



STAKEHOLDER UPDATE

Turnstar Holdings ("Turnstar" or "The Company") is headquartered in Gaborone and has been publicly listed on the Botswana Stock Exchange (BSE) since 2002. A diversified regional sub-Saharan African property loan stock company, Turnstar's focus is and has always been to invest, manage and grow properties that bring about real returns for communities and investors.

A key priority of Turnstar and its Board of Directors (the "Board") is to keep all our shareholders informed correctly should misinformation find its way into the public domain.

The edition of the 26th June – July 5th 2022 of the Sunday Standard newspaper carried a series of stories that would imply that Turnstar has lost court cases in the Dubai that relate to the Palazzo Venezia investment.

The fact is, the Turnstar litigation matters relating to the Palazzo Venezia building in Dubai are at the very early stages of their legal process and a definitive ruling is yet to be made. The attached letter from Turnstar's legal advisors in Dubai properly states the current and ongoing position. Shareholders can rest assured that Turnstar will continue to prosecute its cases in Dubai with the utmost vigour and determination.

The cases referred to by the Sunday Standard newspaper relate to Mr Gulaam Abdoola's personal claims arising out of his investment in Bucephalus/Okavango Place (which Turnstar exited having been refunded its investment in full in December 2021). Those cases have nothing to do with Turnstar.

The Sunday Standard's story is therefore simply incorrect in its assertion that Turnstar has "lost" three cases in Dubai. Mr Abdoola will respond to the Sunday Standard newspaper regarding his own litigation matters in Dubai should he deem it necessary to do so.

The Sunday Standard newspaper further alleges that there exists a document/email that contains material information that was not availed to the law firm that was commissioned to investigate the matters surrounding the Palazzo Venezia acquisition. The Board and

management reject outright the contention that any information or documents were withheld from the investigators.

Turnstar is a proudly Botswana business that works to create value and returns for stakeholders and shareholders alike. We have a duty and responsibility as well as a passion to do right by our stakeholders and we are committed to this without restraint. Turnstar remains unwaveringly determined to create shared value as we invest, manage and grow properties that bring about real returns for communities and investors.

BY ORDER OF THE BOARD
29 JUNE 2022

Turnstar Holdings Limited
Attn: The Chairman

June 28, 2022

Re: Update on Legal Proceedings in Relation to Palazzo Venezia Building

Dear Chairman:

The purpose of this letter is to briefly summarize the current status of the legal actions undertaken by Dr. Mohamed Alhammadi Advocates & Legal Consultants Office (“Dr. Alhammadi Law Firm”), a UAE-licensed advocacy and consultancy, on behalf of Turnstar Holdings Limited (“Turnstar Holdings”), in relation to the Palazzo Venezia building (“PV Building”) located in the Al Majan area in Dubai. For an overview of the background of these legal actions and further detail in relation thereto, please refer to our April 3, 2022 letter to Desai Law Group regarding “Legal Proceedings in Relation to Palazzo Venezia Building” (the “DLG Letter”).

Criminal and Civil Proceedings

(1) **Criminal Application:** We filed a criminal application (Reference Number 221004253998) against Sameer Lakhani, Uzair Razi, and others at Al Barsha Police Station on June 15, 2021 for fraud, breach of trust and forgery, and after extensive follow-up, we were able to have the police approve this and transfer the case to the prosecutor’s office. The prosecutor’s office has undertaken a review of the matter, and we are liaising with the prosecutor’s office to advance this matter.

(2) **Primary Civil Action:** On August 14, 2021, we initiated civil legal proceedings against Sameer Lakhani and Uzair Razi by registering a case with the Dubai court, which assigned the case to a preliminary dispute settlement committee (Case No. 121/2021). Subsequently, we registered Case No. 1118/2022 on ~April 7, 2022 against Sameer Lakhani, Uzair Razi, and other parties. The objective of our primary civil complaint is to recover damages. As discussed in the DLG Letter, our position is that the PV Building was sold at an inflated price, and on the basis of a 5-year lease agreement that was fabricated, and we are claiming the difference between the actual fair market value (“FMV”) of the PV Building in 2017 and the inflated purchase price (a difference of ~AED 20,000,000). The matter is currently in the notifications phase (whereby the court reviews whether all parties have been legally notified of the matter), and we recently attended a June 23, 2022 hearing on this.

(3) **Secondary Civil Action:** On November 12, 2021, we initiated civil legal proceedings (case no. 279/2022) against Global Capital Partners FZ-LLC, GCP Properties Co. LLC, GCP Management Consultants DMCC, Conventus FZC, and Uzair Razi; and added Sameer Lakhani individually, Youssef

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Mohamed Jani, Hatem Hosseini Banatwala, Rajesh Bhandari, and others. This civil action is in relation to mismanagement of the PV Building. As discussed in detail in the DLG Letter, we are claiming (a) AED 3,070,241.76 in compensation (for fraudulent expenses, including incorrect VAT amounts, service/maintenance fees, etc.), (b) AED 7,439,999.99 for the remaining amount due on the (fraudulent) lease agreement with Conventus FZC, (c) AED 5,000,000 in general compensation, and (d) all actual rent payments collected; plus the standard legal interest and court fees. The matter has been assigned to an expert, and we attended the initial meeting with the expert on June 16, 2022.

(4) **Legal Action Against Habib Bank:** On February 16, 2022, we filed a civil action against Habib Bank (case no. 34/2022). An expert was appointed by the court on this matter, and is required to submit his report on July 4, 2022 to the court.

We are available to discuss this further upon your review of this letter.

Kind regards,



Dr. Mohamed Alhammadi Advocates & Legal
Consultants Office