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If you have sold or otherwise transferred all of your ordinary shares in the Company, you should pass this document and the accompanying form of proxy without delay to the purchaser or transferee, or to the stockbroker, bank manager or other person who arranged the sale or transfer so that they can pass those documents to the person who now holds the ordinary shares. If you have sold or otherwise transferred part only of your holding of ordinary shares in the Company, you should retain this document and consult the Company Secretary, Ms K Robinson, or the stockbroker, bank manager or other person through whom the sale or transfer was effected.



WALLS & FUTURES

WALLS & FUTURES REIT PLC

(Incorporated and registered in England with registered number 10071765)

NOTICE OF ANNUAL GENERAL MEETING

PROPOSED CHANGE OF STRATEGY & NAME

Notice of an annual general meeting of the Company to be held at Octagon Point, 5 Cheapside, London, EC2V 6AA on Thursday 30 September 2022 at 1.00pm (the “AGM”) is set out at the end of this document. A form of proxy for use in connection with the AGM is enclosed. If you do not intend to join the AGM, you are encouraged to use your proxy to vote. You are requested to complete and sign the form of proxy in accordance with the instructions printed on it and return it to the Company Secretary (i) by post, to: Ms K Robinson, Octagon Point, 5 Cheapside, London, EC2V 6AA; or (ii) by email to the Company Secretary at the following email address: kr@noyconsult.com, but in any event, so as to be received no later than Tuesday 28th September 2022 at 1.00pm. The completion and return of a Form of Proxy will not preclude shareholders from joining the AGM and voting in person should they so wish, however **both proxy voting and the submission of any questions for the Directors in advance of the meeting are strongly encouraged in the interest of efficiency and smooth running of the AGM.**

LETTER FROM THE CHIEF EXECUTIVE OFFICER

Walls & Futures REIT plc

(Incorporated and registered in England and Wales with registered number 10071765)

Registered office:
Octagon Point
5 Cheapside
London, EC2V 6AA

Directors:

Joseph McTaggart, *Chief Executive Officer*

Peter Wylie, *Director*

Kiesha Robinson, *Non-Executive Director*

6th September 2022

To the holders of ordinary shares

Dear Shareholder,

Walls & Futures REIT PLC – NOTICE OF ANNUAL GENERAL MEETING

1. Introduction

When I wrote to shareholders in May 2021 recommending to them that they rejected the unsolicited cash offer for the Company, I promised that my fellow Board members and I would put all our efforts into developing a revised strategy that would seek to significantly reduce the discount between the Company's share price and the net asset value per share (the "**NAV**"). I am now writing to you to outline this strategy and to seek shareholder approval to implement it (the "**Proposals**"). At this annual general meeting of the Company (the "**AGM**"), our shareholders are being asked to approve special resolutions relating the Proposals, as well as the more routine business normally conducted an AGM.

This strategic pivot is the culmination of a significant investment of time and effort by your Board, and is centred around "Pax Homes", our specially designed home that will improve the lives of people with autism and their families, which we announced on 10 March 2022, and which can be viewed in detail at <https://www.mypaxhome.com/>.

This letter explains the background to, and reasons for, the Proposals and explains why your Board considers the Proposals are likely to promote the success of the Company for the benefit of the Company's shareholders as a whole and why the Board unanimously recommends that you vote in favour of the Resolutions (other than Resolution 10) to be proposed at the AGM, notice of which is set out at the end of this document.

If the Proposals are not approved by shareholders, then as promised in the May 2021 response the unsolicited cash offer for the Company, an alternative proposal to wind up the Company and distribute the net proceeds to shareholders will be put forward in Resolution 10. The Board does not recommend shareholders vote in favour of Resolution 10

2. Revised Strategy Proposals

The proposed strategic pivot will see the Company focusing on the development of projects involving Pax Homes, selling these Pax Homes to purchasers rather than holding on to the properties as long term investors. This pivot from being a long-term property investment business to one focused on property development will involve the Company ceasing to be a real estate investment trust (“REIT”).

When the Company initially became public and had its shares admitted to trading on the Aquis Stock Exchange Growth Market (then, the ISDX Growth Market), the Board believed that the tax benefits from being a HMRC approved REIT would be key to its future prosperity. However, changes within the market for supported living services over the last five years have caused the Board to change their view.

It has become apparent, including in relation to the Company's own assets, that the primary route to value creation within the sector is by way of development of properties rather than long term investment retention. The Company's REIT status creates barriers to it taking full advantage of the development opportunities, primarily in terms of the imitations on the source of its returns and the use of external borrowing. Shareholders are being asked to approve this change.

If shareholders approve this change, the Board intends to retain its existing supported living investments in Stroud, Gloucestershire and Didcot, Oxfordshire. These provide a solid asset-backing for the Company's balance sheet, as well as healthy and secure rental stream. The Board intends to use these assets as security for loans to finance future Pax Homes developments, these loans to be repaid from the sale of the Pax Homes, an option that is severely restricted under its current REIT status.

These future Pax Homes developments will also be funded by the Company's existing cash resources (resulting from its sale of its legacy private rented sector properties) and possibly further share issues. With this in mind, the Board is seeking to new share capital authorities in order to provide the Company with the ability to raise additional equity funding.

As part of the Proposals, the Company is seeking to change its name to Walls & Futures Group plc to reflect the removal of REIT status.

3. The AGM

As discussed above, the Proposals are conditional upon, amongst other things, shareholder approval being obtained at the AGM. At the end of this document is a notice convening the AGM to be held on Thursday 30th September 2022 at 1.00pm, at Octagon Point, 5 Cheapside, London, EC2V 6AA.

In addition to the Proposals, among the normal business to be put before shareholders will be:

- to confer authority on the Board to allot shares and grant options over shares having an aggregate nominal value of up to £100,000 (being up to 2,000,000 ordinary shares of £0.05 nominal value each (“Ordinary Shares”), of which the Board will be authorised to allot up to an aggregate nominal amount of £50,000 (being up to 1,000,000 Ordinary Shares) without first having to offer those shares on a pro-rata basis to existing shareholders). These authorities will expire at the end of the Company's 2023 Annual General Meeting or, if sooner, 15 months after the date of the passing of the Resolutions.
- To re-appoint Ms Kiesha Robinson to the Board, who joined the Company during the last year as a Non-Executive Director (and thus is required to seek re-election at the forthcoming AGM) and as Company Secretary.
- The Directors also wish to be able to continue to call General Meetings (other than AGMs) on 14 clear days' notice. The Directors do not expect to use this power unless urgent

action is required on the part of the shareholders. Subject to shareholder approval, the authority given shall expire at the next AGM of the Company or (if earlier) on 30 September 2023, when it is expected that a similar resolution will be proposed.

- Other routine business to be dealt with at the AGM includes resolutions to receive the Company's Annual Report and Financial Statements and the reports of the Directors and Auditors for the year ended 31 March 2022; to re-appoint Kingston Smith LLP as Auditor of the Company until the conclusion of the next general meeting and to authorise the Board of Directors to determine the remuneration of the Auditor.

4. Action to be taken

A form of proxy for use in connection with the AGM is enclosed with this document. You are strongly encouraged to vote in proxy ahead of the meeting if you do not wish to attend. You are requested to complete and sign the form of proxy in accordance with the instructions printed on it and return it to the Company Secretary (i) by post, to: Ms K Robinson, Octagon Point, 5 Cheapside, London, EC2V 6AA; or

(ii) by email to the Company Secretary at the following email address: kr@noyconsult.com but, in any event, so as to be received no later than 1.00pm on Tuesday 28 September 2022. The completion and return of a Form of Proxy will not preclude shareholders from attending the AGM and voting in person should they so wish, **however both proxy voting and the submission of any questions for the Directors in advance of the meeting are strongly encouraged in the interest of efficiency and smooth running of the AGM.**

Shareholders should note that, unless the Resolutions (other than Resolution 10) are approved at the AGM, the Proposals will not be implemented.

5. Recommendation

The Directors consider the Proposals are likely to promote the success of the Company for the benefit of the Company's shareholders as a whole. Accordingly, the Board unanimously recommends that you vote in favour of the Resolutions (other than Resolution 10) to be proposed at the AGM, as the Directors intend to do in respect of their beneficial holdings.

Yours faithfully,

Joseph McTaggart
Chief Executive Officer

Tel: 0333 700 7171

Email: hello@wallsandfutures.com

Web: www.wallsandfutures.com

Walls & Futures REIT PLC - NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Walls & Futures REIT (the Company) will be held on Thursday 30 September 2022 at 1.00 pm at Octagon Point, 5 Cheapside, London, EC2V 6AA for the purposes of considering and, if thought fit, passing the following Ordinary and Special Resolutions respectively.

ORDINARY RESOLUTIONS

1. To receive the Company's Annual Report and Financial Statements and the reports of the Directors and Auditors for the year ended 31 March 2022.
2. To re-appoint Moore Kingston Smith LLP as Auditor of the Company to hold office until the conclusion of the next general meeting at which the accounts are laid before the Company.
3. To authorise the Board of Directors to determine the remuneration of the Auditor.
4. To re-appoint Ms Kiesha May Robinson, who is required to retire from office but is eligible for re-appointment pursuant to the Articles of Association of the Company.
5. That, in accordance with section 551 of the Companies Act 2006 (the "Act") the Directors have conferred on them the authority and power to allot shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal value of £100,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire at the end of the Company's 2023 Annual General Meeting or, if sooner, 15 months after the date of the passing of this resolution, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or rights to be granted and the Directors may allot shares or grant rights to subscribe for or convert any securities into shares in pursuance of such offer or agreement as if this authority had not expired.

This authority revokes and replaces all unexercised authorities previously granted to the Directors but without prejudice to any allotment of shares or grant of rights already made or offered or agreed to be made pursuant to such authorities.

SPECIAL RESOLUTIONS

6. That, subject to the passing of Resolution 4 above, and in substitution for all subsisting authorities, the Directors be and are hereby authorised pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash, pursuant to the authority conferred by Resolution 4 above, provided that such authority shall be limited:
 - (i) To the allotment of equity securities for cash in connection with an offer or issue of or invitation to apply for equity securities (including, without limitation, under a rights issue, open offer or similar arrangement) to holders of equity securities in proportion (or as nearly as practicable) to the respective numbers of ordinary shares held by them or, in the case of other equity securities, in proportion to the number of ordinary shares into which they would convert, or such other basis of allocation as the Directors consider to be fair and reasonable, but subject to such exclusions or other arrangements as the Directors may deem necessary or desirable to deal with fractional entitlements, treasury shares, record dates or

any legal, regulatory or practical problems under the laws of any territory or the requirements of any regulatory authority or stock exchange in any territory or otherwise; and

- (ii) Otherwise than pursuant to paragraph (i) of this Resolution, up to an aggregate nominal amount of £50,000 (representing approximately 27 per cent of the Company's issued ordinary share capital), and any such authority shall, unless renewed, varied or revoked by the Company, expire at the end of the Company's 2023 Annual General Meeting or, if sooner, 15 months after the date of the passing of this resolution (save that the Company may, before the expiry of the power hereby conferred, make any offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to any such offer or agreement as if the power hereby conferred had not expired).

7. To amend the Company's Articles of Association to revoke article 133, "Real Estate Investment Trust".
8. Subject to the passing of Resolution 7 above, it is proposed to change the Company's name to "Walls & Futures Group plc".
9. That a general meeting of the Company other than an annual general meeting may be called on not less than 14 clear days' notice.
10. Subject to Resolution 7 above not being passed, to propose that the Company be wound up and, after settling all expenses and repaying all creditors in full, to distribute any remaining monies to shareholders.

By Order of the Board

JOSEPH MCTAGGART, Director

6th September 2022

EXPLANATORY NOTES ON RESOLUTIONS

ORDINARY RESOLUTIONS

For resolutions proposed as ordinary resolutions at the AGM, more than half the votes cast must be in favour of the resolution for each one to be passed.

Reports and Accounts (ordinary resolution 1)

The first item of business is the receipt by shareholders of the audited accounts for the financial year ended 31 March 2022 together with the Directors' Report and the Auditors' Reports (together the Annual Report). The Chair will present the Annual Accounts for the year ended 31 March 2022 to the meeting. These financial statements may be downloaded from the Company's website: <http://www.wallsandfutures.com/>

Re-appointment and Remuneration of Auditors (ordinary resolutions 2 & 3)

These resolutions relate to the re-appointment of Moore Kingston Smith LLP as the company's auditors to hold office until the next AGM of the Company and to authorise the Board of Directors to set their remuneration.

Re-appointment of Director (ordinary resolution 4)

Ms Robinson was appointed as a director by the Board during the last year. She is therefore required to stand for election by shareholders at the first AGM after her appointment under the Company's articles of association.

Directors' authorisation to allot shares (ordinary resolution 5)

Directors would like continued authority and power to issue shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal value of £100,000 during the period to the next annual general meeting (up to a maximum 15 months), unless there is a decision by the Company to act otherwise in regards to the issue of shares or securities.

SPECIAL RESOLUTIONS

The following resolutions are proposed as special resolutions at the AGM. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Disapplication of Pre-emption Rights (special resolution 6)

If the Directors wish to allot new shares or other equity securities or sell treasury shares for cash (other than in connection with an executive or employee share scheme), company law requires that these shares are offered first to shareholders in proportion to their existing holdings.

The purpose of this resolution is to authorise the Directors to continue to allot new shares and equity securities in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company (a) in connection with a rights issue or other pre-emptive offer: and (b) otherwise up to an aggregate nominal value of £50,000 in each case without first making an offer under company law to existing shareholders in proportion to their existing holdings. If passed, the approval and authority given shall expire at the next AGM of the Company (or, if earlier, after 15 months), when it is expected that a similar resolution will be proposed.

Amend the articles of association (special resolution 7)

This resolution is seeking shareholder approval to amend the Company's articles of association to remove the article relating to the Company's REIT status. This resolution is being proposed in order to change the focus of the Company's activities towards property development within the supported living sector, as set out earlier in the CEO's letter.

Change of name (special resolution 8)

Subject to the passing of Resolution 7, it is proposed to change the Company's name to reflect the cessation of its REIT status.

Notice of General Meetings (special resolution 9)

The Directors wish to be able to continue to call General Meetings (other than AGMs) on 14 clear days' notice. The Directors do not expect to use this power unless urgent action is required on the part of the shareholders. Subject to shareholder approval, the authority given shall expire at the next AGM of the Company or (if earlier) on 30th September 2022, when it is expected that a similar resolution will be proposed.

Alternative winding up proposal (special resolution 10)

If Resolution 7 is not passed in order to implement the proposed revised strategy, then shareholders will be offered the option to wind up the Company, and, after settling all expenses and repaying all creditors in full, to distribute any remaining monies to shareholders.

NOTES:

Entitlement to attend and vote

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that only those holders of the Company's shares registered on the Register of Members of the Company as at 6.30 pm on 28 September 2022 or, in the event that the Annual General Meeting is adjourned, on the Register of Members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the said Annual General Meeting in respect of such shares registered in their name at the relevant time. Changes to entries on the Register of Members after 6.30 pm on 28 September 2022 or, in the event that the Annual General Meeting is adjourned, on the Register of Members less than 48 hours before the time of any adjourned meeting, shall be disregarded in determining the right of any person to attend and vote at the Annual General Meeting.

Proxies

2. A member entitled to attend and vote at the meeting is entitled to appoint another person(s) (who need not be a member of the Company) as their proxy to exercise all or any of their rights to attend, speak and vote at the meeting. A member can appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by them. **You are strongly encouraged to use your proxy to vote in advance of the AGM.**
3. Your proxy could be the Chair, another director of the Company or another person who has agreed to attend to represent you. Your proxy will vote as you instruct and must join the meeting for your vote to be counted. Details of how to appoint the Chair or another person as your proxy using the proxy form are set out in the notes to the proxy form. Appointing a proxy does not preclude you from joining the meeting and voting in person. If you join the meeting, your proxy appointment will automatically be terminated.
4. In order to be valid a proxy must be appointed in accordance with clauses 58 and 59 of the Articles. An appointment of proxy is provided with this notice and instructions for use are shown on the form. A completed form must be returned to the Company Secretary by one of the following methods:
 - (a) in hard copy form by post, by courier or by hand to the Company Secretary at the address shown on the form of proxy; or
 - (b) when submitted by email, to the email address stated on the form of proxy;

and in each case must be received by the Company not less than 48 hours before the time fixed for the meeting.

5. To change your proxy instructions, you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the hard copy proxy form and would like to change the instructions using another hard copy proxy form, please contact the Company Secretary. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others.

Corporate representatives

6. Corporate shareholders may appoint corporate representatives to attend, speak and vote on their behalf at the Annual General Meeting. **Where a person is authorised to represent a corporate shareholder at the meeting any Director or the Secretary may require him to produce a certified copy of the resolution from which he derives his authority.**

Documents available for inspection

7. Copies of the following documents will be available for inspection by appointment at the registered office of the Company during normal business hours on any weekday (public holidays excepted) from the date of this Notice until the conclusion of the Annual General Meeting:
 1. A copy of the Articles of Association (also available by visiting the Companies House website); and
 2. Each Director's service contract or letter of appointment.

Right to ask questions

8. Any shareholder attending the meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting, but no such answer need be given if:
 - (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information,
 - (b) the answer has already been given on a website in the form of an answer to a question, or
 - (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. Should you have any questions, you are strongly encouraged to visit the Company's website, where answers to questions received by the Directors from shareholders will be published and questions may be submitted in advance of the meeting.
9. We ask all those joining the Annual General Meeting to facilitate its orderly conduct and reserve the right, if orderly conduct is threatened by a person's behaviour, to require that person to leave.

Total Voting Rights

10. As at 7 September 2022 (being the latest practicable date prior to publication of this Notice) the Company's issued share capital comprised 3,755,086 ordinary shares carrying one vote each. Therefore, the total number of voting rights in the Company as at 7 September 2022 is 3,755,086.

