

**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  
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2 December 2025

Dear Shareholder,

#### Annual Report and Audited Financial Statements

In our Annual Report and Accounts for the year ended 30 June 2025 ("the Annual Report"), the Board reported that sales worth US\$c.115.8 million had been achieved since the commencement of our divestment programme. As announced in the Company's FY25 results, the Company initiated a Fundraising in late November 2025 to meet short-term debt repayment obligations and working capital needs provide a more stable platform for the orderly completion of the Company's divestment programme.

We are disappointed that, notwithstanding strong shareholder support in terms of positive voting, our recent effort to raise capital from the market has not yet been successful and consequently has not generated the necessary funds to repay the loan maturing in December 2025. An announcement to this effect and the potential impact was made on 27<sup>th</sup> November 2025.

In response to that outcome, the Company and the Manager continue to explore options and any alternative financing arrangements to address this obligation and preserve shareholder value.

Dialogue with lenders is taking place and is ongoing. While the outcome of the recent capital raise efforts presents considerable near-term challenges, the Board remains committed to delivering a return and maintaining transparency acting in the best interests of all shareholders within the inevitable constraints that our current situation poses.

**The Board recommends extending the life of the Company for a further one-year period to facilitate both ongoing discussions with lenders and the orderly divestment of its remaining assets and to maximise value for shareholders. This letter provides more detail for Shareholders and should be read in conjunction with the Notice and Agenda for the Annual General Meeting to be held on 18 December 2025.**

#### Macroeconomic Update

Although forecasts for Macau's economic recovery in the second half of 2025 have been revised downward, the unexpected resilience of the territory's tourism and gaming sectors has kept its economy on track for full-year growth of between 3.6% and 6.8%.

However, with growth heavily concentrated in those sectors, the outlook for the property market remains subdued. The sector continues to face a range of headwinds, including tighter credit conditions and cautious investor sentiment amid ongoing global and regional economic uncertainties.

#### Macau's Real Estate Sector

Macau's real estate market faced a challenging first half of 2025, with cautious investment sentiment contributing to a 3% year-on-year (YoY) decline in residential transactions. However, the market rebounded in the third quarter, with transactions rising 19% quarter-on-quarter (QoQ)

to 955 units. The average residential price also increased by 7.7% QoQ. This uptick, largely driven by new pre-sale project launches, suggests a gradual recovery in market sentiment.

Moreover, anticipated reductions in interest rates, following cuts by the U.S. Federal Reserve in the coming period, could reinforce housing demand. This may improve affordability and signal a bottoming of price, encouraging investors to make purchases. Recent Waterside transactions in September and November show discounts compressing from c.10% in the summer to c.5%, an early sign that prices are stabilising.

Additionally, a proposal from the Monetary Authority of Macao (AMCM) to raise the maximum loan-to-value ratio for residential mortgages from 70% to 80%, coupled with an increase in the property tax exemption limit, aims to further enhance affordability for potential homebuyers.

#### Divestment Updates

Post the Company's year-end, a further 2 units at The Waterside have been sold. This takes the total number of units sold at the development to 43 out of the 59 units since the programme's initiation in mid-2022.

As of 30 September 2025, the Company's portfolio of three key assets had a valuation of US\$84.4 million. On a like-for-like holding basis, adjusting for units sold during the year, the portfolio valuation as of 30 September had decreased by 3.2% since year-end.

#### Corporate Governance and Management Fees

The Board and the Manager agreed to amend the fee schedule in the Investment Management Agreement from 1 January 2024 to incentivise the Manager to achieve substantial sales. Fees remain subject to an overall annual cap of 4.99% of the lower of market capitalisation and net asset value based on the previous calendar year.

#### Extension of the Life of the Company

The Board and the Manager remain committed to navigating ongoing market challenges to optimise divestment of the Company's remaining portfolio within the shortest possible timeframe during which an optimal return to Shareholders can be made.

If the Company were forced to accelerate sales any further as a result of a discontinuation vote, the returns from any accelerated sales of properties, taking into consideration prevailing low transaction volumes, would be substantially reduced. The prospect of a return of capital would be meaningfully diminished. A continuation, conversely, will allow time for the orderly divestment of assets into a market in which sentiment is gradually recovering.

**The Board believes it to be in the best interests of Shareholders to grant an extension of the life of the Company. This will enable the delivery of our carefully considered sales strategy to meet the objective of the orderly divestment of the remaining assets and the return of capital to Shareholders.**

#### **Additional Information**

Within this letter is the Notice of AGM, together with explanatory notes (including voting procedures). Enclosed separately is a form of proxy for the AGM.

Yours faithfully,



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MARK HUNTLEY  
CHAIRMAN  
MACAU PROPERTY OPPORTUNITIES FUND LIMITED

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

*To that end, please be advised that the Annual Report is 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 below:*

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