

ANNOUNCEMENT

22 February 2019

MPO Announces 2019 Interim Results

Macau Property Opportunities Fund Limited announces its results for the period ended 31 December 2018. The Company, which is managed by Sniper Capital Limited, develops and invests in property opportunities in Macau.

Financial Highlights

Fund performance

- MPO's portfolio value declined 5.2%¹ over the 6-month period to US\$320.2 million.
- Adjusted NAV² declined 10.7% from 6 months earlier to US\$188.2 million, translating to US\$3.04 (239 pence³) per share.
- IFRS NAV decreased by 16.9% over the period to US\$143.1 million.
- MPO's share price declined 16% over the period to 162 pence, representing a 32% discount to Adjusted NAV per share as at 31 December 2018.

¹ Calculation was adjusted to reflect like-for-like comparisons to 31 December 2018 due to the divestment of properties during the period.

² Under IFRS, inventories are carried at the lower of cost and net realisable value. The Adjusted NAV includes the uplift of inventories to their market values.

³ Based on the US Dollar/Sterling exchange rate of 1.274 as at 31 December 2018.

Capital management

- Gross borrowings stood at US\$148.1 million, equating to a loan-to-value ratio of 41.8%.
- Cash balance was US\$33.3 million, of which US\$1.8 million was pledged as collateral for credit facilities.
- Approximately US\$50.5 million (GBP38.2 million) was distributed to shareholders in July, by way of a compulsory redemption of shares. This represented 62% of the net profit from the divestment of *Senado Square*, equivalent to 50 pence per share.

Portfolio Highlights

- *The Waterside*
 - The average monthly rent remained stable at US\$2.74 per square foot, while occupancy declined to 53% as at 31 December 2018 as leasing activity in Macau's high-end residential market softened amid a slowdown in the VIP gaming sector.
- *The Fountainside*
 - In August, a car-parking space was sold for US\$0.3 million, otherwise sales remained muted. Approval to reconfigure the villas and duplex units into more saleable smaller apartments and car-parking spaces is still pending.

- *Estrada da Penha*
 - Active marketing is being carried out to divest this exclusive asset, which stands to benefit from the planned economic integration of the Pearl River Delta region.

Mark Huntley, Chairman of Macau Property Opportunities Fund, says, “Our overriding aim is to deliver cost-effective and timely divestments of our remaining properties, including further returns of capital to our shareholders.”

“It is important that we exercise a measure of patience as we work through the current volatility, supported by our strong capital base. During this time, focus remains on containing all manageable costs.”

“China’s recently announced initiative to develop the Pearl River Delta into a world-class city cluster of 11 cities will have a powerful cascading effect on the wider region, including Macau. Ambitious infrastructure projects – which form a strategic component of the plan – have always been a key factor influencing the Manager’s approach to the timing of divestments.”

“We remain confident of the quality of our portfolio and believe it is well-positioned to capitalise on an improvement in sentiment among prospective investors. Our approach is designed to ensure that we enhance our assets while continuing to maximise opportunities for divestment.”

For more information, please visit www.mpofund.com for a full copy of the Company’s Interim Report.

The Manager will be available to speak to analysts and the media. If you would like to arrange a call, please contact Sniper Capital’s Investor Relations department at info@snipercapital.com.

About Macau Property Opportunities Fund

Premium listed on the London Stock Exchange, [Macau Property Opportunities Fund Limited](http://www.mpofund.com) is a closed-end investment company registered in Guernsey and is the only quoted property fund dedicated to investing in Macau, the world’s largest gaming market and the only city in China where gaming is legalised.

Launched in 2006, the Company targets strategic property investment and development opportunities in Macau. Its current portfolio comprises prime residential property assets.

The Company is managed by [Sniper Capital Limited](http://www.snipercapital.com), an Asia-based property investment manager with an established track record in fund management and investment advisory.

Stock Code:

London Stock Exchange: MPO

LEI:

213800NOAO11OWIMLR72

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