

[X January 2022]

Mailbox REIT Plc

("Mailbox REIT" or the "Company")

TRADING UPDATE ALONGSIDE DIVIDEND DECLARATION SHOWS NEW LETTINGS, STRONG INCOME AND IMPROVED VALUATION

Mailbox REIT Plc (ticker: MBOX), the owner of the Mailbox, a prime regional office-led, mixed-use asset offering long-term secure income and the potential for value enhancement, provides a trading update and declares an interim dividend for Q4 2021 which is in line with the Company's IPO target.

Stephen Barter, Non-Executive Chairman of Mailbox REIT plc, commented:

"The final quarter of 2021 saw Mailbox REIT deliver another positive performance, rounding off what was a strong first year as a public company. Our main asset management initiative which will see the conversion of 50,000 sq ft of retail space to higher value office accommodation is due to open in Q2'2022, providing Birmingham with a brand-new flexible workspace operated under IWG's Spaces brand. In addition, we have secured new office and F&B leases adding further tenants to our roster of low-risk occupiers, while also maintaining strong rent collection figures. All this activity supports our ability to continue paying a dividend in line with our 7 pence per share IPO target, as announced today.

"Working with M7, the board has also made the Company's focus on ESG an important priority and our approach to being a responsible landlord, including setting out the Mailbox's path to net zero, will be addressed in detail in the full annual report, alongside our other community and environmental credentials. We recognise that this has an important role not just in helping create a better and greener future for generations to come but is also vital to Mailbox's ability to attracting tenants and growing income."

Strong Rent Collection throughout 2021 continues into 2022

As of 17 January 2022, Mailbox REIT had collected 93.9% of the contractual rents for the quarter commencing 25 December 2021. Of the remaining 6.1% due during the quarter, 5.7% is expected to be collected through monthly payments, with the remaining 0.3% under discussions, bringing the total collection to just over 99%.

Rent collection for the December 2021 quarter day by sector is as follows:

Sector	% Collected	% of total rent
Office	100.0%	47.2%
Car Park	100.0%	21.6%
Retail	83.9%	11.1%
F&B	74.4%	16.7%
Other	99.0%	3.5%
Total	93.9%	100.0%

The Company has now collected 99.2% of total contractual rent demands for the September 2021 quarter day and expects to match these collection levels for the December 2021 quarter day.

Since the beginning of 2021, the Group has collected 97.7% of rent due, with the office and car parking tenants continuing to pay 100% of their rent demands.

Dividend declaration in line with 7% target dividend yield

The Mailbox REIT board has declared an interim dividend of 1.75 pence per share for Q4 2021. Combined with the Q3 2021 and Q2 2021 dividends this is in line with the target of over 7p per share per annum, as set out in the Company's Admission document (equating to 7% based on an issue price

of 100p). The dividend, which will be a Property Income Distribution, will be paid on 25 February 2022. The ex-dividend date will be 3 February 2022 and the record date will be 4 February 2022.

Third consecutive quarter of valuation growth

The Mailbox valuation improved for the third consecutive quarter since IPO rising to £185,825,000 as at 31 December 2021, reflecting a 1% improvement since 30 September 2021 (£184.0 million) and an increase of 2.6% since 31 December 2020 (£181.1 million). The independent fair valuation of the Mailbox was undertaken by Avison Young.

At 31 December 2021, the true equivalent yield of the Mailbox was 6.22% (30 September 2021: 6.43%).

Net Asset Value

At 31 December 2021, the Company's consolidated unaudited net asset value ("**NAV**") was £85.95 million, equivalent to 101.30 pence per share, when account is taken of the interim dividend paid on 26 November 2021, compared to £86.47 million and 101.91 pence per share as at 30 September 2021.

The NAV attributable to the ordinary shares has been calculated under International Financial Reporting Standards as adopted by the United Kingdom and incorporates both the Group's property on a 'Red Book' valuation basis as at 31 December 2021 and net income for the quarter, but does not include a provision for the interim dividend declared today (see above) for the quarter ended 31 December 2021.

Share Price

Despite relatively high volatility in the UK and world equity markets, the Mailbox share price has continued to rise gradually, broadly in line with NAV per share. The shares have always remained above the issue price and are currently trading at a small premium to NAV.

Long and Secure Income

The Mailbox REIT remains fully invested in the Mailbox, a prime regional office-led, mixed-use asset, which is currently 95.2% occupied (inclusive of Spaces management agreement) with a weighted average unexpired lease term of 13.5 years to the earlier of break or expiry and 13.11 years to expiry.

According to Creditsafe's rating checks for the quarter, 78% of the asset's gross income stream is considered to be of very low risk, with a further 9% considered low risk. Only 5% of the asset income, relating to certain retail and F&B elements, is considered to be of high or very high risk.

Asset Management Update: Level 1 Retail to Office Redevelopment

M7 Real Estate, the Asset Manager, continues to work with IWG to transform former retail space into a state-of-the-art co-working space that is due to open its doors in Q2 2022.

The 50,000 sqft space will be operated under IWG's Spaces brand and will provide a full range of workspace options, offering solutions for businesses of all sizes, who are seeking stylish open, collaborative or private working spaces.

Spaces at The Mailbox will also support over 350 OpenDesk workspaces, making it the largest OpenDesk hub in IWG's global portfolio. OpenDesk offers maximum flexibility and greater privacy than traditional co-working, using magnetic screens to create privacy or clusters for larger teams or for meetings. Each workspace can be accessed using Spaces' mobile app, providing 24/7 working for members.

OpenDesk was created in direct response to the growing demand for flexible workspace, which was further accelerated by the COVID-19 pandemic, and follows IWG's commitment to locate world-class flexible workspace facilities at employees' doorsteps and close to public transport, reducing their commutes and supporting hybrid working.

Birmingham is one of the UK's fastest growing regional centres and is home to over 100,000 companies. Demand for flexible workspace is swelling nationally as employers and employees navigate their way out of the pandemic, with hybrid working being at the forefront of their work strategies, and this is filtering through to excellent demand at Mailbox with 15% of the space already pre-committed.

Q4 2021 saw further leasing activity with the completion of 15,000 sqft of leases on vacant space, further reducing Mailbox's current overall vacancy to sub 5%. This included signing a new lease with Castle Fine Art, which already operates a gallery in the retail space and has taken 8,000 sqft of office space to house its national headquarters, as well as Sixes cricket club, which will open its doors as the latest addition to the F&B offering in January 2022. These leasing deals will add a further £400,000 of income upon expiry of rent-free periods.

ENQUIRIES

Mailbox REIT PLC

Stephen Barter - Chairman

via FTI Consulting below

M7 Real Estate Ltd

Richard Croft

+44 (0) 20 3657 5500

WH Ireland (Lead Advisor & Corporate Broker)

Chris Hardie

+44 (0) 20 7398 1145

FTI Consulting (Communications Adviser)

Richard Sunderland

Claire Turvey

+44 (0) 20 3727 1000

MailboxREIT@FTIConsulting.com

Alter Domus (UK) Limited

(Company Secretary)

+44 (0) 207 645 4800

The Company's ISIN is GB00BM9BWM32.

Further information on Mailbox REIT plc is available at www.themailboxreit.com¹.

NOTES

Mailbox REIT PLC The Mailbox REIT is a single asset REIT offering shareholders exposure to the performance of the Mailbox which is a prime regional office-led, mixed-use asset offering long-term secure income and the potential for value enhancement.

The Company's asset manager is M7 Real Estate Limited ("M7"). M7 is a leading specialist in the pan-European, regional, multi-tenanted real estate market. It has over 220 employees in 15 countries across Europe. The team manages over 570 properties with a value of circa €4.3 billion.

1 Neither the content of the Company's website, nor the content on any website accessible from hyperlinks on its website or any other website, is incorporated into, or forms part of, this announcement nor, unless previously published on a Regulatory Information Service, should any such content be relied upon in reaching a decision as to whether or not to acquire, continue to hold, or dispose of, securities in the Company.