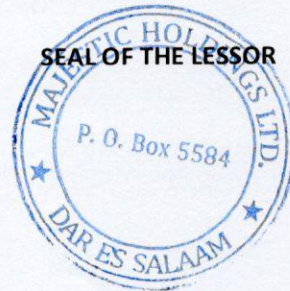
non-appointing party's Arbitrator (as the case may be) shall be undertaken by the Chairman for the time being of the Tanzania Institute of Arbitrators. The place of arbitration shall be Dar es Salaam and the language to be used in the arbitral proceedings shall be English.

XI. This agreement shall be governed by the laws of the United Republic of Tanzania.

IN WITNESS WHEREOF the parties have caused our seal to be hereunto affixed on the day and year hereinafter mentioned.

SEALED with the common seal of the
M/S. MAJESTIC HOLDINGS LIMITED and
DELIVERED in the presence us this 15th day of November 2022

FULL NAME: SHABBAR F. KERMAJI
SIGNATURE: [Signature]
POSTAL ADDRESS: 5584, DSM
DESIGNATION: DIRECTOR



SEALED with the common seal of the
M/S. THE BOX FACTORY LIMITED and
DELIVERED in the presence us this 15th day of November 2022

FULL NAME: K.S. RAJI
SIGNATURE: [Signature]
POSTAL ADDRESS: 39917
DESIGNATION: GENERAL MANAGER

