

ANNOUNCEMENT

6 October 2023

MPO Announces 2023 Annual Results

Macau Property Opportunities Fund Limited announces its results for the year ended 30 June 2023. The Company, which is managed by Sniper Capital Limited, holds strategic property investments in Macau.

FINANCIAL HIGHLIGHTS

Fund performance

- MPO's portfolio value¹ declined 1% over the year to US\$200.5 million.
- Adjusted NAV was US\$ 90.4 million, which translates to US\$1.46 (116 pence²) per share, a 12.6% decrease year-on-year (YoY).
- IFRS NAV was US\$65.7 million or US\$1.06 (84 pence²) per share, a 15.3% decrease YoY.

Capital management

- As at 30 June 2023, MPO's balance sheet held assets worth a total of US\$182.6 million, against combined liabilities of US\$116.9 million.
- The Company ended the financial year with a consolidated cash balance (including deposits with lenders) of US\$6.7 million.
- As at 30 June 2023, gross borrowings stood at US\$105.6 million, which translates to a loan-to-value ratio of 50.9%.

¹ Calculation was adjusted to reflect like-for-like comparisons to 30 June 2023 due to the divestment of properties during the year.

² Based on the Dollar/Sterling exchange rate of 1.261 on 30 June 2023.

PORTFOLIO HIGHLIGHTS

- The Waterside
 - Since the launch of The Waterside strata sales programme in Q2 2022, the Company has achieved total divestments of US\$44.3 million (HK\$348 million) through the sale of 16 units.
 - The units were sold at an average value of 65% above cost, and an average 8% discount to their latest average valuations.

- The completion of 13 units occurred during the period under review. Of the three further sales of units, two have settled and one completion is scheduled for early October. Tenant occupancy increased by 19% YoY to 46%. The average rental remains at US\$2.2 per square foot per month.
- The Fountainside
 - Two duplexes at the property have been reconfigured into three smaller units and two car-parking spaces. Occupancy permits are expected by the end of 2023, clearing the way for sales.
 - For the four villas, marketing efforts are expected to increase investor interest as we enter 2024.
- Penha Heights
 - During the period under review, Macau’s zero-COVID measures disrupted on-site viewings and weighed on investor sentiment.
 - Since Macau’s zero-COVID measures were lifted in early 2023, marketing activity for the property has been stepped up.

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

“The financial year can be separated into two distinct periods. During the first six months, Macau was subject to strict dynamic zero-COVID regulations, in lockstep with mainland China. At the beginning of 2023, however, COVID controls were rapidly relaxed, triggering a dramatic economic recovery which has seen both strong growth in gross gaming revenues and significantly increased numbers of visitors to Macau.

The strata sales programme of selected apartments in the Waterside is delivering results and has produced US\$44.3 million of sale proceeds which has reduced our overall level of debt from US\$131 million to US\$105 million in the last financial year. The environment in which we operate has remained difficult; concerns have surfaced regarding China’s economic performance and inflationary pressures have driven global interest rates higher. Executing our divestment strategy has therefore been challenging and we have had to be nimble and creative to deliver a positive outcome.

We are continually assessing the market to apply the optimal divestment strategy for each of our remaining property assets, including a whole portfolio disposal. Reducing our debt levels continues to be the near term focus as we exercise patience and judgement in working hard to realise the value of our remaining assets.”

For more information, please visit <http://www.mpofund.com> for the Company’s full 2023 Annual Report.

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

Macau Property Opportunities Fund (MPO) is a closed-end investment fund and the only listed company dedicated to investing in real estate in Macau, the world’s largest gaming market and the only city in China in which gaming is permitted.

Premium-listed on the London Stock Exchange, the Company has historically held multi-segment property assets in Macau and Zhuhai, China. Its current portfolio comprises prime residential assets valued at US\$200.5 million, which are being progressively divested.

MPO is managed by Sniper Capital Limited, an Asia-based property investment manager with a strong track record in fund management and investment advisory.

Stock Code

London Stock Exchange: MPO

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