

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended immediately to seek your own personal advice from an appropriately qualified independent adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent adviser if you are in territory outside the United Kingdom.

If you have sold or otherwise transferred all of your Shares in Macau Property Opportunities Fund Limited, please forward this document (but not the accompanying personalised Form of Proxy) as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.



Directors

Mark Huntley
Alan Clifton
Tom Ashworth
Wilfred Woo

Registered Office

PO Box 286,
Floor 2, Trafalgar Court,
Les Banques,
St Peter Port,
Guernsey GY1 4LY

11 November 2019

Dear Shareholder,

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

In our Annual report and Accounts for the Year Ended 30 June 2019 ("the **Annual Report**"), the Board undertook to provide more detail concerning the proposal to extend the life of the Company, agreements to moderate the operating costs during the extension and changes to the Board. This letter provides more detail on those matters and should also be read in conjunction with the Notice and Agenda for the Annual General Meeting to be held on Friday, 29 November 2019.

In accordance with the Company's Articles of Incorporation (the "**Articles**"), the Company has opted to make documents available to shareholders via publication on the Company website <https://mpofund.com/> rather than sending hard copies.

To that end, please be advised that the Annual Report and Audited Financial Statements to 30 June 2019 are available on the Company's website:

<https://mpofund.com/investors/publications/financial-results/>

Should you wish to receive a hard copy, please contact the Company Secretary at the Registered Office noted below:

Estera International Fund Managers (Guernsey) Limited

PO Box 286, Floor 2, Trafalgar Court,
Les Banques,
St Peter Port,
Guernsey
GY1 4LY

Retirement of Tom Ashworth – Move to a fully independent Board

Tom Ashworth will retire as a Director of the Company with effect from the date of the Annual General Meeting on 29 November 2019 (the "**AGM**"). Mr Ashworth's retirement will see the Company transition to a fully independent Board. Mr Ashworth will continue in his role with the Manager. The Board will work closely with the Manager during such transition, ensuring full continuity of the Company's agreed divestment plan.

Reduction in Manager & Fund Administration Costs

As part of the measures to allow for the extension of life, the Board have continued to focus on managing the operating costs of the Company, maintain working capital and retain the Management and supporting administration to complete the divestment programme.

Subject to the continuation vote being passed, revised terms for the Manager have been negotiated and agreed which will apply for the calendar years 2020 and 2021, such terms will be formally documented prior to the end of 2020. The current on-going management fee shall be reduced to 1% (from 2%) of the adjusted NAV for the calendar year 2020 and shall reduce to zero for the calendar year 2021.

A realisation fee shall be payable on deals originated and secured by the Manager in 2020 which shall be linked to the sales price achieved as follows: where the sale price of the asset is 90 per cent. or more of the value of the relevant asset as at 30 September 2019 (the "Carrying Value") a fee of 2.5 per cent. of net proceeds (net of debt, costs and taxes) ("Net Proceeds") shall be payable; where the sale price of an asset is more than 80 per cent. but less than 90 per cent. of the Carrying Value of the relevant asset, a realisation fee of 1.5 per cent. of Net Proceeds shall be payable; and where the sale price of an asset is less than 80 per cent. of the Carrying Value, no realisation fee shall be payable.

For the calendar year 2021, a realisation fee of 1.5 per cent. shall be payable on sales of assets above 80 per cent. of the Carrying Values and, as set out above, zero management fee shall be payable.

Additionally, in the event that divestments of all of the assets are secured by the Manager (either in one transaction or multiple transactions) prior to 31 December 2020, an extra incentive fee equal to 1 per cent. of the Net Proceeds of the assets shall be payable (the "Extra Incentive Fee"), subject to the aggregate sale price of those assets exceeding 80 per cent. of the Carrying Values of the relevant assets in aggregate. The time period for the realisation of all assets in order for the Manager to qualify for the Extra Incentive Fee may be extended for a further six months period subject to the satisfaction of certain conditions.

The Extra Incentive Fee is designed to reinforce the focus on achieving the sales of all of the assets in 2020.

In addition, the Company has also agreed with the Administrator that the basis of calculation of the Administrator's fee will be amended such that this should result in a further substantive cost saving for the Company. The change will also take effect from 1 January 2020 and will similarly be documented before the end of 2019.

Extension to the life of the Company for a period of 1 year to November 2020

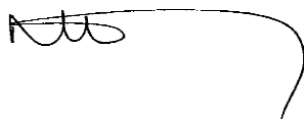
The Board have carefully considered and believe it in the best interest of shareholders to grant an extension of the Company in order to complete the orderly divestment of the remaining assets and return capital to Shareholders.

It is likely that returns from sales of properties would be significantly lower if the Company was forced to sell as a result of a discontinuation vote. A continuation would allow time for the orderly divestment of assets and it is therefore the Board's view that the commercially sensible option is for the Company to continue for a further year.

Additional Information

Within this letter is the Notice of AGM together with explanatory notes (including voting procedures) and enclosed separately is the form of proxy for you to use for the AGM.

Yours faithfully,



MARK HUNTLEY
CHAIRMAN

PO Box 286,
Floor 2, Trafalgar Court,
Les Banques,
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Guernsey GY1 4LY.