

Vordere plc - Update and new trading platform

15th June 2020

Dear Shareholder,

I last wrote to all Shareholders prior to de-listing and the cancellation of trading on the LSE Main Market. I now have the pleasure in updating you on the considerable progress that your Board has made since that time.

CHANGE OF DIRECTORS

I am delighted to be able to confirm the appointment of Dan Healy and Michael Fernandes as directors of your Company from 27th of April 2020, following the resignation of Brent Fitzpatrick on the 27th of April 2020. Both Dan and Mike bring considerable experience in real estate and finance as well as an in-depth knowledge of the portfolio. Mike is an indirect holder of 24,534,093 Ordinary shares in the Company representing 5.05% of the issued share capital and Dan is a direct holder of 4,506,844 Ordinary shares representing 0.93% of the issued share capital.

Daniel Healy specialises in the sourcing and structuring of financial investments for the international real estate and property development market. With over 15 years' experience, his work primarily focuses on identifying investment opportunities, structuring financial products and connecting internationally recognised development companies with a long-established network of clients within hedge funds, family offices, boutique investment banks and the institutional investor community. Daniel has played an instrumental role in the establishment of a UK mainboard listed entity, currently valued at £80 million.

Daniel holds a Post Graduate Certificate in Project Financing and the Mechanics of Real Estate Finance. He is also a Certified Property Auctioneer and a Certified DEA.

Michael Fernandes is an international London based Wealth Management Consultant with over 20 years international experience in the world of Investment. Michael specialises in fix income, real estate and start-ups investments and currently manages the wealth of several high net worth Family Offices throughout Asia and Europe. Michael has a keen eye for new start-ups and as a result of his business insight and experience, has successfully invested in the early stages of a number of start-ups that have gone on to become house-hold names.

Prior to working as a Wealth Investment Consultant, he used his entrepreneurial talents in the property development market in India, where he embarked on multiple successful development ventures, including the development of a 5 star hotel.

OPERATIONS

Your Board, and in particular David Irving, has spent a considerable amount of time in rationalising the numerous professional advisers to the Company and as part of this process, has negotiated new fee structures wherever possible, in order to drive down overheads and thus deliver better value for shareholders and changed advisers

BRAZIL / RITZ TRANSACTION

On the 21 October 2019, the previous Board announced the acquisition of £25m of properties in Brazil representing 19.9% of the issued Share capital (the "Ritz transaction"). On 23rd October an Order was issued by the High Court following an application by a significant shareholder, to dis-apply the newly issued shares in the counting of the votes at the EGM held on 24th October, if those shares would otherwise affect the outcome of the vote.

I am now extremely pleased to report that this transaction has now been fully unwound as of the 5th June. This means that the 120,820,537 shares issued for the acquisition of the properties in Brazil have been forfeited which now puts the Company with an issued share capital of 486,139,810 Ordinary Shares. This was a transaction that, in the view of the Board, should never have been undertaken.

NORWAY LOAN

Following a review of the loan documents and payments, your Board discovered that the borrower had underpaid interest. After attempts to contact the borrower failed, we have taken legal action against the borrower and have issued a notice for foreclosure. We are now in a position to apply to the Court in Norway to force a sale of the property and thereby the repayment of the loan.

FURTHER LITIGATION

In December 2019, the Company was awarded an Order against the former directors who were removed at the EGM on 24th October, which required the former directors to preserve and deliver up data and documents belonging to the Company. The former directors have provided a very large amount of information and documents as required by the Order, and we are currently evaluating the information submitted by them.

The current Board is of the view that there may have been conflicts of interest between the former Board and GFG Ltd (Guernsey) and GFG-UK-Ltd (UK) of which Nicholas Hofgren and Stuart Cheek (former directors of Vordere) were both directors and accordingly, are considering the legal options available against the former directors for the recovery of the shares and cash that was paid to both GFG entities as well as the costs of the Ritz transaction, and other claims.

PROPERTIES

Shareholders will appreciate that your Company's property portfolio is both geographically and operationally diverse, being spread across the whole of Germany and covering several different investment and development models. This means that managing the portfolio and determining the best way of delivering value is not an easy task. In summary, if we were to start again, we would not have chosen these properties. Nonetheless, we are where we are and have every intention of extracting the very best out of the portfolio in the given circumstances. Accordingly, in summary:

- We have retained Knight Frank, replacing JLL, to undertake fresh valuations of each property and we plan to release a summary of the valuation reports once this exercise is complete.
- Once this valuation has been received, we will be able to finalise our individual property strategy.
- We are also progressing the registration of Vordere as the owner of the six properties acquired in July 2019 in the 'Grundbuch' (the German equivalent of the UK Land Registry).

MARKET FOR SHARES

In my last letter, I undertook to investigate various platforms whereby Shareholders could have some liquidity and thus buy or sell their Ordinary Shares in Vordere plc should they so wish following the de-listing from the LSE Main Market.

After extensive research, your Board has decided to appoint Asset Match, a firm authorised and regulated by the Financial Conduct Authority, who will operate an electronic off-market dealing service for the Shares. This facility will allow shareholders of the Company to trade their Shares by matching buyers and sellers through periodic auctions. Shareholders will continue to be able to hold their Shares in uncertificated form (i.e. Crest) and should check with their existing Stockbroker that they are able to trade unquoted Shares.

The Asset Match trading facility operates under its own code of practice which governs the behaviour of participants and the running of the auctions. Asset Match operates an open auction system where volumes of bids and offers at different prices are displayed on its website. At the end of each auction period Asset Match pass the information through a non-discretionary algorithm that determines a "fair" Share Price based on supply and demand and allocates transactions accordingly. Bids and offers may be made and withdrawn at any time before the end of the quarterly period. Shareholders wanting to trade Shares through Asset Match must do so through a Stockbroker - the preferred broker is the Share Centre www.share.com. Full details can be found at www.assetmatch.com. Please direct any enquiries to dealing@assetmatch.com or telephone 0207 248 2788.

Shareholders should be aware that we are unable to communicate with individual investors who hold their Shares within Nominees. Company information is reliant on the Nominee passing the information to the individual shareholder. Should you wish us to write directly to you in the future please send Asset Match your full address.

Finally, whilst Shareholders will still have access to certain information following the de-listing from the LSE Main Market. Shareholders will no longer be afforded the protections given under the LSE and FCA rules and the Company will be subject to fewer operational restrictions and less stringent accounting and reporting requirements. With the Company's de-listed status, we are now able to be more forthright in what information is disclosed to Shareholders and will be providing more regular updates on the Company's progress. Details of the date of the auction will be provided on the Asset Match website.

Best wishes for a safe and healthy summer

Your sincerely

Peter L R Hewitt, JP, FCSI, FRSA

Chairman