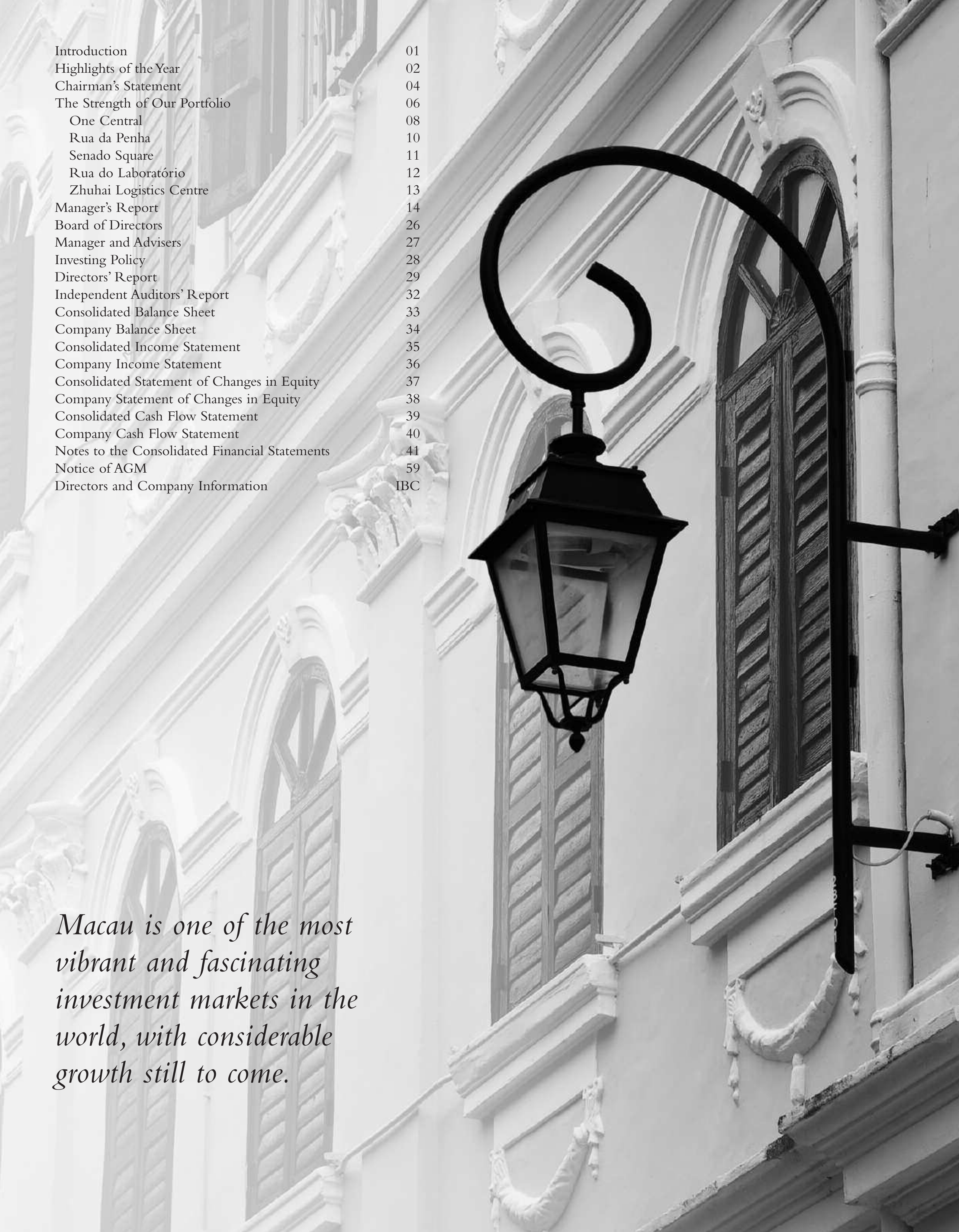
Macau Property Opportunities Fund

ANNUAL REPORT & ACCOUNTS
for the period ended 30 June

2009

continued progress
in challenging times



Macau is one of the most vibrant and fascinating investment markets in the world, with considerable growth still to come.

Conceiving,
Constructing and
Developing high quality properties

IN ONE OF THE WORLD'S MOST DYNAMIC REGIONS.

Macau Property Opportunities Fund has a single, focused aim:

to deliver long-term returns from high quality property developments in carefully selected niche markets in Macau and China's Pearl River Delta.

The Company is a closed-end investment fund registered in Guernsey. Its shares are traded on AIM, which is operated by the London Stock Exchange.

Continued progress in challenging times

Gaming revenues -12% to

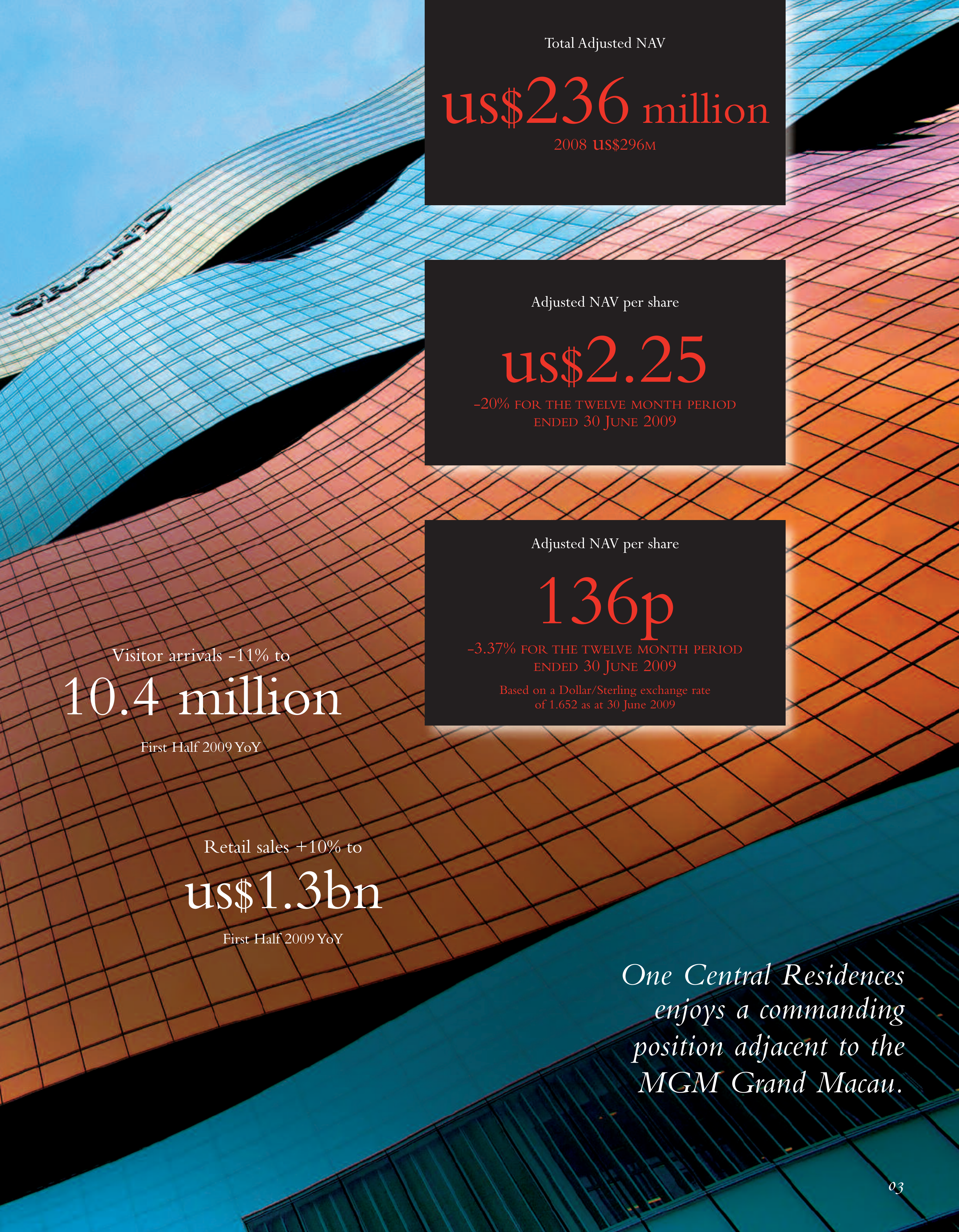
us$6.4bn

First Half 2009 YoY

Real GDP -13% to

us$8.1bn

First Half 2009 YoY



Total Adjusted NAV

US$236 million

2008 US$296M

Adjusted NAV per share

US$2.25

-20% for the twelve month period ended 30 June 2009

Adjusted NAV per share

136p

-3.37% for the twelve month period ended 30 June 2009

Based on a Dollar/Sterling exchange rate of 1.652 as at 30 June 2009

Visitor arrivals -11% to

10.4 million

First Half 2009 YoY

Retail sales +10% to

US$1.3bn

First Half 2009 YoY

One Central Residences enjoys a commanding position adjacent to the MGM Grand Macau.

Chairman's Statement

The publication of our third annual report marks the first reported decrease in Macau Property Opportunities Fund's Adjusted Net Asset Value. Down 20% year-on-year, this fall directly reflects the difficult economic environment we have been experiencing. Nevertheless, over the last year, we have progressed the development of our investments into a balanced portfolio of tangible assets while our prudent cash management and borrowing policies have secured the financial strength needed to deal with any further economic uncertainties. Moreover, Macau has recently shown promising signs of recovery, as reflected in the 5.8% rise in our Adjusted NAV since December 2008.

There is no doubt the recent financial crisis has been the worst for decades, with full confidence in the markets likely to take some time to recover.

The downgrading of property stocks worldwide and, in Macau, the fall in valuations and the decline in the territory's domestic growth rates, albeit from previously overextended levels, have understandably made investors nervous.

Nevertheless, the strength of Macau's unique long-term growth drivers and the strategic positioning of our investments should ensure that both our progress and our prospects remain positive in an uncertain global environment.

Having acquired our first investment in mainland China – the Zhuhai Logistics Centre – we have increased the existing buildings' occupancy rate and overall rental income. The open land on the remainder of the site will be developed to provide state-of-the-art logistics facilities that will meet the needs of the Chinese government's local infrastructure and regeneration plans.

We have also made steady progress with our three Macau redevelopment projects – Rua da Penha, Senado Square and Rua do Laboratório – all of which are on schedule in terms of planning and other associated activities.

Our investment in One Central Residences, Macau's most prestigious development, has been secured by a US$82 million loan facility agreed with a consortium of international banks led by HSBC. This not only confirms the project's excellent quality and positioning, but also underlines the strength of our relationships in the banking community.

Throughout the year, we have been assessing ways – including share buy-backs – that will narrow the discount to Adjusted Net Asset Value at which our shares trade. While we are not averse to buy-backs in appropriate circumstances, we currently believe our focus should be on preserving our capital base and executing our investment and development strategy.

As a mark of its confidence in our future, Sniper Investments Limited – an investment vehicle associated with our Manager – has increased its holding, to the point where it is now our fifth largest shareholder.

We have also successfully attracted a number of new investors to the share register, many of whom are not only convinced by the Macau story but also commend our strategically positioned portfolio and our Manager's execution skills.

David Hinde
Chairman

"We believe that Macau's uniquely resilient qualities, will continue to generate sustainable long-term growth."

In line with our commitment to long-term capital growth, no dividend will be paid in respect of the trading period under review.

Looking ahead, the election of Dr Fernando Chui Sai-on as Macau's second Chief Executive bodes well for the future. Dr Chui is expected to introduce measures designed to reduce Macau's dependence on the gaming industry and boost the wider economy.

Our own intention is to focus on the progression of our four development projects whilst implementing our asset management strategy for One Central Residences.

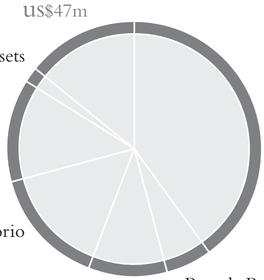
While we remain cautious about the prospects for a sustained global economic recovery, we believe that our strategically well-positioned portfolio, combined with Macau's uniquely resilient qualities, will continue to generate sustainable long-term growth for our investors.

David Hinde
Chairman
Macau Property Opportunities Fund Limited

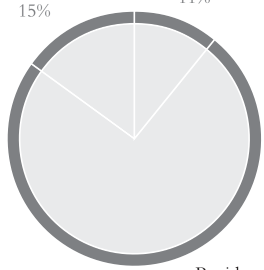
The Strength of Our Portfolio

Macau's property sector could not escape the effects of the economic downturn, as reflected in the year-on-year decrease in our market valuation. Nevertheless, the underlying strength of our portfolio suggests that we are well-placed to capitalise on the growing confidence seen during the second quarter of 2009.

PORTFOLIO COMPOSITION
(based on total commitment costs)



PORTFOLIO COMPOSITION BY SECTOR
(based on total commitment costs)



Valuation US$275m* Change (current period) –16%

One Central
Valuation: US$158,844,000
Sector: Residential (high-end)
Change (current period): -25%
Change (since acquisition): +14%

Rua da Penha
Valuation: US$21,934,000
Sector: Residential (niche)
Change (current period): -1%
Change (since acquisition): +172%

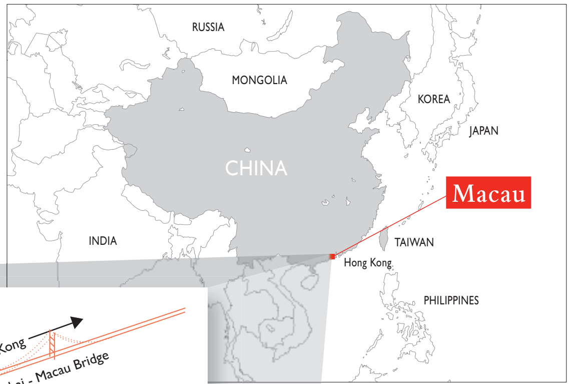
Senado Square
Valuation: US$33,160,000
Sector: Mixed-use
Change (current period): +3%
Change (since acquisition): +106%

Rua do Laboratório
Valuation: US$38,192,000
Sector: Residential (entry level)
Change (current period): -3%
Change (since acquisition): +78%

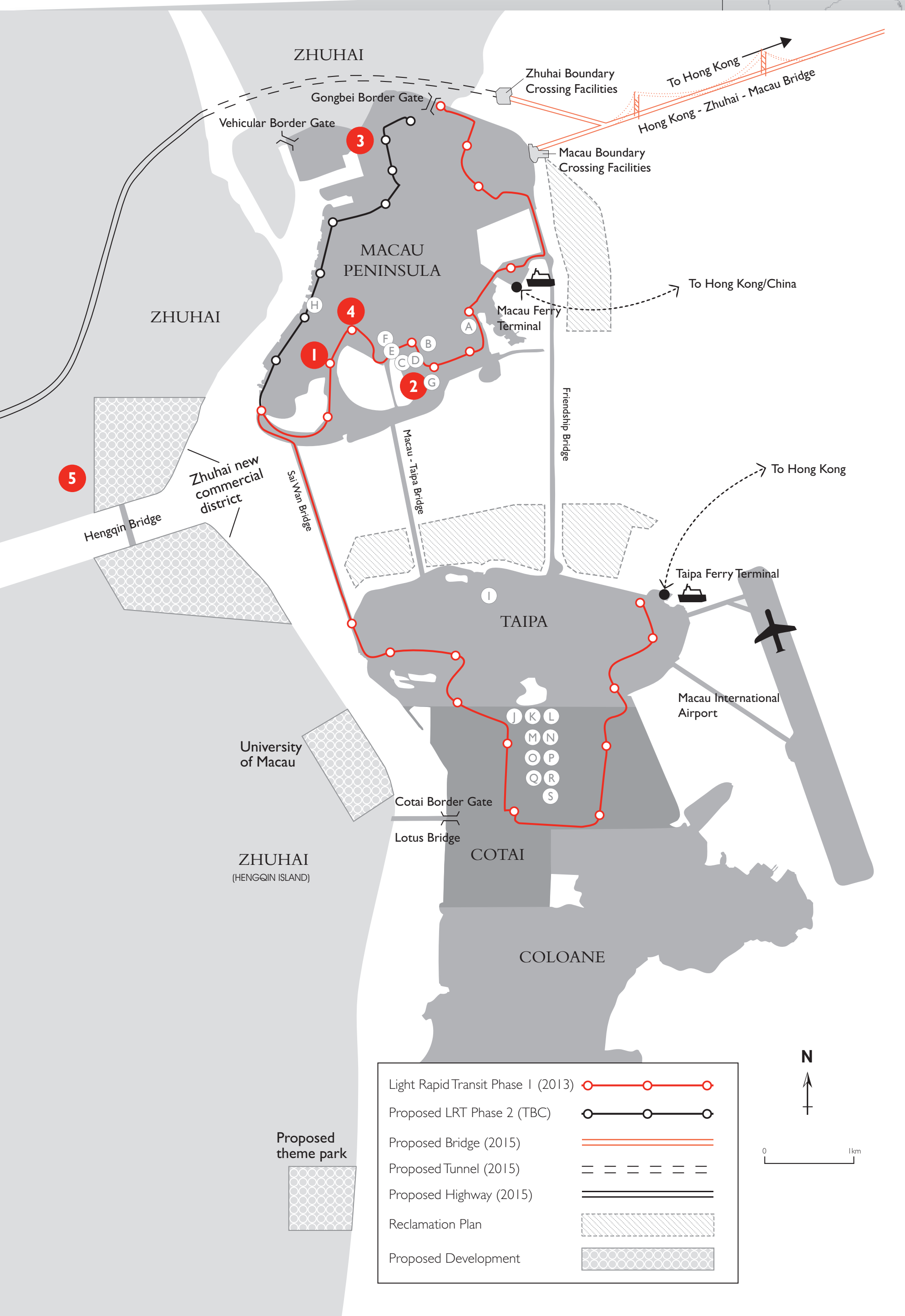
Zhuhai Logistics Centre
Valuation: US$12,903,000
Sector: Warehousing & Logistics
Change (current period): +19%
Change (since acquisition): +19%

Other Property Assets
Valuation: US$10,265,000
Change (current period): -8%
Change (since acquisition): +42%

* Based on independent valuations of the Company's portfolio properties by Savills (Macau) Limited.



MACAU AND SURROUNDING AREA



MPO'S KEY PROPERTIES

1. Rua da Penha
2. One Central
3. Rua do Laboratório
4. Senado Square
5. Zhuhai Logistics Centre

MAJOR CASINOS ON MACAU PENINSULA

- Ⓐ Sands Macao (2004)
- Ⓑ Starworld (2006)
- Ⓒ Wynn Macau (2006)
- Ⓓ Wynn Encore (2010)
- Ⓔ Lisboa (1970)
- Ⓕ Grand Lisboa (2007)
- Ⓖ MGM Grand Macau (2007)
- Ⓗ Ponte 16 (2008)

MAJOR CASINOS ON COTAI

- Ⓘ Altira Macau (2007)
- Ⓙ Galaxy Mega Resort (2010)
- Ⓚ Venetian Macao (2007)
- Ⓛ City of Dreams (2009)
- Ⓜ Four Seasons (2008)
- Ⓝ Shangri-La*
- Ⓞ Far East Consortium*
- Ⓟ Sheraton & St. Regis*
- Ⓠ Macao Studio City*
- Ⓡ Hilton & Conrad*
- Ⓢ Fairmont & Raffles*

* Under planning

Sniper Capital Research

Alignments and locations are indicative only.

One Central

Prestigious, high-end residential development

One Central Residences' waterfront location overlooks attractive lakes and Macau's historic Penha Hill.

Total Commitment: **US$138 million**

- Macau's premier mixed-used development
- Acquired Tower Six and 25 individual units
- Current status: Fitting out & pre-leasing
- Exit strategy: Lease & asset manage

Type	**Investment**
Location	Macau Peninsula
Acquisition Date	November 2006
Gross Floor Area	201,000 ft² / 18,700 m²
Handover	August 2009

Our apartments in One Central will be decorated and furnished in a style that befits the quality and status of this iconic development.

ONE CENTRAL RESIDENCES IS SET TO BECOME ONE OF THE MOST PRESTIGIOUS RESIDENTIAL LOCATIONS IN MACAU.

Created by developers Hongkong Land and Shun Tak Holdings, One Central Residences comprises seven high quality residential towers, a five star Mandarin Oriental Hotel and a luxury shopping centre aimed at the upper end of the market.

We have invested in the whole of Tower Six and a number of other well-located residential units, which we are currently preparing for leasing.

The financing for this investment was secured by a US$82 million loan facility arranged with a consortium of international banks led by HSBC.

Rua da Penha

Niche market residential

Rua da Penha will provide attractively designed residential accommodation in a highly popular, well-located area.

Total Commitment: US$20 million

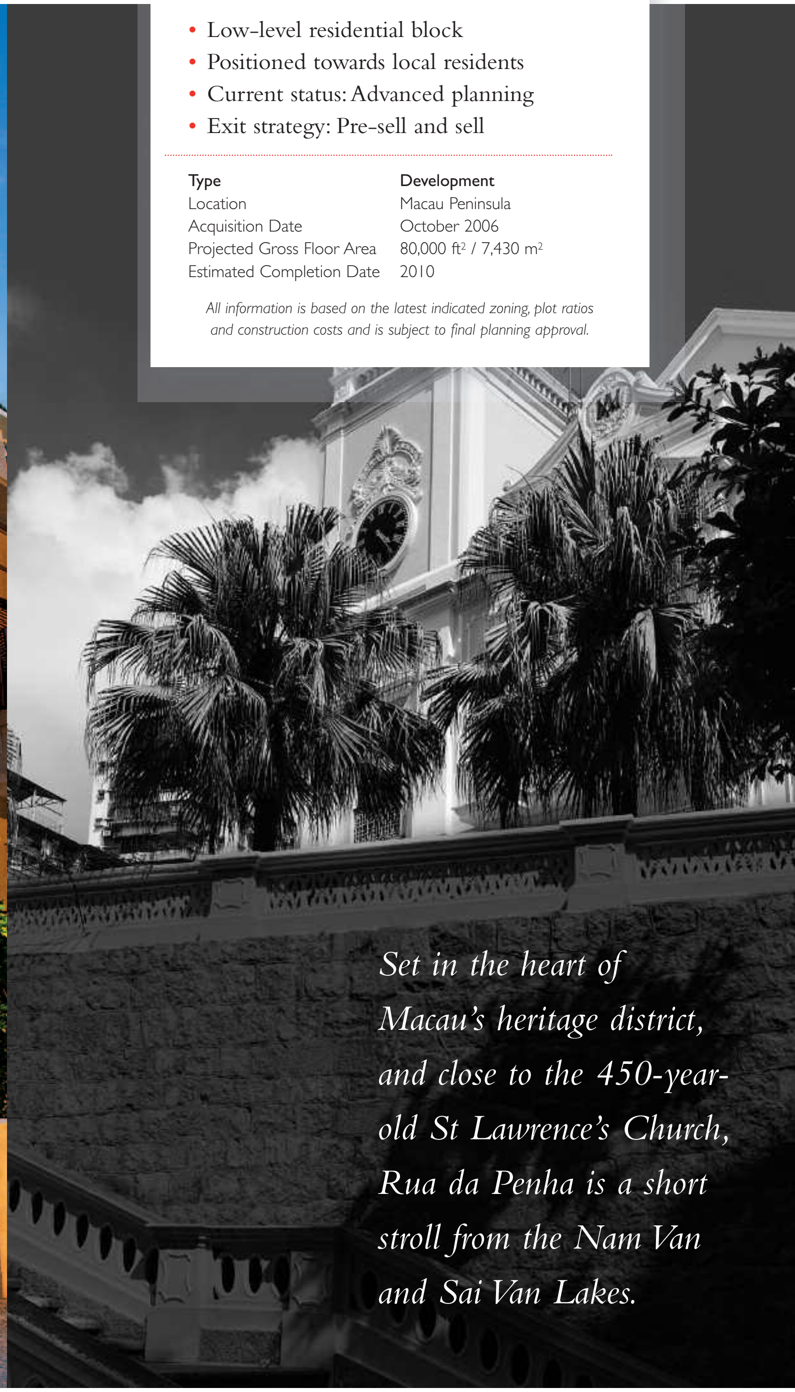
Acquisition Cost: US$8.6 million
Projected Development Cost: US$11.4 million

- Low-level residential block
- Positioned towards local residents
- Current status: Advanced planning
- Exit strategy: Pre-sell and sell

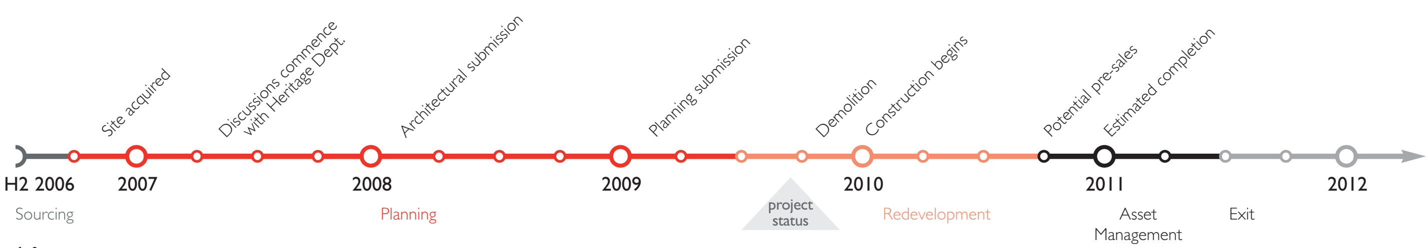
Type	**Development**
Location	Macau Peninsula
Acquisition Date	October 2006
Projected Gross Floor Area	80,000 ft^2 / 7,430 m^2
Estimated Completion Date	2010

All information is based on the latest indicated zoning, plot ratios and construction costs and is subject to final planning approval.

Artist's impression



Set in the heart of Macau's heritage district, and close to the 450-year-old St Lawrence's Church, Rua da Penha is a short stroll from the Nam Van and Sai Van Lakes.



Senado Square

Mixed-use development

Located at the heart of Macau's tourist district, Senado Square will offer a creative mix of high quality retail space.

Total Commitment: US$33 million

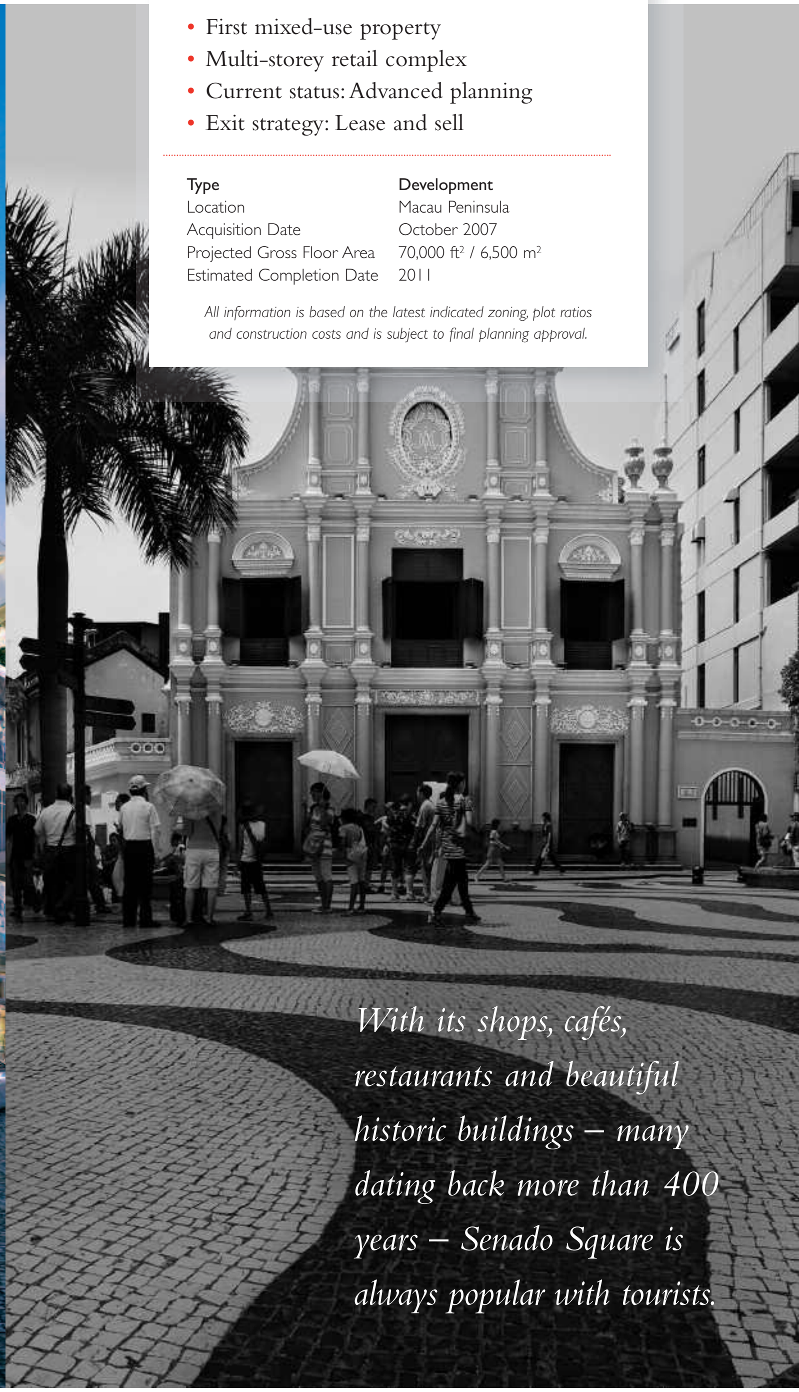
Acquisition Cost: US$16 million
Projected Development Cost: US$17 million

- First mixed-use property
- Multi-storey retail complex
- Current status: Advanced planning
- Exit strategy: Lease and sell

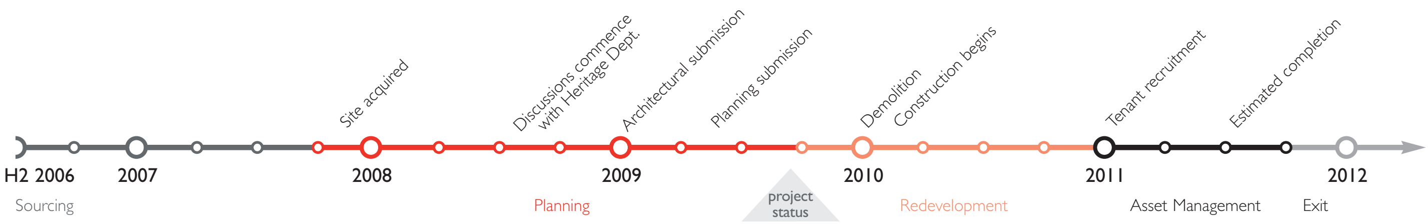
Type	**Development**
Location	Macau Peninsula
Acquisition Date	October 2007
Projected Gross Floor Area	70,000 ft^2 / 6,500 m^2
Estimated Completion Date	2011

All information is based on the latest indicated zoning, plot ratios and construction costs and is subject to final planning approval.

Artist's impression



With its shops, cafés, restaurants and beautiful historic buildings – many dating back more than 400 years – Senado Square is always popular with tourists.



Rua do Laboratório

Entry level residential

Designed specifically for the entry level market, Rua do Laboratório is well-placed to serve the needs of the city's working population.

Total Commitment: US$50 million

Acquisition Cost: US$20.6 million
Projected Development Cost: US$29.4 million

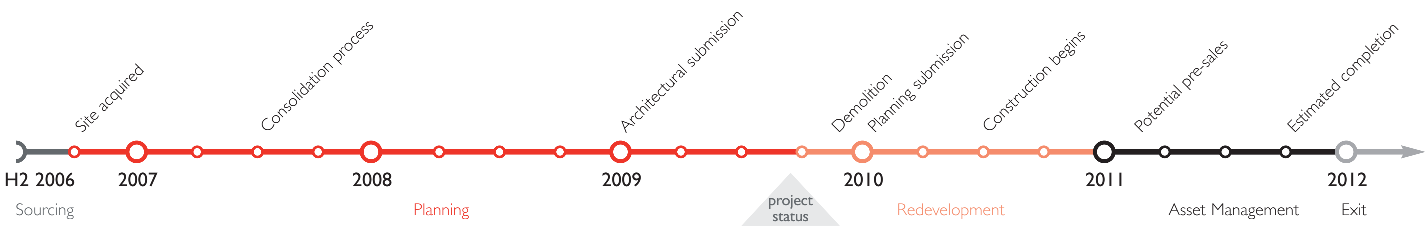
- High-rise residential block
- Targeting local first-time buyers
- Current status: Planning
- Exit strategy: Pre-sell and sell

Type	Development
Location	Macau Peninsula
Acquisition Date	November 2006
Projected Gross Floor Area	220,000 ft^2 / 20,440m^2
Estimated Completion Date	2011

All information is based on the latest indicated zoning, plot ratios and construction costs and is subject to final planning approval.

Artist's impression

Old and new come together at Macau's Border Gate, where residents of Rua do Laboratório will be offered easy access to Zhuhai and the surrounding area.



Zhuhai Logistics Centre

Warehousing and logistics

Located in a government supported development area in China, this is our first investment in the logistics sector.

Total Commitment: US$45 million

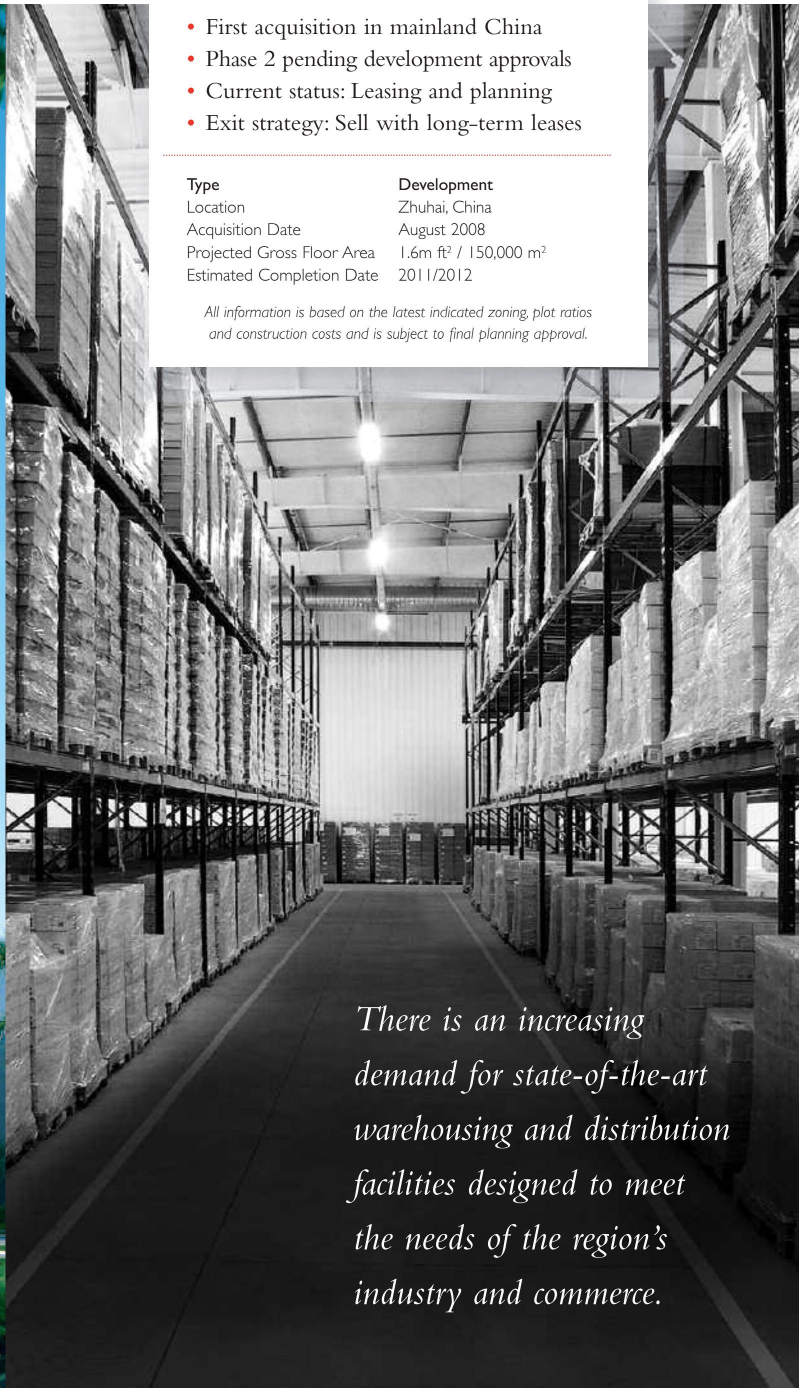
Acquisition Cost: US$11 million
Projected Development Cost: US$34 million

- First acquisition in mainland China
- Phase 2 pending development approvals
- Current status: Leasing and planning
- Exit strategy: Sell with long-term leases

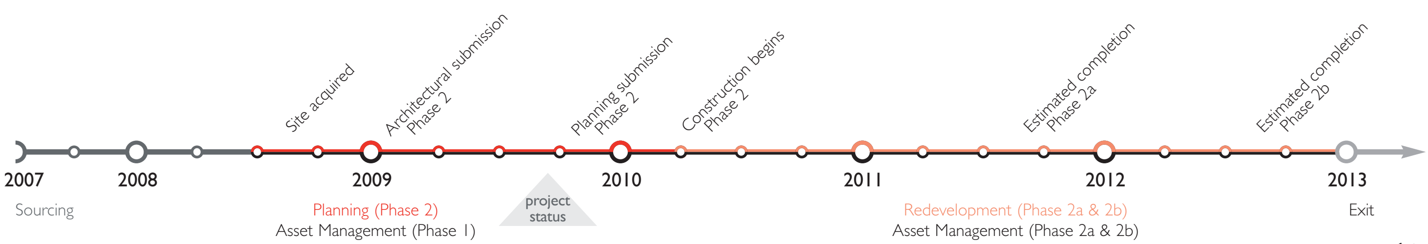
Type	**Development**
Location	Zhuhai, China
Acquisition Date	August 2008
Projected Gross Floor Area	1.6m ft² / 150,000 m²
Estimated Completion Date	2011/2012

All information is based on the latest indicated zoning, plot ratios and construction costs and is subject to final planning approval.

Artist's impression



There is an increasing demand for state-of-the-art warehousing and distribution facilities designed to meet the needs of the region's industry and commerce.



Manager's Report

The past year will be remembered not just for the unprecedented turmoil in the world's financial markets, but also for the economic downturn that followed. Yet Macau – with its unique growth drivers – has shown greater resilience and more encouraging signs of recovery than most other markets.

Clearly our progress during the past year was hampered by the global downturn, as evidenced by the fall in the Company's Adjusted Net Asset Value. While confidence in the markets is likely to remain fragile, we nevertheless firmly believe in the Macanese economy's potential for further growth over the coming years.

Despite the unwelcome fall in our Adjusted Net Asset Value and the reversal in the Macau property market, we believe our carefully chosen investments remain well positioned to bear fruit in the future. The progress we have made on the development front fits well with Macau's current economic climate. Not only has the pace of growth in the territory slowed to a more sustainable level, we have also begun to experience the benefits of significantly reduced labour and material costs. At the same time – as local incomes continue to rise – the demand for high quality properties in sought-after locations remains undiminished.

Prestigious development comes on stream

Located on a prime waterfront site, One Central is Macau's most prestigious development. With sweeping views across the Nam Van Lake, it features a total of seven exceptionally high quality, luxury apartment towers, a five star Mandarin Oriental Hotel and an exclusive shopping centre aimed at the upper end of the market.

We have invested in the whole of Tower Six and a number of other well-located apartments in other towers. Since the handover of Tower Six in August 2009, we have appointed an interior designer, tasked with styling and furnishing the apartments in a manner that will reflect the unique qualities and premium positioning of this major development.

Total commitment value
(as at 30 June 2009)

us$294m

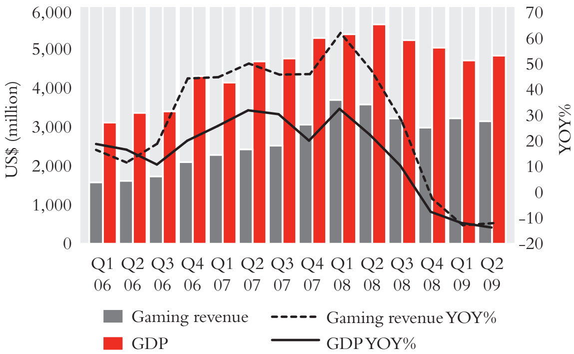
The total commitment value of the properties invested in since the Company's launch in 2006 includes acquisition and projected development values.

Projected gross floor area

2m sq ft

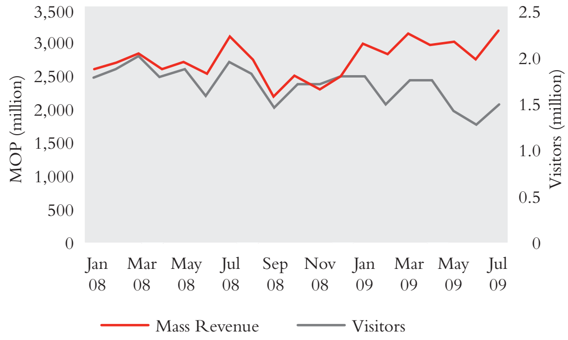
On completion, MPO's portfolio will encompass luxury and entry-level accommodation as well as retail and logistics space.

GDP & GAMING REVENUE



Source: DSEC, DICJ

MASS REVENUE PER VISITOR



Source: Morgan Stanley Research

Breaking new ground in mainland China

In our 2008 report, we announced that we had broken new ground with our first investment in mainland China. Zhuhai Logistics Centre is also our first foray into the important warehousing and logistics sector.

Located just minutes from the Macau border and close to the landing point for the proposed Hong Kong-Zhuhai-Macau bridge, this project is perfectly placed to take advantage of the increasing interconnectivity between the three cities. The local authorities have also identified the surrounding area as an ideal site for both scientific research facilities and technological industries. A tourism hub, with a theme park and other attractions, is also planned on nearby Hengqin Island.

Since acquisition, we have upgraded the existing buildings and increased the occupancy rate from 52% to almost 60%. We have also increased rental income by 18% despite a challenging leasing market.

Our plans for the longer-term include the development of the adjacent land and the provision of accommodation for local and Macanese workers. We believe the potential value of this scheme will be further enhanced by planned developments in Zhuhai and Hengqin Island, including the recently proposed move of the University of Macau to the area.

Progress at development sites

The past year has seen us making progress on the practical aspects of our development sites, as outlined below.

Government permission for the demolition of the existing buildings at Rua da Penha is anticipated later this year, with construction of a low-rise apartment block for local residents due to start soon thereafter. Located in a popular neighbourhood in an architecturally sensitive area, Rua da Penha's value has already increased by over 170% since its acquisition in 2006. Our planned apartments are designed to meet the growing demand for quality accommodation fuelled by the desire of locals to upgrade their lifestyle.

(continued on p. 18)

"We have the professional skills, drive and enthusiasm needed to build on the underlying strengths of our portfolio."

The election of Dr Fernando Chui Sai-on as the territory's new Chief Executive points to a promising future for Macau. Early indications are that Dr Chui is committed to diversification and the development of a less gaming-driven economy.

The Engines of Enterprise

Despite the turmoil in the international financial markets and the subsequent economic downturn, Macau remains a robust and vibrant city. New initiatives are broadening the commercial base. Gaming, while still very important, is gradually making room for other tourist and non-gaming attractions. Infrastructure and housing projects, designed to meet the city's present and future needs, are under way. Business confidence is returning. The region's longer-term potential is undiminished.

Infrastructure spending

us$1.3bn

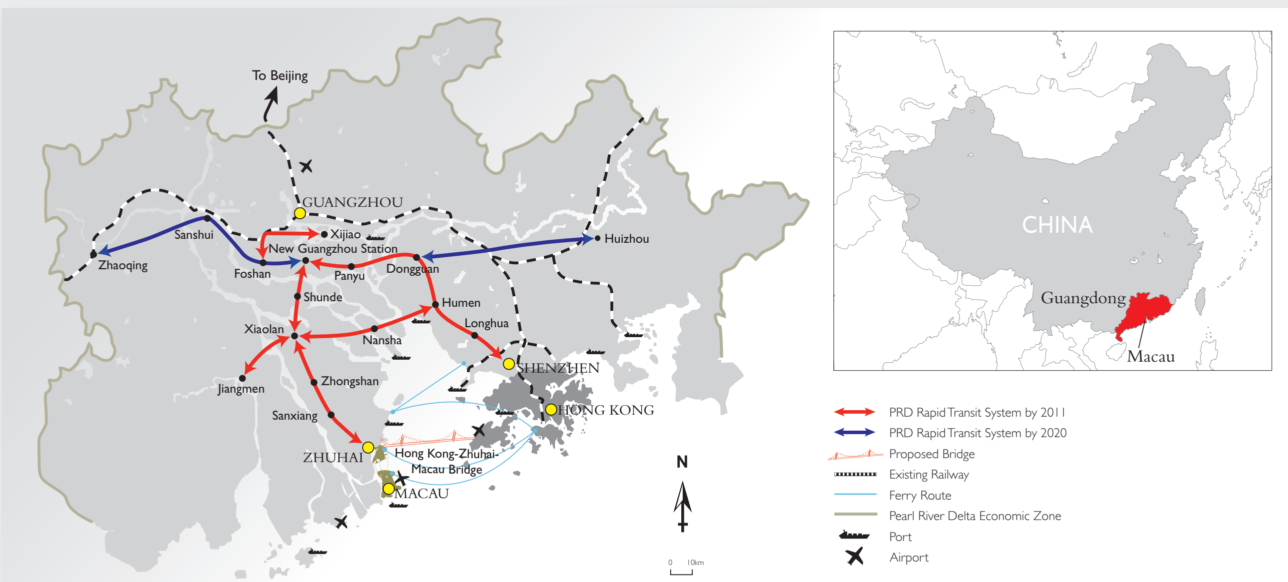
Recently announced government plans will increase public spending on Macau's infrastructure, boost the economy and create employment opportunities.

New retail space

1.7m sq ft

Macau's newest retail experiences include the Venetian Macao, The Shoppes at Four Seasons, City of Dreams and the soon to be launched luxury shopping centre at One Central.

Regional Reach



Sniper Capital Research

Alignments and locations are indicative only.

1999 — The end of Portuguese rule

2000

2001

2002 — New casino licences awarded

2003

2004 — Sands Macao opening

2004 GDP +27%

2005

2006 — Wynn Macau opening

2007 — Gaming revenue surpasses LV Strip

Grand Lisboa opening

Venetian Macao opening

MGM Grand opening

2007 GDP +25%

2008 — Visa restriction imposed
Property market correction

2008 GDP +13%

2009 — Stimulus measures implemented

H1 2009 GDP -13%

City of Dreams opening

10th anniversary of Macau SAR
Appointment of new Chief Executive
Construction of HK-Zhuhai-Macau bridge commences

2010

2011

2012

2013

2010–2013: Encore at Wynn Macau opening
Galaxy Mega Resort opening
Permanent Taipa Ferry Terminal
Light Rapid Transit system in operation

2014

2015 — Completion of HK-Zhuhai-Macau bridge

Manager's Report

(continued from p.15)

Senado Square, our mixed-use development in the heart of Macau's World Heritage district, is in the advanced planning stage, with final approval expected imminently. Our aim is to create a multi-storey retail complex that will attract both tourists and locals. We have completed our preliminary research into the appropriate merchandising and tenant mix and are currently in discussions with a number of potentially interested parties. In the meantime, Macau's shop rentals, capital values and pedestrian footfall are likely to keep on rising, which augurs well for the project.

Rua do Laboratório, our entry level development in the north of the city, is also progressing through the planning stage. We are in discussion with architects specialising in Hong Kong's mass-market sector whose ideas match our ambitions for a suitable high-rise residential block. We expect this project to benefit not only from the government's recently confirmed incentives for first-time buyers, but also from its location close to the proposed light rapid transit system link with the rest of Macau.

An eye for future opportunities

As part of our ongoing strategy, we are always on the lookout for new investment opportunities that will add value to the Company's portfolio. Our priorities focus on viable, up-and-coming locations offering opportunities for capital growth through either consolidation, refurbishment or redevelopment in niche or undervalued market segments.

Movements in valuations

The Company's financial statements as at 30 June 2009 have been prepared in accordance with International Financial Reporting Standards. Development properties classified as inventories are included in the financial statements at the lower of cost and net realisable value; properties classified as investment properties are carried at fair value. This results in a Net Asset Value per share of US$1.48 as at 30 June 2009, compared with an NAV per share of US$1.63 as at 30 June 2008.

Valuation of the Company's entire portfolio was performed by Savills (Macau) Limited, in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards. The open market valuation as reported by Savills and detailed in the portfolio summary of this report was US$275.3 million. This represents an uplift of US$71.2 million or 35% over the cost of the properties and has resulted in an Adjusted Net Asset Value per share of US$2.25 or 136p as at 30 June 2009. This represents a fall in the Adjusted NAV per share in the past year of 20% and 3.37% in US$ and Sterling terms, respectively.

LATEST CASH BALANCE
(AS AT 30 JUNE 2009)

US$47m

Our judicious cash flow management will provide the security needed to combat future uncertainties in the financial markets.

LOAN-TO-VALUE

25.5%

Our prudent borrowing policy is intended to maintain a manageable loan-to-value ratio – currently 25.5% after the drawdown of One Central's US$82 million loan.

The final audited results are summarised below:

	30 June 2009 US$	30 June 2009 £[1]	30 June 2008 US$	30 June 2008 £[1]
NAV	**$155.51m**	**£94.13m**	$170.69m	£85.55m
Adjusted NAV[2]	**$236.45m**	**£143.12m**	$295.56m	£148.12m
NAV per share	**$1.48**	**89.65p**	$1.63	81.47p
Adjusted NAV per share[2]	**$2.25**	**136.31p**	**$2.81**	**141.07p**
Changes in Adjusted NAV				
Since Admission[3]	25.10%	41.68%	56.37%	46.63%
YoY	-20.00%	-3.37%	26.96%	27.32%

1 Based on US$/£ exchange rate of 1.652 at 30 June 2009 and 1.995 at 30 June 2008.
2 Adjusted Net Asset Value is shown after accruing for the performance fee (if any) and is calculated by taking the NAV per share calculated under IFRS and adjusting inter alia to include the properties owned by the Company at fair value rather than at the lower of cost and net realisable value.
3 Based on NAV per share at Admission on 5 June 2006 of US$1.80 (96.21 pence).

As at 30 June 2009, the Company's total assets stood at US$241.0 million, comprising US$181.0 million of development properties, US$12.9 million of investment property and cash of US$47.0 million. If development properties were included in the balance sheet at open market value, as reported by Savills and as used for the Adjusted NAV, total assets would be US$322.4 million. The Company's total liabilities as at 30 June 2009 were US$85.5 million.

Managing cash balances

As at 30 June 2009, the Company had a cash balance equivalent to US$47.0 million. The majority of the cash reserves are invested in short-term HK$ fixed deposits across a number of international banks in Guernsey, Hong Kong and Macau, which helps to both mitigate the credit risk and expand our banking relationships.

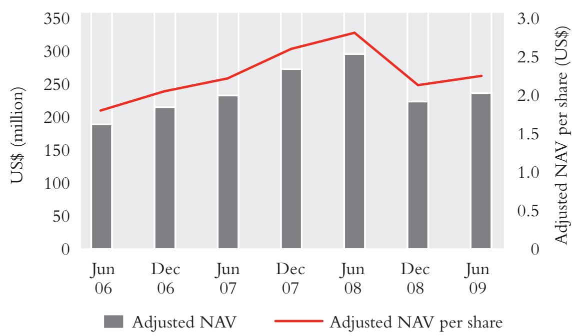
The Company continues to adopt a prudent cash management policy whilst closely monitoring its capital requirements. As most of the Company's assets are denominated in US$ and HK$, the exposure to the risk of foreign exchange fluctuations can be considered minimal.

A major financing success

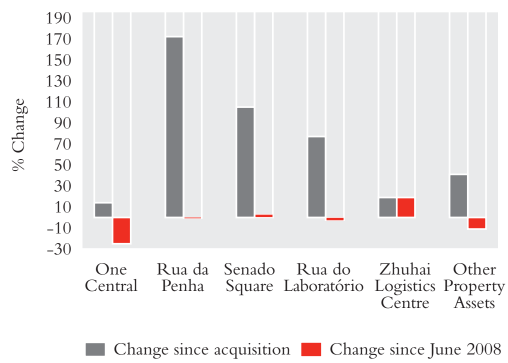
As reported earlier, the Company secured a US$82 million loan facility with a consortium of international and Macanese banks led by HSBC, which is being used to meet our obligations in connection with One Central Residences. Drawdown of the loan coincided with the handover of the property in August 2009. This facility extends until mid 2012, at an interest rate of 3-month HIBOR plus 2.4% per annum. Following drawdown of the credit facility, the Company has an overall loan-to-value ratio of 25.5%.

(continued on p. 22)

ADJUSTED NET ASSET VALUE



PORTFOLIO VALUATION CHANGE



Our Development Process

Macau Property Opportunities Fund acts not only as an investor, but also as an active property developer. Our Manager employs a full range of in-house capabilities embracing all aspects of design, engineering, environmental and construction management. Working together, we begin by selecting the right opportunities and end by maximising our investment returns.

Throughout the development process, our constant aim is to provide our shareholders with attractive returns from carefully selected opportunities in Macau and the surrounding Pearl River Delta of mainland China.

Our Manager's expertise

Drawing on extensive experience of the international financial markets and a developed network of relationships across Macau and Southern China, Sniper Capital has all the expertise required for its role as both project and asset manager of our investment portfolio.

Our project management skills

Our unique strength lies in our ability to act as a dynamic property developer rather than simply assuming the role of passive property investor. Our development team carefully studies each project's potential for redevelopment or conversion in order to maximise yields and returns. Our in-house development capabilities embrace all aspects of design, engineering, environmental and construction management.

Planning & Design

- Creative vision
- Design consultant selection
- Government, Heritage and Planning liaison
- Re-zoning, re-planning & re-positioning opportunities

Project Management

- Consultant coordination
- Contractor management
- Project programming
- Budget control
- Construction and quality management
- Project monitoring and reporting

Project Delivery & Handover

- Timely project completion
- Inspections and handover
- Defects management
- M&E commissioning
- Retention management
- Dispute resolution

Our skills as asset managers

We make it our business to proactively control each stage of the asset management process. From maximising space utilisation and revising architectural or interior designs, to property management, marketing, leasing and disposals, we constantly aim to optimise and enhance each property portfolio's income and value.

Asset Enhancement

- Interior and exterior design concepts/improvements
- Sales and rental value optimisation
- Refurbishment projects
- Asset repositioning

Sales & Leasing

- Project promotion, positioning & marketing
- Strata sales programmes
- En-bloc disposal strategies
- Media campaigns
- Tenant recruitment

Estate Management

- Tenant management
- Tenant enforcement
- Supplier supervision
- Technical management
- Contract negotiation

Manager's Report

(continued from p.19)

Our strong relationships with several of the region's financial institutions – as evidenced by the above facility – put us in a healthy position with regard to securing construction financing for our various redevelopment projects.

Trading in the Company's shares

In common with other London-listed property stocks, the Company's share price suffered throughout the year from generally weak sentiment in the sector, with the shares trading at a substantial discount to the Adjusted Net Asset Value per share. Nevertheless, the shares did outperform Oriel Securities' overseas property fund sector over the year, which reflects Macau's strong fundamentals and the potential of the Company's portfolio.

More recently, the Company's long-term investors' consolidation of their holdings, and purchases by several new institutional investors, have boosted trading volumes and helped strengthen the share price. Furthermore, over the past year Sniper Investments Limited, an investment vehicle associated with the Company's Manager, has established a holding of 4.175 million shares or 3.98% of the Company's issued share capital, making it the fifth largest shareholder.

While we have been encouraged by the recent narrowing of the discount between the Company's share price and its Adjusted NAV, we still believe the current share price does not fairly reflect the value of the Company and its future prospects. As a result, we are working closely with our brokers and advisers to heighten awareness of the Company amongst a wider range of investors.

Significant shareholders*

Name of Shareholder	Number of shares	%
Amvescap (including Invesco & Aim)	30,828,244	29.36%
Insight Investment Management	17,306,157	16.48%
Midas Capital Partners	13,740,000	13.08%
Universities Superannuation Scheme	10,500,000	10.00%
Sniper Investments Limited	4,175,000	3.98%
Other	28,450,599	27.10%
	105,000,000	**100.00%**

* As at 30 June 2009

CONSTRUCTION MATERIALS PRICE INDEX

–20.5%

The year-on-year fall in the price of construction materials will help boost returns on the Company's development sites.

UNEMPLOYMENT RATE

3.6%

While Macau's unemployment rate rose slightly during the year, it remains extremely low when compared with neighbouring economies.

The resilience of Macau

There is no doubt that Macau has felt the impact of the global financial crisis, particularly during the latter part of 2008, with the territory reporting negative growth in GDP for the first half of 2009.

The government's response to the situation has been to prioritise the diversification of the economy, press ahead with its infrastructure plans and do whatever it can to keep the territory's negative growth within single digit parameters.

On the positive side, unemployment levels remained at a relatively low level (3.6% at Q2 2009), which compares favourably with most neighbouring economies.

Bridging the trade divide

On the infrastructure front, the government has increased its expenditure to some US$1.3 billion.

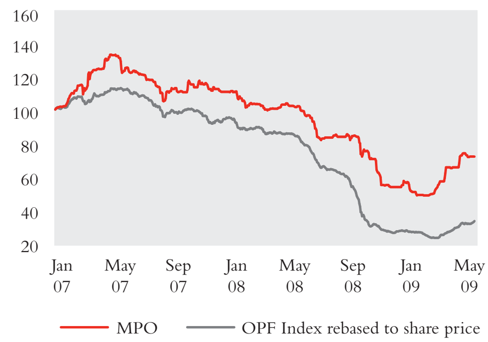
As well as the construction of the domestic light rapid transit system designed to serve the needs of Macau's citizens, the Chinese government is committed to the Hong Kong-Zhuhai-Macau bridge, which will improve connections between the three cities. The construction of this project, which is expected to take six years, is due to begin at the end of 2009.

Although plans for the expansion of the territory's international airport are currently on hold, the construction of the new Taipa Ferry Terminal continues apace, with a target date set for its opening in 2011.

The continued development of China's Pearl River Delta and Zhuhai region also supports Macau's determination to work its way through the global recession, as does the ambitious plan for the creation of a tourism hub on Zhuhai's Hengqin Island.

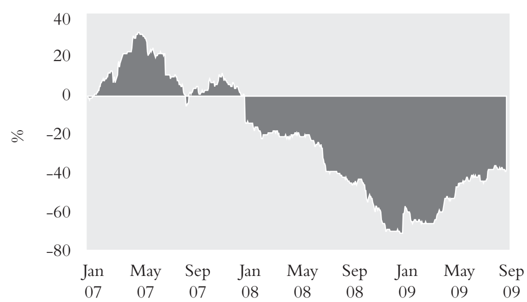
All these initiatives are likely to be boosted by the election of Dr Fernando Chui Sai-on as Macau's new Chief Executive. Dr Chui comes from a prominent pro-Beijing family and, in his election statement, said that China will continue to provide backing for Macau and inject continued dynamism into the territory's development.

MPO SHARE PRICE VS ORIEL SECURITIES OPF INDEX



Source: Datastream, Oriel Securities

MPO SHARE PRICE PREMIUM/DISCOUNT TO ADJUSTED NAV



Source: Bloomberg, Sniper Capital Research

"Our focus must be on the immediate task of turning our initial investments into tangible, profitable assets."

Gaming hedges its bets

Dr Chui is also committed to diversifying Macau's predominantly gaming-driven economy, which must be seen as a positive development, even though the industry will always be a vital source of revenue for the government. Although gaming revenues have fallen since late 2008, they outperformed those of Las Vegas Strip and Nevada State over the same period and have shown signs of stabilising in the last few months.

Confidence in the industry did take a knock last year when it became known that Las Vegas Sands Corporation had called a temporary halt to its developments on Cotai Strip. This was overcome when the group announced its intention to restart operations by the end of 2009.

There was reassuring evidence of Macau's dynamic potential when Malaysian gaming group Genting acquired a 3.2% stake in US casino operator MGM Mirage, co-owner of the MGM Grand Macau. Elsewhere, the markets' interest in plans for Hong Kong IPOs announced by Las Vegas Sands and Wynn Resorts for their Macau-based assets – totalling up to US$3.5 billion – should lend to renewed overseas investment in the territory.

At an administrative level, the government recently approved a "VIP Junket Commission Cap" designed to regularise the payments casino operators make to agents who bring many high-roller gamblers to the territory. This move has been welcomed by the gaming industry as it offers operators a level playing field and is likely to increase their overall revenues.

Tourists drawn to the Strip

Just as gaming felt the effects of the financial crisis, tourism also caught a chill as enthusiasm for travel was dampened by the global downturn and the unfortunate international outbreak of human swine flu. Macau's visitor numbers did continue to rise during 2008 but they have since dropped, with figures for the first half of 2009 down 11% compared with the previous year. Nevertheless, according to Morgan Stanley, visitors' expenditure per capita since the second quarter of 2009 has risen boosted by a combination of increasing consumer confidence and the wider choice of attractions being offered by Macau.

The recently-opened US$2.1 billion City of Dreams, the only major casino/hotel resort to have opened in Macau since 2007, received 1.2 million visitors during its first month of operation. With a total of 420,000 sq ft of casino space, this obviously popular destination features three luxury hotels – the Hard Rock Hotel, Crown Towers and the Grand Hyatt Macau – a wealth of dining facilities and an array of attractive shops.

Record gaming revenues

US$1.4bn

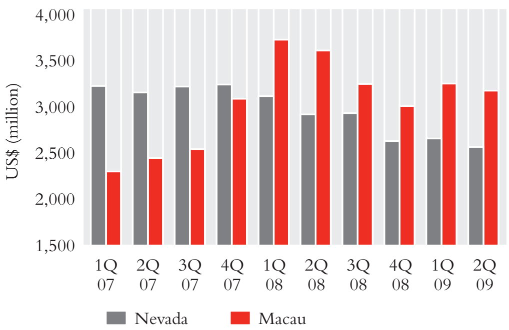
Gaming revenues achieved a record increase of 17% year-on-year growth in August 2009 based on preliminary data.

IPO plans well received

US$3.5bn

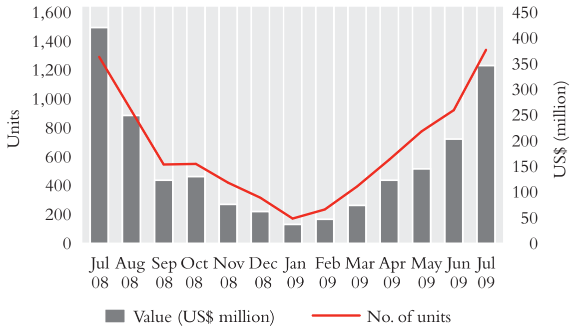
Two of Macau's major gaming operators – Las Vegas Sands and Wynn Resorts – have announced plans for Hong Kong IPOs for their Macau assets.

GAMING REVENUE (NEVADA VS MACAU)



Source: DICJ, Nevada Gaming Commission

RESIDENTIAL TRANSACTION VOLUME & VALUE



Source: DSEC

Property bottoms out

Macau's property sector seems to be matching tourism with its own brand of resilience. By early 2009, property transaction volumes and values had fallen to levels not seen since 2003 and 2006, respectively.

However, since then, the situation has improved significantly, with average property prices increasing by as much as 30% since March and residential transaction volumes increasing by 680% between January and June. This upturn owes as much to the government's housing subsidies as it does to the general economic recovery.

At the high-end of the market, capital values in the second quarter of 2009 outstripped rental values, with a rebound of 10.2% compared to the first quarter, according to figures from Jones Lang LaSalle.

The leasing market was also affected by the downturn. The temporary halt in the Las Vegas Sands Cotai development and the tightening of the rules relating to employment visas helped, in part, to cause a fall in the number of expatriates working in the territory. The figure stood at 83,700 as at June 2009. A year earlier the figure was 98,500. However, the opening of City of Dreams and the expected resumption of the Las Vegas Sands project are expected to drive an upturn in demand.

In the retail sector, capital value and rental value dropped by 11.8% and 4.6% respectively in the last quarter of 2008. They have recovered since the turn of the year, boosted by new retail openings in the second half of 2008. With more projects due to open in the near future, including the luxury shopping centre at One Central Residences, the sector seems to have bottomed out, with signs of growth returning in areas such as Senado Square, where we have committed US$33 million.

Overall, the prospects for Macau's property sector continue to look promising. The territory's economic growth may have slowed, but the demand for high-quality property in select areas – where there are genuine end-users as opposed to short-term speculators – remains undimmed. As we constantly maintain, strategic and well-thought-out positioning is vital for the generation of attractive long-term investment returns. We believe our present niche market investments are well-located. We will continue our policy of avoiding sectors that are already overcrowded.

Building on underlying strengths

We continue to believe in Macau. It is not only one of the world's most dynamic and exciting cities, it is also one of the most resiliently enterprising.

As the territory celebrates its tenth anniversary as a Special Administrative Region of the People's Republic of China, and prepares for life under a new Chief Executive, we believe it remains well positioned to weather any further challenges the global economy may have to face.

Following the huge investments made in its tiny economy over the past decade, growth in the territory had probably reached unsustainable levels in recent times. As Macau enters its next phase of growth, progress is likely to be sustained at a more realistic level, while still continuing to outperform mainland China.

We have made steady progress since our Company's formation in 2006. Our focus now must continue to be on the immediate task of turning our initial investments into tangible, profitable assets. We believe we have the professional skills, drive and enthusiasm needed to build on the underlying strengths of our portfolio as a platform for rewarding our shareholders and fulfilling our long-term objectives.

Sniper Capital Limited
Manager

Board of Directors


1


2


3


4


5

1 **David Hinde,** Chairman
David Hinde qualified and practised as a solicitor for five years before moving into investment banking. Much of his career has been connected with Asia. From 1977 to 1982, he worked in Hong Kong for Wardley Limited, part of the HSBC Group, and then returned to London for 12 years to run the international corporate finance arm of Samuel Montagu & Co. Limited. From 1994 to 1998, he was an Executive Director of Dah Sing Financial Holdings Limited, the Hong Kong-based banking and financial services group. He is currently a Non-executive Director of Dah Sing Banking Group Limited and Chairman of INVESCO Asia Trust plc.

2 **Tom Ashworth,** Non-executive Director
Tom Ashworth has over 20 years' experience in international financial markets. He started his career in London with HSBC Securities before transferring to Hong Kong in 1995. He later joined Morgan Stanley before establishing an independent specialist hedge fund research and brokerage business in 2000. He identified the investment potential for Macau at an early stage and over the past eight years has established an extensive local network in the territory where he has undertaken several property-related business ventures. He is a Director of the Fund's Investment Manager, Sniper Capital.

3 **Richard Barnes,** Non-executive Director
Richard Barnes is a Member of the Royal Institution of Chartered Surveyors and has over 20 years of experience in the commercial property sector. He has worked at Hillier Parker (CB Richard Ellis), Vigers (GVA Grimley) and Bernard Thorpe (DTZ) and is now a director of BNP Paribas Real Estate Jersey Limited specialising in Channel Islands commercial property consultancy. He is Past President of the Jersey Group of the RICS and holds a number of directorships of listed property companies and other non-executive positions. He is a Jersey resident.

4 **Alan Clifton,** Non-executive Director
Alan Clifton began his City career at stockbrokers Kitcat & Aitken, first as an analyst, later becoming a Partner and then a Managing Partner prior to the firm's acquisition by The Royal Bank of Canada. He was subsequently invited to be Managing Director of Morley Fund Management, the asset management arm of Aviva plc, the UK's largest insurance group. He is currently Chairman of JPMorgan Fleming Japanese Smaller Companies Trust plc and of Schroder UK Growth Fund plc and a Director of several other investment companies.

5 **Tim Henderson,** Non-executive Director
Tim Henderson joined HSBC in 1958 and between 1964 and 1993 held various executive positions in Asia before being appointed Senior Manager, HR Planning and Policy in London. He returned to Guernsey in 1994 to become Chief Executive of Leopold Joseph (Channel Islands) Limited. In 1998 he was appointed Business Manager of the James Capel operation in Guernsey. He has a Personal Fiduciary Licence issued by the Guernsey Financial Services Commission and currently holds a number of non-executive directorships in the financial sector. He is also a Fellow of the Institute of Directors and a Guernsey resident.

Manager and Advisers

Manager

Responsibility for the day-to-day management of the Macau Property Opportunities Fund's portfolio rests with Sniper Capital Limited.

Founded in 2004, Sniper Capital focuses on capital growth from opportunities in property investment, development and redevelopment in niche and undervalued markets.

Sniper Capital achieves its objectives through the identification, acquisition and development of properties clearly differentiated by their location, their current and potential value, or by the sustainable demand for the accommodation or facilities they offer.

With a team of over 20 professionals, Sniper Capital's operation covers all the required investment and development disciplines, including research, site acquisition, project development, asset management, investor relations and finance.

With its holding of 3.98% of the Company's issued share capital, Sniper Investments Limited, an investment vehicle associated with Sniper Capital, is now the fifth largest shareholder in Macau Property Opportunities Fund; a standing that reflects Sniper Capital's belief in the long-term prospects of the Company.

For more information, please visit www.snipercapital.com

Advisers

The Company's Board of Directors and Managers are advised by Sniper Capital (Macau) Limited, which has a highly developed, extensive network of contacts and associates spanning the city's financial and business community.

The Advisers' brief is to source and analyse potential investment opportunities and to provide the Board with general property investment and management advisory services in relation to the Company's investments.

Group Structure

Sniper Capital

Sniper Capital Limited
Manager

Sniper Capital (Macau) Limited
Investment Adviser

Acquisitions & Research	Project Development	Asset Management	Corporate Communications	Finance & Administration
• Macro & micro analysis	• Consultant appointment & coordination	• Property & estate management	• Investor & media relations	• Administration & accounting
• Forecasting & modelling	• Project monitoring & reporting	• Sales & leasing	• Marketing & product positioning	• Compliance & reporting
• Sourcing	• Project delivery & handover	• Facilities management	• Statutory & regulatory communication	• Cash management & treasury
• Due diligence		• Asset value enhancement		

Investing Policy

The Company's investing policy is to take advantage of opportunities that exist in the property markets, primarily of Macau, but also in the Western Pearl River Delta region and, in exceptional circumstances, greater China.

The Company's portfolio is likely to comprise a mixture of residential, retail, leisure and industrial properties but the Company may also invest in office or other property if a suitable and attractive opportunity arises.

The Company targets, principally, niche developments of the type which are often overlooked by large developers and which, in the opinion of its manager and investment adviser, offer opportunities to achieve an attractive total return through their location, sector or 'value-added' potential. The Company looks to add value through development, refurbishment, redevelopment, change of use and repositioning. In particular, it looks for undervalued sites in attractive locations where it believes there is a sustainable end-user demand.

The Company, as an active investor, will consider concentration risk from both a sector as well as an asset perspective. The Company may wholly own its investments (directly or indirectly) or it may invest through a joint venture arrangement if the terms of the arrangement are deemed suitable. There is no limit on the number of projects in which the Company may invest and there is no minimum or maximum limit on the length of time that any investment may be held.

The Company's investment objective is to provide shareholders with an attractive total return, which is intended to comprise capital growth but with the potential for dividends over the medium to long term. The Company seeks to maximise the total return on its portfolio, either through selling the properties after development or redevelopment or by generating rental income.

Properties will typically only be targeted if the Company's manager believes that they offer the potential for an IRR of over 20 percent.

It is expected that no single investment in a development will represent more than 30 percent. of the gross asset value of the Company at the time of investment. However, there is no guarantee that this will be the case.

The Company may borrow to part finance investments and may be required to use its investments as security for the borrowings it puts in place. The Company's articles of association do not contain any restriction on the borrowing powers of the Company. The directors of the Company currently intend that the Company, either directly or through its special purpose property-holding vehicles, may borrow up to 75 percent. of any single investment's market value. When the Company is fully invested, the directors of the Company expect that up to 60 percent. of the aggregate value of all investments may be financed from third party debt financing.

Directors' Report

For the year ended 30 June 2009

The Directors present their report and audited financial statements of the Company and the Group for the year ended 30 June 2009.

Principal activities

The Company is a Guernsey-registered closed-ended investment fund traded on AIM, the market of that name operated by the London Stock Exchange. The Company is an authorised entity under the Authorised Closed-Ended Investment Schemes Rules 2008 and is regulated by the Guernsey Financial Services Committee. During the year, its principal activities were property development and investment in Macau and Greater China.

Business review

A review of the business during the year, together with likely future developments, is contained in the Chairman's Statement on pages 4 to 5 and in the Manager's Report on pages 14 to 25.

Results and dividend

The results for the year are set out in the financial statements on pages 33 to 58.

The Directors have not recommended the payment of a dividend in respect of the year to 30 June 2009 (2008: nil).

Directors

Biographies of the Directors who served during the year are detailed on page 26.

At the Annual General Meeting of the Company, one third by number of the Directors shall retire from office in accordance with the Articles of Association.

A retiring Director shall be eligible for reappointment. No Director shall be required to vacate his office at any time by reason of the fact that he has attained any specific age.

Directors' interests

Directors who held office during the year and had interests in the shares of the Company as at 30 June 2009 were:

	ORDINARY SHARES OF US$0.01	
	Held at 30 June 2009	Held at 30 June 2008
David Hinde	**60,000**	50,000
Tom Ashworth	**–***	800,000
Richard Barnes	**50,000**	25,000
Alan Clifton	**100,000**	100,000
Tim Henderson	**45,000**	30,000

* During the year Tom Ashworth transferred all his personal shareholdings in the Company, to Sniper Investments Limited ("Sniper Investments") for nil consideration. At the year end Sniper Investments held 4,175,000 shares.

Significant shareholdings

As at 30 June 2009, a total of five shareholders held more than 3% each of the issued ordinary shares of the Company, accounting for a total amount of 76,549,401 (2008: 83,684,853) shares or 72.9% (2008: 79.7%) of the issued share capital. Further details are available on page 22 of the Manager's Report.

Directors' remuneration

During the year, the Directors received the following emoluments in the form of Directors' fees from the Company:

	2009 US$	2008 US$
David Hinde	**63,914**	80,360
Tom Ashworth*	**–**	–
Richard Barnes	**39,946**	50,225
Alan Clifton	**48,212**	59,900
Tim Henderson	**47,936**	60,291
Total	**200,008**	250,776

* as disclosed in Note 14 to the consolidated financial statements, Tom Ashworth is a shareholder and Director of Sniper Capital Limited and Adept Capital Partners Services Limited which received fees from the Company during the year.

Statement of Directors' responsibilities

The Directors are responsible for preparing financial statements for each financial period which give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Company and the Group for that period and are in accordance with applicable laws. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company or the Group will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

Directors' Report

For the year ended 30 June 2009

Statement of Directors' responsibilities (continued)

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the Group and which enable them to ensure that the financial statements comply with The Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the Company's website is the responsibility of the Directors; the work carried out by the Auditors does not involve consideration of these matters and, accordingly, the Auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that so far as they are aware, there is no information relevant to the audit of which the Company's auditors are unaware. The Directors also confirm that they have taken all steps they ought to have taken as Directors to make themselves aware of any information relevant to the audit and to establish that the Company's auditors are aware of that information.

Independent Auditors

PricewaterhouseCoopers CI LLP have agreed to offer themselves for reappointment as Auditors of the Company and a resolution proposing their reappointment and authorising the Directors to determine their remuneration will be presented at the Annual General Meeting.

Annual General Meeting

The Annual General Meeting of the Company will be held at 2.30pm on 23 October 2009 at the Registered Office of the Company, Heritage Hall, Le Marchant Street, St Peter Port, Guernsey.

Corporate governance

Guernsey does not have its own corporate governance regime and as an AIM-traded Guernsey-registered company, the Company is not required to comply with the Combined Code on Corporate Governance ('the Code'). However, the Directors of the Company support best practice in Corporate Governance and its practical application to the Company's structure and decision-making processes as is appropriate to its size and current stage of development.

The Board of Directors

The Company is led and controlled by a Board comprising five non-executive Directors, four of whom are considered independent of Sniper Capital Limited, the Company's Manager. The role of Chairman is held by David Hinde.

The Board determines the overall strategic direction of the Company and is responsible for the following:

1) reviewing objectives for the Company and setting the Company's strategy for fulfilling those objectives;
2) reviewing and approving investments, disposals and significant capital expenditure made by the Company;
3) reviewing the capital structure of the Company and ensuring necessary resources are in place for the Company to meet its objectives;
4) reviewing and monitoring the performance of the Manager, Administrator and other service providers to the Company; and
5) reviewing key elements of the Company's performance.

Board meetings

The Board meets at least quarterly and as required from time to time to consider specific issues including all potential acquisitions and disposals.

The Board receives regular reports and papers prior to each board meeting to allow it to perform its duties. Prior to each of its quarterly meetings, the Board receives reports from the Manager covering activities during the period, performance of relevant property markets, performance of the Company's assets, financing, compliance matters, working capital position and other areas of relevance to the Board. The Board also considers reports provided from time to time by the Administrator and other service providers.

The table below shows the attendance of Directors at quarterly Board meetings during the year ended 30 June 2009:

	Maximum possible attendance	Actual attendance
David Hinde	4	4
Tom Ashworth	4	4
Richard Barnes	4	4
Alan Clifton	4	4
Tim Henderson	4	4

In addition to its regular quarterly meetings, the Board has also met on a number of occasions during the year to approve property acquisitions and for various other matters.

Directors' Report

For the year ended 30 June 2009

Audit Committee

The Board has operated an Audit Committee throughout the year under review. The Audit Committee is chaired by Mr Alan Clifton and meets not less than twice a year and is responsible for reviewing the interim and annual financial statements and reviewing with the Auditors the results and effectiveness of the audit before their submission to the Board.

Management agreement

The Company has entered into an agreement with the Manager. This sets out the Manager's key responsibilities, which include proposing the property investment strategy to the Board, identifying property investments to recommend for acquisition and arranging appropriate financing to facilitate the transaction. The Manager is also responsible to the Board for all issues relating to property asset management.

Shareholder relations

Shareholder communications are a high priority of the Board. Management and staff of the Manager make themselves available at all reasonable times to meet with key shareholders and analysts. Feedback is provided by the Manager to Directors at quarterly Board meetings.

In addition, the Board is also kept fully appraised of all market commentary on the Company by the Manager and other professional advisers.

Through this process, the Board seeks to monitor investor relations and to ensure that the Company's investor communication programme is effective.

Risk management

Each Director is aware of the risks inherent in the Company's business and understands the importance of identifying and evaluating these risks. The Board has adopted procedures and controls that enable it to manage these risks within acceptable limits and to meet all its legal and regulatory obligations.

On behalf of the Board

David Hinde
18 September 2009

Independent Auditors' Report to the Members of Macau Property Opportunities Fund Limited

We have audited the accompanying financial statements of Macau Property Opportunities Fund Limited which comprise the company and consolidated balance sheets as at 30 June 2009, the company and consolidated income statements, the company and consolidated statements of changes in equity and the company and consolidated cash flow statements for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of Guernsey law. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Company and the Group as of 30 June 2009, and of the financial performance and cash flows of the Company and the Group for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the requirements of The Companies (Guernsey) Law, 2008.

Report on other legal and regulatory requirements

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the Introduction, the Highlights of the Year, the Chairman's Statement, The Strength of Our Portfolio, the Manager's Report, the Directors' information, the Manager and Advisers information, the Investing Policy, the Directors' Report and the Directors and Company Information.

In our opinion the information given in the Directors' Report is consistent with the financial statements.

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 262 of The Companies (Guernsey) Law, 2008 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers CI LLP
Chartered Accountants
Guernsey, Channel Islands

18 September 2009

Consolidated Balance Sheet

As at 30 June 2009

	Note	2009 US$'000	2008 US$'000
ASSETS			
Non-current assets			
Investment property	6	**12,903**	–
		12,903	–
Current assets			
Inventories	5	**181,047**	104,599
Trade and other receivables	7	**37**	27
Prepayments		**20**	26
Cash and cash equivalents		**47,010**	80,555
		228,114	185,207
Total assets		**241,017**	185,207
EQUITY			
Capital and reserves attributable to the Company's equity-holders			
Share capital	10	**1,050**	1,050
Distributable reserves		**187,960**	187,960
Accumulated losses		**(33,527)**	(18,310)
Foreign exchange on consolidation		**23**	(14)
Total equity		**155,506**	170,686
LIABILITIES			
Current liabilities			
Trade and other payables	8	**85,511**	14,521
Total liabilities		**85,511**	14,521
Total equity and liabilities		**241,017**	185,207

The consolidated financial statements on pages 33 to 58 were approved by the Board of Directors and authorised for issue on 18 September 2009.

David Hinde
Director

Tim Henderson
Director

Company Balance Sheet

As at 30 June 2009

	Note	2009 US$'000	2008 US$'000
ASSETS			
Non-current assets			
Investment in subsidiaries	9	**–**	–
Current assets			
Loans to subsidiaries	14	**133,137**	125,539
Trade and other receivables	7	**11,411**	5,928
Prepayments		**19**	25
Cash and cash equivalents		**33,049**	60,282
		177,616	191,774
Total assets		**177,616**	191,774
EQUITY			
Capital and reserves attributable to the Company's equity-holders			
Share capital	10	**1,050**	1,050
Distributable reserves		**187,960**	187,960
Accumulated losses		**(21,242)**	(18,329)
Total equity		**167,768**	170,681
LIABILITIES			
Current liabilities			
Investment in subsidiaries	9	**9,611**	6,772
Trade and other payables	8	**237**	14,321
Total liabilities		**9,848**	21,093
Total equity and liabilities		**177,616**	191,774

The consolidated financial statements on pages 33 to 58 were approved by the Board of Directors and authorised for issue on 18 September 2009.

David Hinde
Director

Tim Henderson
Director

Consolidated Income Statement

Year ended 30 June 2009

	Note	2009 US$'000	2008 US$'000
Income			
Bank and other interest		**511**	3,640
Rental income		**233**	–
Unrealised gain on investment property	6	**1,811**	–
Gains/(losses) on foreign currency exchange		**1,138**	(711)
		3,693	2,929
Expenses			
Management fee	15	**5,154**	5,153
Performance fee	15	**–**	14,043
Non-executive Directors' fees		**200**	251
Auditors' remuneration		**116**	107
Unrealised loss on inventories	5	**12,296**	–
General and administration expenses	11	**1,144**	1,161
		(18,910)	(20,715)
Loss for the year		**(15,217)**	(17,786)
Attributable to:			
Equity-holders of the Company		**(15,217)**	(17,786)

	Note	2009 US$	2008 US$
Basic and diluted loss per Ordinary Share attributable to the equity-holders of the Company during the year	13	**(0.1449)**	(0.1694)

The accompanying notes on pages 41 to 58 are an integral part of these consolidated financial statements.

Company Income Statement

Year ended 30 June 2009

	Note	2009 US$'000	2008 US$'000
Income			
Bank and other interest		**5,923**	9,453
Gains/(losses) on foreign currency exchange		**283**	(378)
		6,206	9,075
Fair value adjustment of subsidiaries	*9*	**(2,839)**	(6,517)
Expenses			
Management fee	*15*	**5,154**	5,153
Performance fee	*15*	**–**	14,043
Non-executive Directors' fees		**200**	251
Auditors' remuneration		**96**	97
General and administration expenses	*11*	**830**	850
		(6,280)	(20,394)
Loss for the year		**(2,913)**	(17,836)
Attributable to:			
Equity-holders of the Company		**(2,913)**	(17,836)

The accompanying notes on pages 41 to 58 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

Year ended 30 June 2009

2009 **Movements during the year**	**Share capital US$'000**	**Accumulated losses US$'000**	**Distributable reserves US$'000**	**Foreign exchange on consolidation US$'000**	**Total US$'000**
Balance brought forward at 1 July 2008	**1,050**	**(18,310)**	**187,960**	**(14)**	**170,686**
Foreign exchange on consolidation	–	–	–	37	37
Loss for the year	–	(15,217)	–	–	(15,217)
Balance carried forward at 30 June 2009	**1,050**	**(33,527)**	**187,960**	**23**	**155,506**

2008 Movements during the year	Share capital US$'000	Accumulated losses US$'000	Distributable reserves US$'000	Foreign exchange on consolidation US$'000	Total US$'000
Balance brought forward at 1 July 2007	1,050	(524)	187,960	(247)	188,239
Foreign exchange on consolidation	–	–	–	233	233
Loss for the year	–	(17,786)	–	–	(17,786)
Balance carried forward at 30 June 2008	1,050	(18,310)	187,960	(14)	170,686

The accompanying notes on pages 41 to 58 are an integral part of these consolidated financial statements.

Company Statement of Changes in Equity

Year ended 30 June 2009

2009 **Movements during the year**	**Share capital US$'000**	**Accumulated losses US$'000**	**Distributable reserves US$'000**	**Total US$'000**
Balance brought forward at 1 July 2008	**1,050**	**(18,329)**	**187,960**	**170,681**
Loss for the year	–	(2,913)	–	(2,913)
Balance carried forward at 30 June 2009	**1,050**	**(21,242)**	**187,960**	**167,768**

2008 Movements during the year	Share capital US$'000	Accumulated losses US$'000	Distributable reserves US$'000	Total US$'000
Balance brought forward at 1 July 2007	1,050	(493)	187,960	188,517
Loss for the year	–	(17,836)	–	(17,836)
Balance carried forward at 30 June 2008	1,050	(18,329)	187,960	170,681

The accompanying notes on pages 41 to 58 are an integral part of these consolidated financial statements.

Consolidated Cash Flow Statement

Year ended 30 June 2009

	Note	2009 US$'000	2008 US$'000
Net cash used in operating activities	*12*	**(24,464)**	(63,975)
Cash flows from investing activities			
Acquisition of subsidiary		**(9,118)**	–
Net cash used in investing activities		**(9,118)**	–
Net decrease in cash and cash equivalents		**(33,582)**	(63,975)
Cash and cash equivalents at beginning of year		**80,555**	144,297
Effect of foreign exchange rate changes		**37**	233
Cash and cash equivalents at end of year		**47,010**	80,555

The accompanying notes on pages 41 to 58 are an integral part of these consolidated financial statements.

Company Cash Flow Statement

Year ended 30 June 2009

	Note	2009 US$'000	2008 US$'000
Net cash used in operating activities	*12*	**(19,635)**	(6,424)
Cash flows from investing activities			
Loans to subsidiaries		**(7,598)**	(71,084)
Net cash used in investing activities		**(7,598)**	(71,084)
Net decrease in cash and cash equivalents		**(27,233)**	(77,508)
Cash and cash equivalents at beginning of year		**60,282**	137,790
Cash and cash equivalents at end of year		**33,049**	60,282

The accompanying notes on pages 41 to 58 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

Year ended 30 June 2009

General information

Macau Property Opportunities Fund Limited (the "Company") is a company incorporated and registered in Guernsey under The Companies (Guernsey) Law, 1994. This law was replaced by The Companies (Guernsey) Law, 2008 on 1 July 2008. The Company is an authorised entity under the Authorised Closed-Ended Investment Schemes Rules 2008 and is regulated by the Guernsey Financial Services Committee. The address of the registered office is given on the inside back cover.

The consolidated financial statements for the year ended 30 June 2009 comprise the financial statements of the Company and its subsidiaries (together referred to as the "Group").

The Group invests in commercial property and property-related ventures primarily in Macau and in the Western Pearl River Delta region.

These consolidated financial statements have been approved for issue by the Board of Directors on 18 September 2009.

1. Significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared on a historical cost basis, with the exception of investment properties which are measured at fair value, and in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board, interpretations issued by the International Financial Reporting Interpretations Committee and applicable legal and regulatory requirements of Guernsey Law.

Interpretations effective in 2008/2009 but not relevant for the Group's operations

The following interpretations to published standards are mandatory for accounting periods beginning on or after 1 July 2008 but they are not relevant to the Group's operations:

- IFRIC 14, 'IAS 19 – the limit on a defined benefit asset, minimum funding requirements and their interaction' (effective from 1 January 2008); and
- IFRIC 13, 'Customer loyalty programmes' (effective from 1 July 2008).

Standards and interpretation to existing standards that are not yet effective and have not been early adopted by the Group

The following standards and interpretation to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 July 2009 or later periods, which the Group has not early adopted:

- IAS 1 (Revised), "Presentation of financial statements" (effective from 1 January 2009);
- IAS 16 (Amendment), "Property, plant and equipment" (effective from 1 January 2009);
- IAS 23 (Amendment), "Borrowing costs" (effective from 1 January 2009);
- IAS 27 (Amendment), "Consolidated and separate financial statements" (effective from 1 January 2009);
- IAS 27 (Revised), "Consolidated and separate financial statements" (effective from 1 July 2009);
- IAS 28 (Amendment), "Investments in associates" (effective from 1 January 2009);
- IAS 32 (Amendment), "Financial instruments: Presentation", and IAS 1 (Amendment), "Presentation of financial statements" – "Puttable financial instruments and obligations arising on liquidation" (effective from 1 January 2009);
- IAS 36 (Amendment), "Impairment of assets" (effective from 1 January 2009);
- IAS 39 (Amendment), "Financial instruments: Recognition and measurement" (effective from 1 January 2009);
- IAS 40 (Amendment), "Investment property" (effective from 1 January 2009);
- IFRIC 15, "Agreements for construction of real estates" (effective from 1 January 2009);
- IFRS 3 (Revised), "Business combinations" (effective from 1 July 2009); and
- IFRS 8 "Operating segments" (effective from 1 January 2009). IFRS 8 replaces IAS 14 and aligns segment reporting with the requirements of the US standard SFAS 131, 'Disclosures about segments of an enterprise and related information'.

1. Significant accounting policies (continued)

Standards that are not yet effective and not relevant for the Group's operations

The following standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 July 2009 or later periods but are not relevant for the Group's operations:

- IAS 19 (Amendment), "Employee benefits" (effective from 1 January 2009);
- IAS 20 (Amendment), "Accounting for government grants and disclosure of government assistance" (effective from 1 January 2009);
- IAS 29 (Amendment), "Financial reporting in hyperinflationary economies" (effective from 1 January 2009);
- IAS 31 (Amendment), "Interests in joint ventures" (effective from 1 January 2009);
- IAS 38 (Amendment), "Intangible assets" (effective from 1 January 2009);
- IAS 41 (Amendment), "Agriculture" (effective from 1 January 2009);
- IFRS 1 (Amendment), "First time adoption of IFRS", and IAS 27 "Consolidated and separate financial statements" (effective from 1 January 2009);
- IFRS 2 (Amendment), "Share-based payment" (effective from 1 January 2009); and
- IFRS 5 (Amendment), "Non-current assets held-for-sale and discontinued operations" (effective from 1 July 2009).

The Directors anticipate that the adoption of these standards and interpretations in future periods will not have material impact on the financial statements of the Company or the Group.

IFRS requires management to make judgements, estimates and assumptions that affect the application of the reported amounts in these financial statements. Complex areas involving a higher degree of judgement or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

Consolidation

The consolidated financial statements incorporate the financial statements of the Company and all special-purpose entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of a special-purpose entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Segmental reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those segments operating in other economic environments.

The Directors are of the opinion that the Group is engaged in a single segment of business, being property investment and related business. The Group invests in commercial property and property-related ventures primarily in Macau and in the Western Pearl River Delta region.

Notes to the Consolidated Financial Statements

Year ended 30 June 2009

1. Significant accounting policies (continued)

Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in US Dollars, which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

c) Group companies

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i) Assets and liabilities for each balance sheet are presented at the closing rate at the date of that balance sheet;
ii) Income and expenses for each income statement are translated at average exchange rates; and
iii) All resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to shareholders' equity.

Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property.

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Valuations are prepared semi-annually by Savills (Macau) Limited. Investment property that is being redeveloped for continuing use as investment property continues to be measured at fair value.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Changes in fair values are recorded in the income statement.

Inventories

Properties and land that are being held or developed for future sale are classified as inventories. They are individually carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less costs to complete redevelopment and selling expenses. Cost is the acquisition cost together with subsequent capital expenditure incurred, including capitalised interest where relevant.

Investment in subsidiaries

Investments in subsidiaries are designated at fair value through profit or loss. Gains and losses arising from changes in fair value are included in the income statement.

Loans to subsidiaries

Loans to subsidiaries are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. The loans accrue interest at the six month US$ LIBOR interest rate plus 1.5%, the rate is fixed every six months. The loans are repayable on demand.

Notes to the Consolidated Financial Statements

Year ended 30 June 2009

1. Significant accounting policies (continued)

Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group or the Company will not collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the income statement.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value, with an original maturity of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Shares issued by the Company are recorded based upon the proceeds received, net of incremental costs directly attributable to the issue of new shares.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and includes rental income and income from property trading.

Rental income from operating leases is recognised in income on a straight-line basis over the lease term. When the Group provides incentives to its customers, the cost of incentives are recognised over the lease term, on a straight-line basis, as a reduction of rental income.

Financial asset interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Expenses

Property and contract expenditure, including bid costs, incurred prior to the exchange of a contract is expensed as incurred, with the exception of expenditure on long-term development contracts which are capitalised.

Taxation

The Company is exempt from taxation in Guernsey under the provisions of The Income Tax (Exempt Bodies) (Guernsey) Ordinances, 1989 to 1992, and is charged an annual exemption fee of £600 (US$832).

Notes to the Consolidated Financial Statements

Year ended 30 June 2009

2. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and cash flow interest rate risk), credit risk and liquidity risk.

The Board of Directors provide written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk and liquidity risk.

Financial instruments by category

The accounting polices for financial instruments have been applied to the line items below:

Group

As at 30 June 2009	**Loans and receivables US$'000**	**Total US$'000**
Assets as per balance sheet		
Trade and other receivables	**37**	**37**
Cash and cash equivalents	**47,010**	**47,010**
Total	**47,047**	**47,047**

	Other financial liabilities US$'000	**Total US$'000**
Liabilities as per balance sheet		
Trade and other payables	**85,511**	**85,511**
Total	**85,511**	**85,511**

As at 30 June 2008	Loans and receivables US$'000	Total US$'000
Assets as per balance sheet		
Trade and other receivables	27	27
Cash and cash equivalents	80,555	80,555
Total	80,582	80,582

	Other financial liabilities US$'000	Total US$'000
Liabilities as per balance sheet		
Trade and other payables	14,521	14,521
Total	14,521	14,521

2. Financial risk management (continued)

Company

As at 30 June 2009	**Loans and receivables US$'000**	**Total US$'000**
Assets as per balance sheet		
Loans to subsidiaries	**133,137**	**133,137**
Trade and other receivables	**11,411**	**11,411**
Cash and cash equivalents	**33,049**	**33,049**
Total	**177,597**	**177,597**

	Other financial liabilities US$'000	**Total US$'000**
Liabilities as per balance sheet		
Trade and other payables	**237**	**237**
Total	**237**	**237**

As at 30 June 2008	Loans and receivables US$'000	Total US$'000
Assets as per balance sheet		
Loans to subsidiaries	125,539	125,539
Trade and other receivables	5,928	5,928
Cash and cash equivalents	60,282	60,282
Total	191,749	191,749

	Other financial liabilities US$'000	Total US$'000
Liabilities as per balance sheet		
Trade and other payables	14,321	14,321
Total	14,321	14,321

Market risk

Market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual financial instrument or all factors affecting all financial instruments traded in the market including foreign exchange risk, price risk and cash flow interest rate risk as detailed below.

The Group's market risk is managed by the Manager in accordance with policies and procedures in place. The Group's overall market positions are monitored on a quarterly basis by the Board of Directors.

Notes to the Consolidated Financial Statements

Year ended 30 June 2009

2. Financial risk management (continued)

Market risk (continued)

a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised monetary assets and liabilities and net investments in foreign operations.

The Group's policy is not to enter into any currency hedging transactions.

The table below summarises the Group's exposure to foreign currency risk as at 30 June 2009 and 30 June 2008. The Group's assets and liabilities are included in the table, categorised by their currency at their carrying amount in US$'000.

Group

As at 30 June 2009	**US$'000**	**£'000**	**HK$'000**	**MOP'000**	**RMB'000**	**Total**
Trade and other receivables	–	–	37	–	–	37
Cash and cash equivalents	1,944	59	44,908	3	96	47,010
Total financial assets	**1,944**	**59**	**44,945**	**3**	**96**	**47,047**
Trade and other payables	71	166	85,272	2	–	85,511
Total financial liabilities	**71**	**166**	**85,272**	**2**	**–**	**85,511**
On balance sheet financial position	**1,873**	**(107)**	**(40,327)**	**1**	**96**	**(38,464)**

As at 30 June 2008	US$'000	£'000	HK$'000	MOP'000	RMB'000	Total
Trade and other receivables	22	–	5	–	–	27
Cash and cash equivalents	2,445	147	77,962	1	–	80,555
Total financial assets	2,467	147	77,967	1	–	80,582
Trade and other payables	14,136	166	219	–	–	14,521
Total financial liabilities	14,136	166	219	–	–	14,521
On balance sheet financial position	(11,669)	(19)	77,748	1	–	66,061

The table above presents financial assets and liabilities denominated in foreign currencies held by the Group as at 30 June 2009 and 30 June 2008 and can be used to monitor foreign currency risk as at that date.

If the US Dollar weakened/strengthened by 10% against Sterling with all other variables held constant, the post-tax loss for the year would have been US$10,700 higher/lower (2008: US$1,900 higher/lower).

If the US Dollar weakened/strengthened by 10% against the HK Dollar with all other variables held constant, the post-tax loss for the year would have been US$4,032,700 higher/lower (2008: US$7,774,800 lower/higher).

The Macanese Pataca is fixed to the HK Dollar at a rate of MOP:HK$ of 1.03, due to the low level of assets held in this currency 10% change in value would not have a significant affect on the financial statements.

If the US Dollar weakened/strengthened by 10% against Chinese Yuan with all other variables held constant, the post-tax loss for the year would have been US$9,600 (2008: Nil) lower/higher.

2. Financial risk management (continued)

Market risk (continued)

a) Foreign exchange risk (continued)

Company

At the year end date the Company has substantial net assets denominated in HK Dollar totalling HK$33,064,000 (2008: nil). If the US Dollar weakened/strengthened by 10% against the HK Dollar with all other variables held constant, the post-tax loss for the year would have been US$3,306,400 lower/higher (2008: nil).

All other net balances of financial instruments denominated in other currencies at the year end date were immaterial.

b) Price risk

The Group is not exposed to the market risk with regards to financial instruments as it does not hold equity instruments.

c) Cash flow interest rate risk

The success of any investment is affected by general economic conditions which may affect the level and volatility of interest rates and the extent and timing of investor participation in the asset markets. Unexpected volatility or illiquidity in the markets in which the Group holds positions can impair the Group's ability to conduct its business or cause it to incur losses.

The Group's interest rate risk is managed by the Manager in accordance with policies and procedures in place. The Group's overall positions and exposures are monitored on a quarterly basis by the Board of Directors.

Group

The Group has entered into a credit facility agreement for a club loan facility of HK$642.82m (US$82.94m). This facility will be used to finance the remaining consideration of the One Central Residences apartments held in Tower Six and the individual apartments upon handover of the project in the second half of 2009. As at 30 June 2009, the Group has not utilised this credit facility. Subsequently on 27 August 2009, the Group has made drawdown on the credit facility as detailed in note 16.

The following table details the Group's exposure to interest rate risks:

As at 30 June 2009	**Interest bearing US$'000**	**Non-interest bearing US$'000**	**Total US$'000**
Trade and other receivables	–	37	37
Cash and cash equivalents	47,010	–	47,010
Total financial assets	**47,010**	**37**	**47,047**
Trade and other payables	–	85,511	85,511
Total financial liabilities	**–**	**85,511**	**85,511**

As at 30 June 2008	Interest bearing US$'000	Non-interest bearing US$'000	Total US$'000
Trade and other receivables	–	27	27
Cash and cash equivalents	80,555	–	80,555
Total financial assets	80,555	27	80,582
Trade and other payables	–	14,521	14,521
Total financial liabilities	–	14,521	14,521

An increase of 100 basis points in interest rates as at the reporting date would have increased the net assets attributable to the Group's equity-holders and changes in net assets attributable to the Group's equity-holders by US$470,100 (2008: US$805,550). A decrease of 100 basis points would have had an equal but opposite effect.

Notes to the Consolidated Financial Statements

Year ended 30 June 2009

2. Financial risk management (continued)

Market risk (continued)

c) Cash flow interest rate risk (continued)

Company

The Company has an exposure to interest rate risks as the loans to its subsidiaries are determined in accordance with agreements which have a variable interest rate based on the 6 months US Dollar LIBOR plus 1.5%. The loans are held as due on demand.

The following table details the Company's exposure to interest rate risks:

As at 30 June 2009	**Interest bearing US$'000**	**Non-interest bearing US$'000**	**Total US$'000**
Loans to subsidiaries	133,137	–	133,137
Trade and other receivables	–	11,411	11,411
Cash and cash equivalents	33,049	–	33,049
Total financial assets	**166,186**	**11,411**	**177,597**
Trade and other payables	–	(237)	(237)
Total financial liabilities	**–**	**(237)**	**(237)**

As at 30 June 2008	Interest bearing US$'000	Non-interest bearing US$'000	Total US$'000
Loans to subsidiaries	125,539	–	125,539
Trade and other receivables	–	5,928	5,928
Cash and cash equivalents	60,282	–	60,282
Total financial assets	185,821	5,953	191,749
Trade and other payables	–	(14,321)	(14,321)
Total financial liabilities	–	(14,321)	(14,321)

An increase of 100 basis points in interest rates as at the reporting date would have increased the net assets attributable to the Company's equity-holders and changes in net assets attributable to the Company's equity-holders by US$1,661,860 (2008: US$1,858,210). A decrease of 100 basis points would have had an equal but opposite effect.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Group.

The Group is not exposed to significant credit risk, as the income of the Group is derived from bank deposits only through the use of high credit quality financial institutions.

2. Financial risk management (continued)

Credit risk (continued)

The Group has deposits with the below banks:

Bank	Credit Rating*
HSBC	AA
Barclays Bank plc	AA-
The Royal Bank of Scotland plc	A+
The Royal Bank of Scotland International**	A+
CITIC Ka Wah Bank Limited	BBB+

* From Standard & Poor's / Fitch

** A subsidiary of The Royal Bank of Scotland plc

The Company has intercompany loans of US$133,137,000 (2008: US$125,539,000) due from its subsidiaries. During the year interest income of US$5,490,000 (2008: US$5,901,000) was accrued on these loans. Accrued interest income of US$11,391,000 (2008: US$5,901,000) was outstanding at the year end date.

The Directors have considered the recoverability of these intercompany loans and the related accrued interest and do not consider there will be any issue surrounding their recoverability due to the assets held by the Group companies.

Interest receivable per Note 7 is split into two categories, bank interest and interest due on inter-company loans. The bank interest related to accrued interest on fixed deposits held at the year end which have now matured. The inter-company loan interest is repayable on demand with the loan, no loans have been called for repayment.

Liquidity risk

The Group adopts a prudent approach to liquidity management and maintains sufficient cash reserves and borrowings to meet its obligations. The Group maintains sufficient cash and obtains funding through credit facilities to meet its current property development liabilities. The Group has entered into a credit facility agreement for a club loan facility of HK$642.82m (US$82.94m). This facility will be used to finance the remaining consideration of the One Central Residences apartments held in Tower Six and the individual apartments upon handover of the project in the second half of 2009. The amount outstanding on these properties that were due as at 30 June 2009 was US$82.94m (2008: US$82.46m). The outstanding amount on these properties was paid on 27 August 2009.

The Group's liquidity position is monitored by the Manager and is reviewed quarterly by the Board of Directors.

The table below analyses the Group's financial assets and liabilities into relevant maturity profiles based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Group	**2009 US$'000**	2008 US$'000
Financial assets – current		
Trade and other receivables – maturity less than 1 year	**37**	27
Cash and cash equivalents – maturity less than 1 year	**47,010**	80,555
	47,047	80,582
Financial liabilities – current		
Trade and other payables – maturity less than 1 year	**85,511**	14,521

Notes to the Consolidated Financial Statements

Year ended 30 June 2009

2. Financial risk management (continued)

Liquidity risk (continued)

Company	2009 US$'000	2008 US$'000
Financial assets – current		
Loans to subsidiaries	**133,137**	125,539
Trade and other receivables – maturity less than 1 year	**11,411**	5,928
Cash and cash equivalents – maturity less than 1 year	**33,049**	60,282
	177,597	191,749
Financial liabilities – current		
Trade and other payables – maturity less than 1 year	**237**	14,321

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

During the year ended 30 June 2009 there were no borrowings other than trade and other payables and the Group had a credit facility in place as well as sufficient cash and cash equivalents to pay these as they fell due.

The Group has entered into a credit facility agreement for a club loan facility of HK$642.82m (US$82.94m) to finance the remaining consideration of the One Central Residences apartments as detailed in Note 5.

3. Critical accounting estimates and assumptions

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

a) Fair value of the investment property, net realisable value and adjusted net asset value are based on the current market valuation provided by Savills (Macau) Limited, an independent valuer. Savills are required to make assumptions on establishing the current market valuation.

b) The performance fees, management fees and administration fees are based on adjusted net asset value.

4. Subsidiaries

All special-purpose vehicles (SPVs) are owned 100% by the Company. The following subsidiaries have a year end of 31 December to coincide with the Macanese tax year:

MPOF Macau (Site 1) Limited
MPOF Macau (Site 2) Limited
MPOF Macau (Site 3) Limited
MPOF Macau (Site 4) Limited
MPOF Macau (Site 5) Limited
MPOF Macau (Site 6) Limited
MPOF Macau (Site 7) Limited
MPOF Macau (Site 8) Limited
MPOF Macau (Site 9) Limited
MPOF Macau (Site 10) Limited

4. Subsidiaries (continued)

The consolidated financial statements include the financial statements of the Company and the subsidiaries listed below:

	Ownership	Incorporation
MPOF Macau (Site 1) Limited	100%	Macau
MPOF Macau (Site 2) Limited	100%	Macau
MPOF Macau (Site 3) Limited	100%	Macau
MPOF Macau (Site 4) Limited	100%	Macau
MPOF Macau (Site 5) Limited	100%	Macau
MPOF Macau (Site 6) Limited	100%	Macau
MPOF Macau (Site 7) Limited	100%	Macau
MPOF Macau (Site 8) Limited	100%	Macau
MPOF Macau (Site 9) Limited	100%	Macau
MPOF Macau (Site 10) Limited	100%	Macau
MPOF (Penha) Limited	100%	Guernsey
MPOF (Taipa) Limited	100%	Guernsey
MPOF (Jose) Limited	100%	Guernsey
MPOF (Sun) Limited	100%	Guernsey
MPOF (Senado) Limited	100%	Guernsey
MPOF (Domingos) Limited	100%	Guernsey
MPOF (Monte) Limited	100%	Guernsey
MPOF (Paulo) Limited	100%	Guernsey
MPOF (Guia) Limited	100%	Guernsey
MPOF (Antonio) Limited	100%	Guernsey
MPOF (6A) Limited	100%	Guernsey
MPOF (6B) Limited	100%	Guernsey
MPOF (7A) Limited	100%	Guernsey
MPOF (7B) Limited	100%	Guernsey
MPOF (8A) Limited	100%	Guernsey
MPOF (8B) Limited	100%	Guernsey
MPOF (9A) Limited	100%	Guernsey
MPOF (9B) Limited	100%	Guernsey
MPOF (10A) Limited	100%	Guernsey
MPOF (10B) Limited	100%	Guernsey
MPOF Mainland Company 1 Limited	100%	Barbados
Bream Limited	100%	Guernsey
Cannonball Limited	100%	Guernsey
Civet Limited	100%	Guernsey
Aim Top Enterprises Limited	100%	BVI
Championway International Limited	100%	BVI
Extra Able International Limited	100%	BVI
Fondue International Limited	100%	BVI
Gainsun Investments Limited	100%	BVI
Go Gain International Limited	100%	BVI
Gorey Hills International Limited	100%	BVI
Hillsleigh Holdings Limited	100%	BVI
Honeypot International Limited	100%	BVI
Jin Mei International Limited	100%	BVI
Lucan Investments Limited	100%	BVI
Lucky Go International Limited	100%	BVI
Magic Bright International Limited	100%	BVI
Manage Gain Investments Limited	100%	BVI
Mega League Investments Limited	100%	BVI
Multi Gold International Limited	100%	BVI
Phoenixville Holdings Limited	100%	BVI
Poly Advance Management Limited	100%	BVI
Prominent Group Limited	100%	BVI
Richsville Investment Limited	100%	BVI
Right Year International Limited	100%	BVI
See Lucky Enterprises Limited	100%	BVI
Smooth Run Group Limited	100%	BVI
Swift Link Limited	100%	BVI
Talent Empire International Limited	100%	BVI
Tycoon Villa International Limited	100%	BVI
Worthy Way Limited	100%	BVI
Yield Return Limited	100%	BVI
Capital Full Limited	100%	Hong Kong
China City Properties Limited	100%	Hong Kong
China Crown Properties Limited	100%	Hong Kong
East Base Properties Limited	100%	Hong Kong
Eastway Properties Limited	100%	Hong Kong
Elite Gain Limited	100%	Hong Kong
Excelsior Properties Limited	100%	Hong Kong
Glory Properties Limited	100%	Hong Kong
Gold Century Properties Limited	100%	Hong Kong
Golden City Properties Limited	100%	Hong Kong
Golden Properties Limited	100%	Hong Kong
Goldex Properties Limited	100%	Hong Kong
Honway Properties Limited	100%	Hong Kong
Maxland Properties Limited	100%	Hong Kong
New Perfect Properties Limited	100%	Hong Kong
Newton Properties Limited	100%	Hong Kong
Orient Land Properties Limited	100%	Hong Kong
Pacific Asia Properties Limited	100%	Hong Kong
Pacific Link Properties Limited	100%	Hong Kong
Pacific Success Properties Limited	100%	Hong Kong
Platinum Properties Limited	100%	Hong Kong
Queensland Properties Limited	100%	Hong Kong
Sky Century Properties Limited	100%	Hong Kong
Top Century Properties Limited	100%	Hong Kong
Top Faith Properties Limited	100%	Hong Kong
Union Century Properties Limited	100%	Hong Kong
Victory Star Properties Limited	100%	Hong Kong
Weltex Properties Limited	100%	Hong Kong
Windex Properties Limited	100%	Hong Kong
World Pacific Properties Limited	100%	Hong Kong
Sailing Logistics (Zhuhai Free Trade Zone) Co. Ltd.*	100%	PRC

* New subsidiary was added during the year, other subsidiaries were part of the Group as at 30 June 2008.

Notes to the Consolidated Financial Statements

Year ended 30 June 2009

5. Inventories

	2009 US$'000 Group	2008 US$'000 Group
Cost of properties brought forward	**104,599**	56,084
Additions	**88,744**	48,515
Write down to net realisable value	**(12,296)**	–
Cost of properties carried forward	**181,047**	104,599

Additions include new properties purchased, capital expenditure and development costs.

During the year there has been reduction in the values of the inventories held due to a general decline in the market value of properties in Macau. Write-down of inventories amounted US$12,296,372 has been recognised as an expense in the Consolidated Income Statement to bring the carrying value of inventories at the lower of costs and net realisable value.

The Company is guarantor for its subsidiary company MPOF Macau (Site 5) Limited in respect of outstanding amounts due on Tower Six of One Central Residences. The total of the guarantee was HK$471,370,716 (US$60,818,999) (2008: HK$471,370,716 (US$60,403,328)) and was paid on completion of the property on 27 August 2009.

Subsidiaries of the Company purchased additional units in One Central Residences and outstanding amount due on these units as at 30 June 2009 was HK$171,450,641 (US$22,121,590) (2008: HK$171,450,641 (US$21,970,370)).

Subsequent to the year end on 27 August 2009, the Group has utilised the credit facility to fund the remaining payments due on the One Central Residences properties.

6. Investment property

	2009 US$'000 Group	2008 US$'000 Group
Cost of investment properties	**11,092**	–
Unrealised gain from fair value adjustments on investment property	**1,811**	–
	12,903	–

During the year, the Group acquired a subsidiary in Zhuhai, China which owns investment properties located in the Zhuhai Free Trade Zone. Rental income of US$233,256 was received during the year. Direct operating expenses of US$159,157 arising from investment properties that generated rental income were incurred during the year.

The Group's investment properties were revalued at 30 June 2009 by independent professionally qualified valuers Savills (Macau) Limited. The valuation has been carried out in accordance with the current Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Standards to calculate the market value of the investment properties in their existing state and physical condition.

Notes to the Consolidated Financial Statements

Year ended 30 June 2009

7. Trade and other receivables

	2009 US$'000 Company	2009 US$'000 Group	2008 US$'000 Company	2008 US$'000 Group
Interest receivable	**11**	**28**	27	27
Inter-company loan interest	**11,391**	**–**	5,901	–
Other debtors	**9**	**9**	–	–
	11,411	**37**	5,928	27

The Directors believe the above amounts to be recoverable.

8. Trade and other payables

	2009 US$'000 Company	2009 US$'000 Group	2008 US$'000 Company	2008 US$'000 Group
Payments due for acquired property	**–**	**82,941**	–	–
Payable to the Manager	**–**	**–**	14,043	14,043
Trade and other payables	**237**	**2,570**	278	478
	237	**85,511**	14,321	14,521

Other payables principally comprise amounts outstanding for ongoing costs.

9. Investment in subsidiaries

	2009 US$'000 Company	2008 US$'000 Company
Opening balance	**(6,772)**	(255)
Cost of subsidiaries	**–**	–
Fair value adjustment for elimination of subsidiary equity	**–**	(6,517)
Closing balance after elimination of subsidiary equity	**(6,772)**	–
Fair value adjustment of subsidiaries	**(2,839)**	(6,772)
Investment in subsidiaries	**(9,611)**	(6,772)

The cost of subsidiaries as at 30 June 2009 was US$91 (2008: US$91). The fair value adjustment for elimination of subsidiary equity is equal and opposite to the cost of the subsidiaries, the purpose of this adjustment is to show the investment as US$ nil as shown in non-current assets on the Company balance sheet.

The fair value adjustment of subsidiaries is an adjustment to show the true negative value of the investment in subsidiaries as shown in current liabilities on the Company balance sheet.

The investment in subsidiaries is accounted for as stated in Note 1. The fair value is based on the net asset value of the Hong Kong, British Virgin Islands, Macanese and Guernsey SPVs as at the year end date.

Notes to the Consolidated Financial Statements

Year ended 30 June 2009

10. Share capital

	2009 US$'000 Company	**2009 US$'000 Group**	2008 US$'000 Company	2008 US$'000 Group
Authorised:				
300 million Ordinary Shares of US$0.01 each	**3,000**	**3,000**	3,000	3,000
Issued and fully paid:				
105 million Ordinary Shares of US$0.01 each	**1,050**	**1,050**	1,050	1,050

The Company has one class of Ordinary Share which carries no right to fixed income.

11. General and administration expenses

	2009 US$'000 Company	**2009 US$'000 Group**	2008 US$'000 Company	2008 US$'000 Group
Legal and Professional	**231**	**233**	165	338
Holding Company administration	**198**	**198**	229	229
Guernsey SPV administration	**99**	**99**	114	114
BVI, HK, & Macau SPV administration	**–**	**112**	–	87
Insurance costs	**30**	**30**	42	42
Other operating expenses	**272**	**472**	300	351
General and administration expenses	**830**	**1,144**	850	1,161

Administration fees for the British Virgin Islands, Hong Kong and Macanese SPVs are payable to Adept Capital Partners Services Limited in which Tom Ashworth is a shareholder and Director.

12. Net cash used in operating activities

	2009 US$'000 Company	**2009 US$'000 Group**	2008 US$'000 Company	2008 US$'000 Group
Loss for the year	**(2,913)**	**(15,217)**	(17,836)	(17,786)
Adjustments for:				
Unrealised gain on investment property	**–**	**(1,811)**	–	–
Unrealised loss on inventories	**–**	**12,296**	–	–
Fair value adjustment for investment in subsidiaries	**2,839**	**–**	6,517	–
Operating cash flows before movements in working capital	**(74)**	**(4,732)**	(11,319)	(17,786)
Movement in receivables	**(5,477)**	**(4)**	(5,445)	459
Movement in payables	**(14,084)**	**(13,971)**	10,340	10,483
Expenditure on inventories	**–**	**(5,757)**	–	(57,131)
Net change in working capital	**(19,561)**	**(19,732)**	4,895	(46,189)
Net cash used in operating activities	**(19,635)**	**(24,464)**	(6,424)	(63,975)

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and other short-term highly liquid investments with a maturity of three months or less.

13. Basic and diluted loss per Ordinary Share

The basic and diluted loss per equivalent Ordinary Share is based on the loss attributable to equity-holders for the year of US$(15,217,000) (2008: US$(17,786,000)) and on the 105,000,000 (2008: 105,000,000) weighted average number of Ordinary Shares in issue during the year.

	30 June 2009 Loss Attributable US$'000	**Weighted Average No. of Shares '000s**	**EPS US$**	30 June 2008 Loss Attributable US$'000	Weighted Average No. of Shares '000s	EPS US$
Basic	**(15,217)**	**105,000**	**(0.1449)**	(17,786)	105,000	(0.1694)
Diluted	**(15,217)**	**105,000**	**(0.1449)**	(17,786)	105,000	(0.1694)

14. Related party transactions

In the year to 30 June 2009 Directors' fees of US$nil (2008: US$ nil) were paid by the Guernsey incorporated subsidiaries.

	2009 US$'000 Company	**2009 US$'000 Group**	2008 US$'000 Company	2008 US$'000 Group
Directors' Fees	**200**	**200**	251	251
	200	**200**	251	251

Tom Ashworth is a shareholder and Director of Sniper Capital Limited. Sniper Capital Limited is the Manager to the Company and received fees during the year as detailed in the income statement and in Note 15.

Tom Ashworth is a shareholder and Director of Adept Capital Partners Services Limited. Adept Capital Partners Services Limited provides administrative services to the Macanese, Hong Kong and British Virgin Islands SPVs and received fees during the year as detailed in Note 11.

Notes to the Consolidated Financial Statements

Year ended 30 June 2009

14. Related party transactions (continued)

The Company makes loans to its subsidiaries which are detailed in the table below:

	2009 US$'000	2008 US$'000
MPOF (Antonio) Limited	**13,952**	13,487
MPOF (Domingos) Limited	**10,830**	10,829
MPOF (Guia) Limited	**13,952**	13,487
MPOF (Jose) Limited	**4,224**	4,139
MPOF (Monte) Limited	**48**	48
MPOF (Paulo) Limited	**48**	48
MPOF (Penha) Limited	**8,083**	8,082
MPOF (Senado) Limited	**10,830**	10,829
MPOF (Sun) Limited	**4,223**	4,139
MPOF (Taipa) Limited	**8,083**	8,082
MPOF (6A) Limited	**5,691**	5,755
MPOF (6B) Limited	**5,691**	5,755
MPOF (7A) Limited	**1,856**	34
MPOF (7B) Limited	**1,856**	34
MPOF (8A) Limited	**26**	24
MPOF (8B) Limited	**26**	24
MPOF (9A) Limited	**26**	24
MPOF (9B) Limited	**26**	24
MPOF (10A) Limited	**26**	24
MPOF (10B) Limited	**26**	24
MPOF Mainland Company 1 Limited	**9**	6
Bream Limited	**28,943**	28,908
Cannonball Limited	**3,572**	3,536
Civet Limited	**11,090**	8,197
	133,137	125,539

During the year interest income of US$5,490,000 (2008: US$5,901,000) was accrued on these intercompany loans. Accrued interest income of US$11,391,000 (2008: US$5,901,000) was outstanding at the year end date.

15. Material contracts

Management Fee

Under the terms of an appointment made by the Board of Directors of Macau Property Opportunities Fund Limited on 23 May 2006, Sniper Capital Limited ("SCL") was appointed as Manager to the Company. The Manager is paid quarterly in advance a fee of 2.0% of the Net Asset Value, as adjusted to reflect the Property Investment Valuation Basis. Management fees paid for the year were US$5,154,000 (2008: US$5,153,000).

Performance Fee

In addition, the Manager will be entitled to a performance fee in certain circumstances. This fee is payable by reference to the increase in Adjusted NAV per Ordinary Share over the course of each calculation period. The first calculation period began on Admission and ended on 30 June 2007, each subsequent performance period is a period of one financial year.

15. Material contracts (continued)

Performance Fee (continued)

Payment of the performance fee is subject to:

(i) the achievement of a performance hurdle condition: Adjusted NAV per Ordinary Share at the end of the relevant performance period must exceed an amount equal to the US dollar equivalent of the Placing Price increased at a rate of 10 percent. per annum on a compounding basis up to the end of the relevant performance period (the "Basic Performance Hurdle"); and

(ii) the achievement of a 'high watermark': Adjusted NAV per Ordinary Share at the end of the relevant performance period must be higher than the highest previously reported Adjusted NAV per Ordinary Share at the end of a performance period in relation to which a performance fee, if any, was last earned.

If the Basic Performance Hurdle is met, and the high watermark exceeded, the performance fee will be an amount equal to 20 percent. of the excess of the Adjusted NAV per Ordinary Share at the end of the relevant performance period over the higher of (i) the Basic Performance Hurdle; (ii) the Adjusted NAV per Ordinary Share at the start of the relevant performance period; and (iii) the high watermark (in each case on a per share basis), multiplied by the time weighted average of the number of Ordinary Shares in issue in the performance period (or since Admission in the first performance period) (together, if applicable, with an amount equal to the VAT thereon).

In addition, the Manager will become entitled to a super performance fee in respect of a performance period if a further additional criterion is met, being the achievement of a super performance hurdle condition: Adjusted NAV per Ordinary Share at the end of the relevant performance period must exceed an amount equal to the US dollar equivalent of the Placing Price increased at a rate of 25 percent. per annum on a compounding basis up to the end of the relevant performance period (the "Super Performance Hurdle").

If the Super Performance Hurdle is met and the high watermark exceeded, the super performance fee will be an amount equal to a further 15 percent. of the excess of the Adjusted NAV per Ordinary Share at the end of the relevant performance period over the higher of (i) the Super Performance Hurdle; (ii) the Adjusted NAV per Ordinary Share at the start of the relevant performance period; and (iii) the high watermark (in each case on a per share basis), multiplied by the time weighted average of the number of Ordinary Shares in issue in the performance period (or since Admission in the first performance period) (together, if applicable, with an amount equal to the VAT thereon).

The amounts accrued in the financial statements are as follows:

	2009	2008
Performance Fee	**US$Nil**	US$14,043,700
Super Performance Fee	**US$Nil**	US$Nil

In the year ended 30 June 2009, a performance fee of US$14,043,700 (2008: US$3,807,300) was paid by the Group.

16. Post Balance Sheet Event

On 27 August 2009 the Group paid the remaining amounts due on the One Central Residences apartments held in Tower Six and the individual apartments for a total amount of US$82.46m. The payment was financed by a credit facility with a consortium of banks lead by HSBC (the "Lenders").

The credit facility is secured by means of a first registered legal mortgage over all the residential units owned by the Group at One Central Residences. The credit facility is to be repaid in four half-yearly instalments commencing on 27 November 2010 with 65% of the principal due on the final repayment date. The loan-to-value covenant is 55%. In addition, the Group is required to maintain a cash reserve equal to 6 months' interest with the Lenders.

Interest rate applicable to the credit facility is 2.4% per annum over the 3-month HIBOR, payable quarterly in arrears.

Notice of AGM

Macau Property Opportunities Fund Limited (the "Company")

NOTICE is hereby given that the Annual General Meeting of Macau Property Opportunities Fund Limited is to be held at the Registered Office of the Company, Heritage Hall, Le Marchant Street, St Peter Port, Guernsey, on 23 October 2009 at 2.30 p.m. for the transaction of the following business:

1. To receive and adopt the audited accounts, the Directors' report, and the Auditors' report for the period ended 30 June 2009.

2. To re-appoint PricewaterhouseCoopers CI LLP, who have indicated their willingness to continue in office, as Auditors of the Company to hold office until the next Annual General Meeting.

3. To authorise the Directors to determine the remuneration of PricewaterhouseCoopers CI LLP.

4. To re-appoint Richard Hugh Barnes, who retires as a Director of the Company, in accordance with the Company's Articles of Association.

5. To consider, as special business which will be proposed as an Ordinary Resolution, THAT the Company in accordance with Section 315 of The Companies (Guernsey) Law 2008 (the "**Law**") be approved to make market purchases (as defined in Section 316 of the Law) either for retention as treasury shares, or cancellation, provided that:-

   i) the maximum number of shares authorised to be purchased is up to 14.99 percent. of the shares in issue;

   ii) the minimum price which may be paid for a share is £0.01;

   iii) the maximum price which may be paid for a share is an amount equal to the higher of (a)105 percent. of the average of the middle market quotations for a share as derived from the Alternative Investment Market of the London Stock Exchange for the five business days immediately preceding the day on which that share is purchased and either the higher of the price of the last independent trade and (b) the highest current independent bid at the time of purchase;

   iv) subject to paragraph (v), such authority shall expire at the Annual General Meeting of the Company in 2010 unless such authority is varied, revoked or renewed prior to such date by a special resolution of the Company in general meeting;

   v) notwithstanding paragraph (iv), the Company may make a contract to purchase shares under such authority prior to its expiry which will or may be executed wholly or partly after its expiration and the Company may make a purchase of shares pursuant to any such contract.

Heritage International Fund Managers Limited
Company Secretary

18 September 2009

Heritage Hall
Le Marchant Street
St Peter Port
Guernsey

Notice of AGM

Macau Property Opportunities Fund Limited (the "Company")

Notes to the Notice of the Annual General Meeting:

1. A member is entitled to attend and vote at the Meeting provided that all calls due from him in respect of his shares have been paid. A member is also entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. The proxy need not be a member of the Company.

2. A form of proxy is enclosed with this notice. To be effective, the instrument appointing a proxy (together with any power of attorney or other authority under which it is executed or a duly certified copy of such power) must be sent to Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, no later than 2.30 p.m. on 21 October 2009, or not less than 48 hours before the time for holding any adjourned meeting, as the case may be. A corporation may execute a proxy under its common seal or by the hand of a duly authorised officer or other agent. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the meeting.

3. The quorum for the Meeting is at least two shareholders present in person or by proxy.

4. In accordance with the Regulation 41 of the Uncertificated Securities Regulations 2001 and Article 17.5 of the Company's Articles of Association, only those members entered in the Register of Members of the Company at close of business on 21 October 2009 shall be entitled to attend or vote at the Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend or vote at the Meeting.

5. The Register of Directors' Interests kept by the Company shall be available for inspection at the Registered Office of the Company by any member between the hours of 10am and 12noon on any business day for a period of 14 days before and ending 3 days after the Annual General Meeting. The Register of Directors' Interests shall be produced at the commencement of the Annual General Meeting and shall remain open and accessible during the continuance of the Annual General Meeting to any person attending such meeting.

Directors and Company Information

Directors:
David Hinde (Chairman)
Tom Ashworth
Richard Barnes
Alan Clifton
Tim Henderson

Audit Committee:
Alan Clifton (Chairman)
Richard Barnes
Tim Henderson

Registered Office:
Heritage Hall
PO Box 225
Le Marchant Street
St Peter Port
Guernsey GY1 4HY

Manager:
Sniper Capital Limited
PO Box 957
Offshore Incorporations Centre
Road Town
British Virgin Islands

Investment Adviser:
Sniper Capital (Macau) Limited
918 Avenida da Amizade
14/F World Trade Centre
Macau

Administrator & Company Secretary:
Heritage International Fund Managers Limited
Heritage Hall
PO Box 225
Le Marchant Street
St Peter Port
Guernsey GY1 4HY

Macau and Hong Kong Administrator:
Adept Capital Partners Services Limited
26/F Jubilee Centre
42-46 Gloucester Road
Hong Kong

Public Relations:
Hogarth Partnership Limited
No 1 London Bridge
London SE1 9BG

Nominated Adviser & Broker:
Collins Stewart Europe Limited
9th Floor
88 Wood Street
London EC2V 7QR

Joint Broker:
Shore Capital Stockbrokers Limited
Bond Street House
14 Clifford Street
London W1S 4JU

Independent Auditors:
PricewaterhouseCoopers CI LLP
PO Box 321
National Westminster House
Le Truchot
St Peter Port
Guernsey GY1 4ND

Property Valuers:
Savills (Macau) Limited
Suite 1310
13/F Macau Landmark
555 Avenida da Amizade
Macau

The report has been printed using inks made from vegetable oil and are non-hazardous from renewable sources. Over 90% of solvents are recycled for further use and recycling initiatives are in place for all other waste associated with this production. The printers are FSC and ISO 14001 certified with strict procedures in place to safeguard the environment through all their processes.

Consort Brilliance contains material sourced from responsibly-managed and well-managed forests, certified in accordance with the FSC (Forest Stewardship Council). It is totally recyclable and acid-free and is manufactured at a mill powered predominantly by natural gas, producing virtually no harmful emissions.

Naturalis Absolute White Smooth is made from ECF (Elemental Chlorine Free) wood pulp sourced from well-managed and renewed forest. The mill generates a proportion of its renewable power from water turbines. Naturalis is fully recyclable and is manufactured within an ISO 14001 certified mill in the UK.

FSC
Mixed Sources
Product group from well-managed forests, controlled sources and recycled wood or fibre
Cert no. SGS-COC-004556
www.fsc.org
© 1996 Forest Stewardship Council

Designed and produced by MAGEE
www.magee.co.uk
Printed by PUSH

Macau Property Opportunities Fund Limited

PO Box 225
Le Marchant Street
St. Peter Port, Guernsey
Channel Islands GY1 4HY

www.mpofund.com