

Macau Property Opportunities Fund Limited

Tax Base Cost Allocation between Ordinary Shares and B Shares for UK Capital Gains Tax Purposes

On 15 April 2014, following shareholder approval, the Company made a bonus issue of B shares to Ordinary Shareholders. As such, Ordinary Shareholders now hold both Ordinary Shares and B Shares.

As explained in the Circular dated 13 March 2014, the original base cost for tax purposes (being the original purchase price paid by the Shareholder) in the Ordinary Shares before the bonus issue must be allocated between the Ordinary Shares and the B Shares. The allocation as prescribed by section 130(2) TCGA 1992 is based on the respective market values on the first day of trading in the Ordinary Shares following the issue of the B Shares (being 15 April 2014). The market value for the Ordinary Shares on 15 April 2014 was 231.50p. The market value of each B Share on 15 April 2014 was 21.146p, being equal to the cash return per B Share.

The allocation of a shareholder's original base cost is therefore:

Allocated base cost in the Ordinary Shares = $\frac{[\text{Ord value}]}{([\text{Ord value}] + [\text{B share value}])} \times \text{original base cost}$

Allocated base cost in the B Shares = $\frac{[\text{B share value}]}{([\text{Ord value}] + [\text{B share value}])} \times \text{original base cost}$

Shareholders who acquired their Ordinary Shares through more than one original transaction may be required to treat their Ordinary Shares for capital gains tax purposes as two or more separate shareholdings of Ordinary Shares, referred to in this paragraph as "sub-shareholdings". Each separate sub-shareholding will have its own base cost which would need to be apportioned between the Ordinary Shares and the B Shares in line with the allocation figures noted above.

Shareholders who are in any doubt as to their base cost or the allocation to any sub-shareholdings should consult an appropriate professional adviser.