

RNS Miscellaneous

## UPDATE ON VALUATION AND DEBT

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RNS Number : 4716N  
Mailbox REIT PLC  
23 January 2023

### Mailbox REIT Plc

("Mailbox REIT" or the "Company")

### Update on valuation and debt

23 January 2023. Mailbox REIT Plc (IPSEX ticker: MBOX), the owner of the Mailbox, a prime regional office-led, mixed-use asset, announces that the recently undertaken year end valuation by Avison Young shows a change in valuation of the Mailbox to £157 million. This compares to £189.7 million as at 30 September 2022 and primarily reflects the outward yield shift for regional office assets in the current market largely due to the prevailing interest rate turbulence.

This has led the Company to enter discussions with Deutsche Bank, as the lender behind the £108.50 million loan facility (the "Loan") secured against the Mailbox, in relation to the increase in LTV ratio from 57.2% as at 30 September 2022, to 69.1% now, compared to an agreed LTV covenant of 60%. The Company will provide a further update to shareholders in due course and expects to be able to announce a resolution to this issue in the near future.

With £11 million of annualised rental income, the Company continues to benefit from strong rent collections with 95% of the first quarter's rents of 2023 and 99% of the full year of 2022 already received. As a result, the Company has ample revenues with which to service its debt, delivering an income yield of 7.2% which comfortably exceeds its current Interest Cover Ratio covenants.

At an operational level, Mailbox continues to perform well, in line with the approved asset management plan. With occupancy at 95% (by floor area) from a diversified mix of high-quality tenants, and take-up momentum within the new IWG-operated Spaces co-working facility, there continues to be a positive expectation for the remaining retail and office space.

### ENQUIRIES

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The Company's ISIN is GB00BM9BWM32.

Further information on Mailbox REIT plc is available at [www.themailboxreit.com](http://www.themailboxreit.com)<sup>1</sup>.

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