

ANNOUNCEMENT

08 October 2020

MPO Announces 2020 Annual Results

Macau Property Opportunities Fund Limited announces its results for the year ended 30 June 2020. The Company, which is managed by Sniper Capital Limited, holds strategic property investments in Macau.

Financial Highlights

Fund performance

- MPO's portfolio value¹ declined 10.0% over the year to US\$275.6 million.
- Adjusted NAV was US\$136.5 million, which translates to US\$2.21 (179 pence²) per share, a 21.9% decrease year-on-year (YoY).
- IFRS NAV was US\$100.6 million or US\$1.63 (132 pence²) per share, a 23.1% decrease YoY.

1 Calculation was adjusted to reflect like-for-like comparisons to 30 June 2019 due to the divestment of properties during the year.

2 Based on US Dollar/Sterling exchange rate of 1.231 on 30 June 2020.

Capital management

- As at 30 June 2020, MPO's balance sheet held assets worth a total of US\$260.6 million, against combined liabilities of US\$160.0 million.
- The Company ended the financial year with a consolidated cash balance (including deposits with lenders) of US\$20.5 million.
- During the year, the Company successfully refinanced its banking facilities for *Estrada da Penha* and *The Fountainside* on improved terms.
- As at 30 June 2020, gross borrowing stood at US\$146.9 million, which translates to a loan-to-value ratio of 49.6%.

Portfolio Highlights

Despite the challenging environment, the Company has made progress on the disposal of assets, with total divestments achieved since mid-2019 valued at around HK\$100 million (c.US\$13 million).

- *The Waterside*
 - Occupancy declined to 36% versus 55% a year ago, primarily due to COVID-19 related travel restrictions that prevented certain tenants from entering Macau. The average rental was US\$2.49 per square foot per month, down 12% YoY.
- Strata units at One Central Residences
 - One individual unit was successfully disposed of for HK\$19 million (c.US\$2.4 million).
 - Since the year end, the Company entered into a provisional sales and purchase agreement to sell its remaining individual unit at a price of HK\$25 million (c.US\$3.2 million).
 - With completion expected by the end of November 2020. Upon completion this will conclude the sales of the individual units in One Central Residences.
- *The Fountainside*
 - During the financial year, the Company entered into sales transactions worth a combined HK\$32.6 million (c.US\$4.2 million) involving two residential units, three car-parking spaces and five motorcycle-parking spaces. These transactions have been completed.
 - Since the year end, two additional residential units were sold for HK\$13 million (c.US\$1.7 million) and HK\$11 million (c.US\$1.4 million), respectively. These transactions are expected to complete by the end of 2020. The remaining units continue to be actively marketed to the local market and overseas.
- *Estrada da Penha*
 - While the Company has continued to receive enquiries, most prospective purchasers are located outside Macau and have been subjected to COVID-19 travel restrictions.
 - To improve the saleability of the property, further enhancement works have been undertaken in preparation for a re-launch of the sales and marketing programme as travel restrictions ease.

Mark Huntley, Chairman of Macau Property Opportunities Fund, said:

“Despite the adverse impact on our divestment timetable caused by the COVID-19 pandemic, progress is being made on achieving divestment of the remaining assets in the Company’s portfolio, albeit over a longer timeframe than that originally envisaged. The Board and the Manager remain fully committed to the divestment programme and the return of capital to shareholders.”

“We are seeing encouraging signs of market stability both in Macau and in mainland China. This is supported by the gradual resumption of tourist visa issuance for Chinese visitors to Macau, which is expected to have a positive impact on business conditions and market sentiment.”

For more information, please visit www.mpofund.com for the Company’s full Annual Report 2020.

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

About Macau Property Opportunities Fund

Premium listed on the London Stock Exchange, [Macau Property Opportunities Fund Limited](#) 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](#), 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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