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14 May 2021

**Mailbox REIT plc**  
(“Mailbox REIT” or the “Company”)

**MAILBOX REIT BECOMES FIRST COMPANY TO HAVE SHARES ADMITTED TO TRADING ON NEW  
PROPERTY FOCUSED STOCK EXCHANGE**

**First day of dealings on IPSX Wholesale**

**Mailbox REIT, a single asset REIT which owns the Mailbox, a large prime office-led mixed use  
property in Birmingham**

The Board of Mailbox REIT, a single asset REIT which owns the Mailbox, a large prime office-led mixed use property in Birmingham, is pleased to announce that dealings in its ordinary shares will commence at 0900 today on the International Property Securities Exchange (“IPSX”) under the ticker ‘MBOX’.

Mailbox REIT will become the first company to undertake an initial public offering on IPSX, having issued 84,850,000 Ordinary Shares with a nominal value of £0.10 each in the Company (“Ordinary Shares”) which have been admitted to trading (“Admission”) on the Wholesale segment of IPSX.

The Company has raised £25,850,000 from the issue of 25,850,000 Ordinary Shares at a price of £1.00 per share representing c. 30.5 per cent. of the issued share capital on Admission.

The capital has been raised from a number of institutional and family office investors including IWG plc, the global leader in flexible workspace solutions, which is also an occupier of the Mailbox under an innovative new leasing structure. M7 Real Estate Ltd will retain ownership of approximately 70 per cent of the Company’s share capital after Admission.

The Company ISIN will be GB00BM9BWM32 and SEDOL BM9BWM3.

WH Ireland Limited is acting as IPSX Lead Adviser.

IPSX is a new Regulated Investment Exchange regulated by the FCA and is the world's first such exchange dedicated to the initial public offering and secondary market trading of institutional grade commercial real estate assets. IPSX Wholesale is a market exclusively for institutional and professional investors and for issuers with an asset or assets that have a minimum market value in excess of £50 million.

Mailbox REIT aims to provide investors with the opportunity to gain exposure to the long dated income streams, underpinned by very low-risk high-profile tenants, and performance of a prime, office-led mixed use property in central Birmingham. Investors are also expected to benefit from potential income and valuation enhancement resulting from planned asset management initiatives.

The Company is targeting an initial yield of approximately 7 per cent.

The Mailbox comprises approximately 698,000 square feet of primarily office space, with a complementary, ancillary retail and leisure offering, located on a 4.8 acre waterside site in the heart of the UK's second largest city, a five-minute walk from Birmingham New Street Station.

Independently valued at £181 million, the Mailbox produces a Passing Rent of c.£8.84 million per annum, with an Estimated Rental Value of £15.05 million (assuming full occupancy). Rental income is derived from 39 tenants with a long weighted average unexpired lease term ("WAULT") of 14.25 years to break (14.6 years to expiry) as at 31 March 2021. Five tenants represent approximately three-quarters of the rent roll on a WAULT of approximately 16 years. The Directors and the AIFM consider the top tenants (The British Broadcasting Corporation, Q-Park Limited, WSP Management Services Ltd and Harvey Nichols Stores Ltd, etc.) to be low or very low risk from a credit perspective based on their CreditSafe scores. 83.5 per cent of Mailbox's rent was collected for the December Quarter Day 2020 (taking into account concessions or monthly payment plans), with 75.5 per cent and 77.3 per cent collected for the quarters starting January and April 2021 respectively.

The Company is currently in the process of converting level one of the Mailbox from retail into 50,000 sq ft of flexible office space which will be operated by IWG plc under its Spaces co-working brand under a new 10 year agreement. The innovative new arrangement will see occupiers of the Spaces offices pay rent directly to the Mailbox REIT with IWG plc's management fees based on a percentage of rent received.

Over the next three to five years, the property will be further repositioned for growth as a pre-eminent 'Live Work Play' destination.

M7 Real Estate Financial Services Ltd a wholly owned subsidiary of M7 Real Estate Ltd, will act as alternative investment fund manager to the Company. M7 Real Estate will act as asset manager to the Company's subsidiaries in respect of the Property.

IPSX has agreed to waive such requirements of Rule 1.26 of the IPSX Rules for Issuers, so that the Controlling Shareholder may sell some of its shares in the Company via WH Ireland for the purposes of liquidity and maintaining an orderly market (the "**Liquidity Option**"). Within the Liquidity Option up to a maximum of 1 per cent of total Ordinary Shares in issue on Admission (equating to 840,000 Ordinary Shares) may be drawn upon at the discretion of WH Ireland in its capacity as broker and market maker from Admission. For the avoidance of doubt all other lock-up and orderly market arrangement terms will remain in place.

**Stephen Barter, chairman of Mailbox REIT, commented:** “In becoming the first company to be admitted to and have its shares traded on IPSX, Mailbox REIT has carved out a unique place in the history of real estate capital markets investment. The Board and I look forward to working on behalf of the Company and its shareholders as we emerge from the worst of the pandemic and towards a brighter outlook where Birmingham is set to benefit from positive structural trends, including continued decentralisation, which will help support the Mailbox’s target returns alongside the active asset management plan already underway.”

**Richard Croft, Executive Chairman of M7 Real Estate, added:** “M7 is incredibly proud to be part of this landmark occasion in our sector and building on this momentum we are now advancing our plans to bring Bridgewater Place House in Leeds to market as the second IPO on IPSX in the coming months. Bridgewater Place House is another flagship regional UK office building, being the tallest building in Yorkshire and offering income returns underpinned by strong tenants such as EY and multinational law firms DWF and Eversheds.

“The Mailbox offers long dated income streams, underpinned by very low-risk high-profile tenants, as well as significant income and value enhancement potential. The investment is further supported by the strengthening fundamentals of the Birmingham market, which is attracting growing occupier demand with a number of major blue-chip companies moving into the city, as seen most recently with Goldman Sachs International’s announcement of its intention to open a technology centre there. With an improving outlook, an expected economic recovery and by advancing our strategic plans for Mailbox REIT, we are well positioned to deliver for investors as a publicly traded company on IPSX.”

**FOR FURTHER INFORMATION ON THE COMPANY, PLEASE CONTACT:**

**Mailbox REIT**

Stephen Barter chairman of Mailbox REIT

(via FTI Consulting below)

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***Opportunity for investors to gain exposure to the long dated income streams, underpinned by very low-risk<sup>1</sup> high-profile tenants, and performance of a prime, office-led mixed use property in central Birmingham, as well as to benefit from potential income and valuation enhancement resulting from planned asset management initiatives.***

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