

## **Misconduct by Minority Shareholders of Samana Group and the Recovery Plan**

### **Summary:**

Samana Group, the holding company responsible for the Nomad City project, became in 2024–2025 the target of deliberate sabotage and an attempted hostile takeover by two minority shareholders (TA and SR), in collaboration with the general contractor. Their documented unlawful actions materially impaired the company's ability to raise financing, leverage its assets, execute transactions, and operate in bad faith. As a result, the process of financing and construction was temporarily delayed, which in turn affected the timing of revenue collection from clients, debt repayment, and investor profit distributions.

Since the preparation of this memorandum, additional evidence has emerged confirming further deliberate actions taken by the same minority shareholders to the detriment of Samana Group. The newly identified misconduct includes the prolonged withholding of land despite full or near-full payment, misappropriation of company funds intended for occupant settlements, abuse of shareholder rights without fulfilling corresponding capital obligations, secret registration and misuse of company trademarks for leverage and extortion, and the procurement of falsified construction permits. These facts further reinforce that the company was not facing a commercial dispute, but a pattern of coordinated, unlawful conduct causing quantifiable financial damage.

These issues did not affect the company's long-term fundamentals, which remain healthy: current debt represents less than half of total assets, and the Nomad City project, with USD 17,000,000 in generated sales, remains profitable despite temporarily higher debt service costs.

We are working with three law firms across three jurisdictions, with a fourth in preparation.

### **Dominican Republic**

We have initiated civil and protective actions to secure assets, enforce contractual rights, and address irregularities in real estate transactions. Multiple bailiff acts have been served, establishing default, documenting damages, and protecting the company's legal position.

### **Poland**

Civil claims have been filed for damages arising from unlawful interference with operations and financing, including refusal to comply with AML requirements. Criminal notifications have also been submitted for fraud and abuse of trust, supported by documentary evidence.

### **United States**

We have initiated pre-litigation steps with U.S. counsel. Claims under preparation include tortious interference, civil conspiracy, and fraud. The case is structured around disruption of financing, investor relations, and resulting financial damage, with a focus on recovery and enforceability.

### **Argentina**

Legal action is being prepared in Argentina, where relevant parties reside and hold assets, adding a fourth enforcement jurisdiction.

## **Timeline and Key Facts**

### **Attempted Hostile Takeover**

On December 27, 2024, during the General Shareholders' Meeting of Samana Group REH S.r.l. (the developer of Nomad City), the shareholders — by absolute majority, despite sabotage attempts from TA and SR — approved a capital increase of USD 5,000,000 through new equity investors and authorized a developer loan of USD 500,000. These funds were intended to continue Stage 1 of the project.

In May 2025, acting to the detriment of Samana Group REH S.r.l., TA and SR refused to provide the KYC/AML documentation required by local law, thereby blocking both the investment round, the bank loan, and the company's operational accounts. TA and SR presented the management with an ultimatum — they would provide the documents only if granted board seats or veto rights at shareholders' meetings. A general contractor, related to TA by family, halted construction and demanded additional payments outside of the signed agreement.

## **Immediate Response**

The management of Samana Group REH S.r.l. immediately informed investors and creditors about the situation and initiated negotiations with TA and SR to avoid lengthy and costly litigation. To support this process, the company engaged the reputable law firm Guzmán Ariza to lead the legal proceedings aimed at reaching the most favorable settlement possible for the company.

An Investor Committee, chaired by Piotr Baran — Samana Group's largest investor, CEO of PCG S.A., and President of the Polish Association of Developers — was established to ensure investor oversight and assist in resolving the crisis.

The management also began renegotiations with cooperating companies, offering additional guarantees and interest compensation in exchange for extending investment or payment periods. The vast majority of partners responded with understanding and accepted the revised terms. Over 70% of liabilities were successfully restructured, with further negotiations ongoing. As in any company with a diverse and numerous investor base, there have been isolated cases of individuals expressing dissatisfaction disproportionate to the scale of their involvement, but these have no material impact on the company's financial position or reputation.

## **Alternative Financing and Structural Improvements**

To secure alternative funding sources, Samana Group accelerated the launch of two REIT-type funds — the Samaná Landbank Trust and the Samaná Development Trust — both already registered and managed by FiduCapital S.A..

The securitization of the first fund was completed in cooperation with Estating Group (Luxembourg), with audits by PwC and Allen & Overy Shearman. The resulting bonds are listed on the Swiss exchange SIX SIS.

### **Results – End of October 2025**

As a result of the agreement reached by the management of Samana Group REH S.r.l., TA and SR have provided the missing KYC documents, enabling the restart of the bank loan process. Their shares will be bought out, ensuring that they will no longer be able to block company operations.

At the same time, the company received three binding offers from reputable general contractors — Modelco, Inverpex, and Structum — all including financing components, allowing construction to resume in January 2026.

The Samaná Landbank Trust has been successfully introduced into trading under the Swiss SIX SIS exchange after passing a full due diligence process. Within the first week of the bond issuance, USD 3.5 million was raised, with the total value of the first issuance set at USD 7 million. The release of funds from the first tranche is planned between November and December 2025.

The purpose of the bond issuance is not to roll over old debt, but to ensure completion and delivery of the project in a way that generates tangible returns and measurable profits.

### **Corporate Restructuring – Toward Greater Transparency and Investor Security**

In parallel, the company's operational activities have been transferred into three newly established REIT-type investment trusts (Fideicomiso Inmobiliario), each functioning as a separate and regulated investment structure:

- Land Development Trust – already active, responsible for the land bank,
- Ground-Up Development Trust – registered, responsible for subsequent phases of Nomad City,
- Rental & Utilities Management Trust – planned for launch in May 2026.

This organizational model not only enhances investor protection and safeguards against potential misconduct by minority shareholders but also significantly strengthens Samana Group's credibility with financial institutions and strategic partners.

The transformation and implementation process is being carried out in cooperation with Estating Group, Allen & Overy Shearman, PwC, FiduCapital S.A., Aliat Abogados, and Guzmán Ariza.

## Full Context

Some of the company's early shareholders acquired equity not through capital investment or operational involvement, but by contributing land during the formation stage. While the totality of the shares were given to them in good faith. They have only transferred a part of the land agreed in the agreement. These individuals were never formally integrated into the management team, nor did they take on ongoing operational or fiduciary responsibilities. Since 2023, all key company functions—including team building, capital raising, business development, operations, and real estate execution—have been carried solely by management and the core team.

Despite having no active role in daily operations, these land-contributing shareholders retained voting rights and have recently used them to block progress at critical junctures. When Samana Group received an equity investment offer, these shareholders refused to support the deal and failed to offer a viable alternative. The desire to remain in control of the project without the responsibilities related to control became an area of differences.

The conflict of interest and breach of fiduciary duty were topics of extensive discussions with these shareholders, also acting as consultants, in 2023 through 2024. The land acquisition deals in El Valle and Monte Rojo have shown to be problematic when represented by more than one side of the transaction. I raised these concerns and requested exclusivity for the land around Nomad City. The request was denied, although every Samana Group employee and contractor has such a formalized contract; the only persons to deny signing it were the mentioned shareholders.

At that point, it became clear to me that while my team and I, including the majority of shareholders, all employees, and close collaborators, had gone "all in" on Samana Group's success, a few others were hedging their bets, backing multiple ventures at once, including competing ones. As a result, their decisions and votes often appeared driven by conflicting interests, rather than what's best for Samana Group. While such dynamics might be manageable in large, publicly traded companies, they pose a serious risk in smaller ventures like ours, where misaligned incentives can quickly lead to instability and internal disruption.

It is important to mention that the majority of the shareholders during the last General Assembly indicated their support for the management's vision. The votes for „No" came only from the shareholders of Samana Group, who have a documented conflict of interest with Samana Group.

These individuals appear to be acting with a clear agenda. On one hand, they seek outsized control over the company without accepting the fiduciary responsibilities that come with it. On the other hand, they have attempted to profit by acquiring land ahead of Samana Group—land they did not yet own—intending to resell it to the company at a markup. This conduct breaches fiduciary duty and undermines the company's interests. When it became evident they could not achieve control and profit, they began obstructing operations to

pressure the company into compensating them in exchange for halting their disruptive actions.

## **Summary of the Issues**

### **1. Blocked Investment Round needed to continue the Operations**

The closing of our recent investment round has been blocked by the failure of shareholders in question to provide mandatory KYC/AML documentation. One has explicitly conditioned compliance on receiving payment for disputed consultancy services. The other has used his voting rights not in the company's interest but as retaliation over similar claims. Under Dominican Law No. 155-17 and Law No. 479-08, a shareholder who fails to provide AML (KYC) documentation or acts against the company's interests may face administrative sanctions, suspension of voting rights, judicial share forfeiture, and—in cases involving willful misconduct or obstruction—criminal penalties of up to 3 years imprisonment and significant fines.

### **2. Bank Loan and Account at Risk**

Our bank halted a \$500,000 loan agreement to fund working capital for the same reason. Continued failure to comply with AML requirements also puts our Dominican bank account at risk of closure. This contravenes AML obligations under Dominican Law 155-17, with the above-mentioned sanctions for individuals who fail to provide the documents.

### **3. Missing Accounting Documents**

These same shareholders provided consultancy and hospitality services for which they received significant payments. Still, they failed to submit supporting invoices or disclose financial information. Under Dominican Law 11-92 and Norm 06-2018, a company that receives payment for services but fails to issue proper tax invoices (NCFs) or accounting documentation may face fines of up to 30 times the minimum wage, temporary business closure, and potential criminal charges for tax fraud. This has also delayed our tax reporting obligations in the DR.

### **4. U.S. Bank Account Obstruction**

We opened a U.S. bank account to facilitate transactions with U.S. clients and brokers. However, the same shareholders' refusal to submit KYC documents has prevented us from using the account (we cannot access \$100,000), jeopardizing U.S.-based operations. Under the U.S. Bank Secrecy Act and the PATRIOT Act, this may trigger account freezing and SAR filings, risking civil and criminal scrutiny.

### **5. Tax Exposure**

Failure to provide financial documentation and comply with KYC requirements raises concerns about the legality of the broader business activities of the shareholders in question. Dominican law mandates shareholder compliance, and noncompliance, even unrelated to our business, can result in account closures and reputational damage. The same applies to our U.S.-based shareholders, whose apparent non-disclosure of foreign assets may violate U.S. tax laws and expose the company to regulatory risk. Violations of Dominican tax law and U.S. FATCA and FBAR rules carry multi-year imprisonment and severe financial penalties.

## **6. Refusal to Sign Consulting Agreements.**

The shareholders in question also engaged with the company as consultants. While they initially agreed verbally to sign standard NDA, exclusivity, and non-compete agreements—contracts required of all Samana Group consultants and employees—they ultimately refused to formalize them. This undermines corporate governance norms under Law 479-08 and exposes the company to reputational and operational risks. Their subsequent actions have unfortunately confirmed these concerns.

## **7. Insider Trading & Conflict of Interest**

We have come across witness statements that at least one shareholder used confidential company information about planned land acquisitions to preemptively purchase properties, later offering them back to us at a profit or motivating the seller to increase the sale price and pay him a fee. This is a clear breach of fiduciary duty and may constitute insider trading under Dominican law. This breaches fiduciary duties under Dominican Law 479-08 and may lead to 3 years imprisonment and forfeiture of profits.

## **8. Undelivered Land**

Shares were issued to shareholders in question in exchange for transferring land. While part of the land was delivered, the rest, clearly defined in a notarized contract, has been delayed for over a year without reasonable justification, despite them actively exercising shareholder rights. This is a potential breach of contract and false capital declaration under Dominican Law 479-08, punishable by up to 3 years in prison

### **a. Cash-Paid Land Withheld for Over Two Years**

One of the minority shareholders accepted an advance payment of approximately USD 700,000 in cash for a land parcel with a contractual value of USD 775,000, with a clear obligation to transfer clean title within two months. Despite full payment, the title transfer was deliberately withheld for over two years and completed only at the end of 2025.

This intentional delay prevented the company from recognizing the land as an asset, materially limiting its borrowing capacity and directly obstructing access to larger bank financing. This constitutes willful economic sabotage and misuse of entrusted funds.

### **b. Equity Issued Without Land Contribution**

A separate land parcel with a value close to USD 1,000,000 was contractually agreed to be contributed to the company in exchange for equity under the founding shareholders' agreement. The relevant shares were issued more than three years ago, and the shareholders immediately exercised full shareholder rights, including voting and control influence.

Despite this, the land itself was not transferred until the end of 2025, following repeated formal demands. During this period, the company was deprived of the economic and collateral value of the land while the shareholders benefited from equity rights, constituting a false capital declaration and breach of fiduciary duty.

## **9. Permit Forgery Allegation**

We received a witness statement alleging that one shareholder and consultant obtained specific construction permits through bribery and document forgery. Bribery and forgery violate the Dominican Penal Code and Law 448-06, punishable by 3-10 years imprisonment and heavy fines. Importantly, none of our current permits were obtained through this person. All active permits were processed through verified third parties and internal staff. Nevertheless, we are investigating and assessing legal action, as this conduct could expose us and other victims using that person's services to serious liabilities.

Subsequent investigation has confirmed that the permit in question was falsified and did not originate from the competent authorities. The individual responsible acted without authorization and exposed the company to potential regulatory and criminal risk. Importantly, Samana Group did not rely on this permit and has since fully re-verified all active permits through independent and verified channels.

## **10. Fraudulent Land Titling and Concealment of Co-Ownership**

Witness statements and documentary evidence indicate that TA and SR initiated judicial and administrative land titling proceedings concerning parcels held in co-ownership while knowingly concealing the existence of other lawful co-owners.

Despite being aware that the plots were owned by multiple parties, TA and SR contacted and compensated only one co-owner and proceeded with the titling process as if no other ownership interests existed. As a result, a court-issued title was obtained exclusively in their favor, without notice to, consent from, or compensation of the remaining co-owners.

This conduct constitutes material misrepresentation before judicial and land registry authorities and an unlawful deprivation of third-party property rights. The resulting title is subject to nullification, and the actions described give rise to civil liability, restitution claims by the excluded co-owners, and potential criminal exposure for fraud, false declarations, and abuse of legal process under applicable Dominican law.

## **11. Misappropriation of Company Funds Intended for Occupant Settlements**

Evidence has emerged confirming that one of the minority shareholders, TA, who was entrusted with managing occupant settlements, received approximately USD 100,000 from Samana Group explicitly designated for payments to land occupants.

These funds were not transferred to the occupants and were instead retained by the shareholder for personal use. This conduct mirrors the misappropriation of funds related to the USD 700,000 advance payment described above and constitutes embezzlement, abuse of trust, and potential criminal liability under applicable Dominican law.

## **12. Trademark Misappropriation and Coercive Conduct**

While fully aware of the imminent launch of the Nomad City project, minority shareholder Shannon [surname] secretly registered the “Nomad City” trademark in his own name without disclosure to the company.

This registration was later used as leverage to pressure the company during negotiations, effectively holding a core brand asset hostage. Documentary evidence confirms that this action was intentional, undisclosed, and aimed at extracting concessions from the company.

This conduct constitutes bad faith, breach of fiduciary duty, and unlawful appropriation of intellectual property developed by the company.

## **Next Steps**

**We have presented the Shareholders with a Final Settlement the offer to purchase their shares, valid till June 15th. We are optimistic we will reach an agreement.**

However, in case of failure. Legal actions are ready to be initiated, and we are fully confident that the removal of the obstructive shareholders, along with the necessary governance restructuring, will be completed within the next 90 days. While I cannot disclose all strategic details at this stage to protect the process's success, I will continue to share verified updates as soon as legally and operationally possible throughout this period. Samana Group is not just defending itself—we are building a stronger, conflict-free foundation for long-term growth.

Thank you for your continued trust. We remain fully committed to protecting your investment and fulfilling the long-term vision of Samana Group.

Sincerely,  
Marek Zmyslowski  
CEO, Samana Group

## **Additional Investor Q&A**

We understand that recent developments have raised serious questions and concerns. Below are responses to the most pressing issues, reflecting our full commitment to transparency, accountability, and the project's long-term success.

1. **Can the Nomad City project still proceed as planned, and is the January 2026 timeline still realistic?**

The delay in issuing the next tranche will affect the construction timeline. The Current

Delivery time is April 2026.

**2. Is my investment secure?**

Yes. The company's assets, project rights, and structure are protected. We've taken swift legal action to isolate the disruption and ensure long-term stability.

**3. Is the new lead investor still committed to participating?**

Yes. The lead investor has reaffirmed interest, pending the resolution of the shareholder issue, which is expected within 90 days.

**4. Does the company have sufficient funds for core operations, including legal proceedings?**

Yes. We maintain core operations and have secured legal and financial continuity during this transitional period.

**5. Does the company own the land for Nomad City 1 or other real estate that could serve as collateral?** Yes. The company has full, undisputed ownership of the Parcel for Nomad City 1 and notarized rights for Parcels for Nomad City 2. This situation doesn't affect the transactions for Plots for Nomad City 3-10 stages as the sellers are different, unrelated to the entities and personas.

**6. Are any legal permits or the project's status at risk?** No. All permits were obtained independently of the shareholders in question. No current permits are compromised.

**7. Has construction and sales been paused due to the conflict and funding issues?** Sales push has been paused in Q2 2025 for a different reason—we have completely sold out Stage 1. The Sales push for Stage 2 will happen after the completion of Stage 1. That will allow us to sell faster, at higher margins.

**8. What is the current status of future phases of Nomad City?** Planning and permitting continue. Once shareholder interference is resolved, we will initiate the next acquisition and development milestones.

**9. Why did the internal conflict arise, and what actions are being taken against those acting against the company?** It stems from a misalignment between passive shareholders seeking control, involved in competing businesses and management executing the company vision. Legal proceedings are underway to remove obstructive parties.

**10. Why was this situation not addressed during the General Assembly or at earlier extraordinary meetings?** The General Assembly has voted on issues related to this matter and for changes allowing the company to protect itself from shareholders involved in conflicting activities. The legal sensitivities and evidence collection required discretion. Now that proceedings are underway, we are providing complete transparency.

11. **Why didn't the company engage in mediation, buyouts, or other resolutions earlier?** All options were explored. Mediation was attempted, and buyouts were offered. These were rejected by the shareholders in question.
12. **Has a settlement been proposed or is one being negotiated?** We are open to resolution, but will not compromise the integrity of the project or company. Legal removal is the current path.
13. **Were alleged criminal actions reported to the authorities?** Yes. Our legal team has prepared formal filings, and authorities are being engaged.
14. **Could legal prosecution freeze operations or company accounts?** Legal prosecution happens against the shareholders, not the company. However, we can never exclude retaliatory actions, which is why we've proactively separated risk exposure from active operations.
15. **What are the company's current contractual obligations (sales, agreements, liabilities)?** All binding commitments are secure. Delivery timelines may shift slightly but will be honored.
16. **How can we be sure this isn't a personal conflict or power grab?** Independent witnesses, documentation, and audit trails confirm misconduct. There is no doubt that Samana Group and its good-faith-driven shareholders are the victims here, while undercover competition is the perpetrator.
17. **Was the failure to collect certain documents a management error?** No. The individuals in question explicitly refused to comply, despite repeated requests.
18. **Have independent audits been conducted? If so, by whom and when?** An external audit firm is conducting a financial and compliance review. The results will be shared transparently. A legal proceeding conducted by the court will also be the best audit possible.
19. **Where can we view supporting evidence?** We will make non-sensitive documentation, correspondence, and recordings available to shareholders upon legal clearance and request.
20. **Who is handling the resolution? Can I join a committee for oversight?** Our legal and governance teams are leading. Investors will continue to be regularly informed about the updates, as they have since inception.
21. **What are the chances of resolving the conflict and delivering the project on time?** High. Legal grounds are solid, shareholder support is strong, and the business model remains sound. Management is experienced and has a track record of success in dealing with such situations.

22. **How long will it take to resolve the situation?** We anticipate full resolution within 90 days.
23. **What is the contingency plan if the conflict continues?** If needed, a backup corporate structure is in place to proceed without the problematic shareholders.
24. **Why not immediately remove the shareholders and proceed?** Legal due process requires precise steps, and we are fast-tracking these.
25. **What happens to my shares if the company fails to resolve the conflict?** Your shares remain valid. We are protecting shareholder value through legal remedies.
26. **How can I protect my public image as an investor?** We are managing media risk carefully. Your association with Samana remains private unless disclosed voluntarily.
27. **What are my options if I sympathize with the dissenting shareholders?** You're welcome to raise your concerns. We encourage transparency, but decisions must be based on facts and duty to all shareholders.
28. **Could opposing investors destabilize the company further?** We've taken structural steps to prevent this from happening again.
29. **How can I exit the investment now?** Your exit options remain unchanged and are related to your investment agreement. Please contact IR for private sale options or secondary market alternatives.
30. **Were funds for my property used elsewhere?** No. All payments are traceable to their intended project-specific use.
31. **What are you offering in exchange for renewed trust?** A stronger, conflict-free governance structure; prioritized transparency; and full shareholder access to verified reporting.
32. **How are you protecting the company's reputation?** We are engaging communications advisors and isolating legal issues from brand assets.
33. **Could this situation affect your banking relationships?** Our bankers are informed and remain supportive, understanding the isolated nature of the issue.
34. **How do I know your claims are valid?** All allegations are backed by official correspondence, recordings, legal filings, and third-party testimonies. After careful consultations with legal advisors, we are confident of our position. Documentation will be made available as the process allows.

35. **Will the obstructive shareholders retain any influence or economic rights after removal?** No. The legal process seeks full disqualification, including suspension of voting rights and potential judicial share forfeiture as allowed under Dominican law. Our objective is a clean separation.
36. **Are there any other shareholders with similar rights or backgrounds who could pose future risks?** New Governance safeguards will prevent similar scenarios.
37. **What structural or legal changes are being introduced to prevent this type of conflict in the future?** We are amending our internal bylaws to limit governance rights for passive shareholders, strengthen AML/KYC enforcement clauses, and require binding NDAs and exclusivity from all operational partners.
38. **Are you considering revising the shareholder agreement or voting rights as part of the governance overhaul?** Yes. Revisions are being prepared in consultation with legal counsel to rebalance control rights, ensure voting thresholds support aligned decision-making, and enable swift removal of non-compliant shareholders in the future.
39. **Has the company incurred any unexpected legal costs or penalties so far due to this conflict?** Samana Group is the victim here, so penalties are inapplicable. Legal fees have increased, but remain under budgeted contingency thresholds. No penalties have been assessed against the company—only procedural delays caused by shareholder obstruction.
40. **Will the financing round delay affect your ability to meet other financial obligations in Q3/Q4 2025?** We have adjusted the pace of non-critical operations to preserve runway and prioritize liquidity for maintaining core business. We are also in the process of renegotiating any financial commitments to adapt to this new situation. Besides the 90-day construction delivery update, we don't expect any additional essential complications.
41. **Is there any dilution risk for existing shareholders due to restructuring or emergency financing?** We are managing capitalization to avoid emergency dilution. Any restructuring-related changes will be proportional and approved transparently with investor input.
42. **Is there a plan to publish a post-mortem or internal review of lessons learned once the conflict is resolved?** Yes. Once legal proceedings conclude, we will issue a full governance and risk review to document what occurred and how future incidents will be prevented.
43. **Have any external stakeholders (buyers, lenders, partners) expressed concern or paused cooperation due to this dispute?** Only the bank financing the \$500K loan has temporarily paused execution. All other partners remain active and supportive, except for a few cases of private lenders who have expressed a substantial lack of patience. We are constantly communicating with them and are

confident this won't affect us further.