

LEASE AGREEMENT
BY AND

BETWEEN

SMITH MSURI MREMA

AND

VIJIM LIMITED

IN RESPECT OF THE PROPERTY SITUATED AT PLOT NO. 62, BLOCK NO.
"W", CAPRI POINT, MWANZA WITH CERTIFICATE OF TITLE NO.
033038/25

Drawn by:

B & E AkoLaw
House No. 33, Plot No.7, Block "D"
Isamilo Area - Balewa Road,
P.O. Box11624,
Mwanza.

3
Certified as True Copy of the Original
Ruvumba Lubanga Shidubi
Advocate, Notary Public & Commissioner
for Oaths
Date 16/11/21

LEASE AGREEMENT

This Agreement of building is made this 30th day of April, 2023

Between

Smith Msuri Mrema, a natural person of P.O. BoxMwanza, (hereinafter called the "Lessor" which expression shall where the context so admits, include his administrators, successors and assigns in title) of the first part,

And

VIJIM Limited, a private limited liability company incorporated and validly existing under the laws of Tanzania P.O. Box 1719, Mwanza, Tanzania (hereinafter referred to as the "Lessee" which expression shall, where the context so admits, include its administrators, liquidators, receiver, successors and assigns in title) of second part.

WHEREAS:

- A. The Lessor is the registered owner of the property situated on Plot No. 62, Block No. "W", with Certificate of Title No. 033038/25 Capri Point, Mwanza (hereinafter referred to as "the Demised Premises");
- B. Currently, the Lessor and the Lessee are parties to the Lease Agreement executed on/...../20.... In which the Lessee operates and runs an entertainment outfit under the name "Bonasera" annexed to this Agreement as "Annex -1";
- C. The Lessee herein is desirous of developing the demised premises into a three-storey building intending to establish and run a hotel/accommodation facility; and,
- D. The Lessor has agreed to the Lessee's request to develop the demised premises into a hotel/accommodation facility pursuant to the terms herein.

NOW THEREFORE in consideration of the mutual covenants and promises herein contained, the Parties hereto agree as follows: -

1.0 DEFINITION AND INTERPRETATION

In this Agreement, unless otherwise indicated or otherwise required by the context:

- 1.1 Reference to and the definition of any document (including this Agreement) shall be deemed a reference to such document as it may be amended or modified from time to time;

Page 2



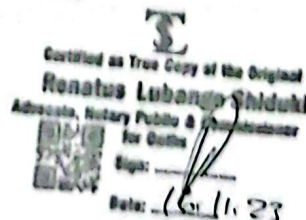
Verified as True Copy of the Original
Ronatus Lubanga Shiduli
Advocate, Notary Public & Commissioner
for Courts
Date: 30/4/23

- 1.2 •Defined term in the singular shall include the plural and vice versa, and the words importing the masculine gender include the feminine and neuter genders and vice versa.'
- 1.3 The natural persons include artificial persons and vice versa and hence, the word "person" shall include a firm, a body corporate, an unincorporated association or an authority;
- 1.4 The clause headings in this Agreement are for the purpose of convenience reference only and shall not be taken into account in the interpretation or define, limit, or describe the scope, or intent of any provision of the clause of this Agreement.
- 1.5 If a definition imposes substantive rights and obligations on a party, such rights and obligations shall be given effect to and shall be enforceable, notwithstanding that they are contained in a definition.
- 1.6 Each of the provisions of this Agreement has been negotiated by the Parties and drafted for the benefit of the Parties, and accordingly the rule of construction that the contract shall be interpreted against or to the disadvantage of the party responsible for the drafting or preparation of the Agreement.

2.0 THE LESSEE AND TERM

- 2.1 The Lessor hereby agrees to lease the demised premises to the Lessee for a period of fifteen years, effective from 01st January, 2026 to 31st December, 2040.
- 2.2 The current lease "Annex - 1" to this Agreement will form part and parcel of this Agreement and will accordingly be merged in.
- 2.3 The Lessee shall pay to the Lessor rental charges as follows:
- 2.3.1 Fixed yearly rental of Tshs. 95,000,000/- for each year for the period from 01st January, 2026 to 31st December, 2030;
- 2.3.2 Thereafter, the yearly rental charges will be revised after every five (5) years for the period from 01st January, 2031 to 31st December, 2035 and from 01st January, 2036 to 31st December, 2040, as per the mutual agreement between the Parties.
- 2.3.3 The said rental charges will be exclusive of VAT but inclusive of withholding tax.
- 2.3.4 The said rental charges will cover the existing or current lease between the Parties herein in respect of "Bonasera".




Certified as True Copy of the Original
Ronatus Lubanga Shiduki
Advocate, Notary Public & Mediator
for Gulu
Date: 16.11.23

2.3.5 The rental is payable in advance in a period of six (6) months, that is on the 01st January and 01st July of each year throughout the entire lease period.

3.0 DEVELOPMENT OF THE DEMISED PREMISES

3.1 The Lessor hereby allows the Lessee to develop the demised premises into a three-storey hotel/accommodation facility.

3.2 The said development will be according to the drawings and bills of quantity (BOQ) submitted by the Lessee to the Lessor and to the relevant municipal/administrative authorities.

3.3 The Lessee will undertake the said development on the current structure erected and standing on the demised premises and will not be allowed to demolish the current structure.

3.4 The grace period will be two (2) years beginning on 01st January, 2024 ending on 31st December, 2025 in which the Lessee will not pay any rental charges to the Lessor including the current rental charges in the current lease.

3.5 The period referred to in Clause 3.4 of this Agreement is to be referred to as a grace period.

3.6 Once the development is completed, including furnishings and fixtures, the Lessee will commence occupation of the same for the period agreed in Clause 2 of this Agreement.

3.7 It is the obligation of the Lessee to ensure that it obtains all relevant and required building permits, save that where necessary and if need be, the Lessor will assist to obtain the same to enable development begin and end as agreed.

4.0 CAPITAL

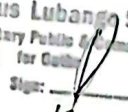
The estimated cost for the development of the demised premises is Tshs. 500,000,000/- which shall be solely born by the Lessee.

5.0 OCCUPATION AND ALLOCATION OF THE DEMISED PREMISES

Except for entitlement to receive rental as per Clause 2 hereinabove, upon completion of the construction of and development of the demised premises, the Lessee shall be entitled to 100% occupation and utilization of the demised premises, including adjacent and surrounding areas as per the sketch of the demised premises incorporated in the title deed.

6.0 USE AND OCCUPATION OF THE DEMISED PREMISES



Certified as True Copy of the Original
Ronatus Lubang Shiduku
Advocate, Notary Public & Commissioner
for Gender
Sign: 
Date: 16.11.23

6.1 After the completion of the development, the Lessee shall use the same being a hotel/accommodation facility along with ancillary services.

7.0 LEASE TERMINATION

7.1 This lease will terminate as follows:

7.1 Automatically, after the term herein agreed, as per Clause 2.1, expires;

7.2 For material breach, including but not limited to the Lessee's failure to pay rent as agreed, carrying out the construction below the agreed standards in the BOQ; and,

7.3 In the event of the happening of a *force majeure* beyond the control of either Party that would prevent either Party to proceed with the performance of its obligations under the Agreement for a period exceeding six (6) months.

7.2 Where the lease expires by reason of time, and unless the Parties will not agree to extend or renew the lease, the Lessee will hand over the demised premises to the Lessor and will not take out anything from the demised premises, including furniture, furnishings, chattels, appliances, and all fixtures.

7.3 In the event the Lessor intends to lease the demised premises after the expiry of the term, the Lessee will have the first priority.

7.4 During the term of this Agreement and when the Lessor contemplates to dispose of the demised premises, by way of sale, the Lessee will have the first priority.

7.5 Any notice to terminate the lease will be in writing served to the other Party and the said notice will be of not less than 4 months period.

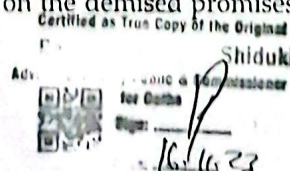
7.6 The Lessee retains the right to sub-lease the demised property to a third party subject to consent from the Lessor, which consent shall not be unreasonably withheld.

8.0 GOVERNING LAW AND DISPUTE SETTLEMENT

This Agreement is governed by the laws of the United Republic of Tanzania and in the event of any dispute arising from its application, interpretation or otherwise, such dispute shall be negotiated failure to that shall be referred to the court or tribunal of competent jurisdiction in Tanzania.

9.0 INSURANCE COVERAGE

9.1 It is the duty of the Lessee to ensure that, at its own expense, there is adequate insurance cover on the demised premises at all times during the lease period.



- 9.2 It is further agreed that the Lessee will take additional insurance cover in respect of its business and other related matters, if need be.

10.0 LEASE REGISTRATION AND STAMP DUTY

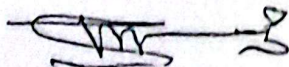
- 10.1 This being a long-term lease, Parties agree that they will take every step to ensure that the lease is registered with the relevant land registration authority.
- 10.2 The Lessor shall be responsible for payment of relevant stamp duty to the Tanzania Revenue Authority.

11.0 GENERAL

- 11.1 No exercise or failure to exercise or delay in exercising any rights, power or remedy vested in either Party under or pursuant to this Agreement shall constitute a waiver by that Party of that or any other rights, power or remedy.
- 11.2 Each Party shall bear its own operation costs of or in connection with the preparation and execution of this Agreement.
- 11.3 This Agreement may be executed in any number of counterparts or duplicates, each of which shall be original, but such counterparts or duplicates shall together constitute one and the same Agreement.
- 11.4 The Agreement shall be binding upon the Parties to this Agreement and their respective successors and permitted assigns provided that neither of the Parties to this Agreement shall be entitled to assign this Agreement or any of its rights and obligations under this Agreement without the consent of the other.

12.0 AMENDMENT AND SEVERABILITY

- 12.1 This Agreement (together with all Agreements and documents executed contemporaneously with it or referred to in it) constitutes the entire Agreement between the Parties in relation to its subject matter and supersedes all prior agreements and understandings whether oral or written with respect to such subject matter and no variation of this Agreement shall be effective unless reduced to writing and signed by a duly authorized representative of each Party to this Agreement.



Certified as True Copy of the Original
Rensius Lubanga Shindid
Advocate, Notary Public & Commissioner
for Oaths & Administration
Sign: _____
Date: 16/11/2023

12.2 In the event that any term, condition or provision of this Agreement is held to be a violation of any applicable law, statute or regulation, the same shall be of no force and effect. And this Agreement shall remain in full force and effect if such term, condition or provision had not originally been contained in this Agreement. Notwithstanding the above, in the event of any such deletion, the Parties shall negotiate in good faith in order to agree on the terms of a mutually acceptable and satisfactory alternative provision in place of the provision so deleted.

12.3 If any provision of this Agreement is declared invalid by any court or by virtue of law all other provisions shall remain in full force and effect.

3
Quality Copy Free Copy of the Original
Rajesh Lalvani, Advocate
Advocate, Notary Public
for Gujarat
Date: 16.11.23

[Handwritten signature]

IN WITNESS whereof the Parties hereto or their duly authorized representatives have set their hand and seal on the 06th day of October, 2023.

SIGNED and DELIVERED at Mwanza
by the said Smith Msuri Mrema
Who is known to me personally/ identified to me
by Jimmy Mositi.....the letter being known to me
personally this 06th day of October, 2023

[Signature]
LESSOR



Before me:

Name: ROSEMARY G. MAKORI
Signature: [Signature]
Postal Address: P.O. Box 11252, Mwanza
Qualifications: Commissioner for Oaths



SEALED with the COMMON SEAL of the said VIJIM Limited and DELIVERED in our presence this 06th day of October, 2023

Name: JIMMY NIMRODI MOSITI
Signature: [Signature]
Postal Address: 1719, Mwanza
Designation: Director



Name: VICTOR JIMMY MOSITI
Signature: [Signature]
Postal Address: 1719, Mwanza
Designation: Director/Secretary

65359
10.11.2023
11:40 AM
[Signature]

959,500/-
923311213153
113
10.11.23
[Signature]

500/-
923311213153
10.11.2023
[Signature]