



## NAM TAI PROPERTY INC.

### PFIC Annual Information Statement Provided Pursuant to Treasury Regulations §1.1295-1(g)(1)

You have an investment in Nam Tai Property Inc., a British Virgin Islands limited company (the “Company”). The Company expects that it was a passive foreign investment company (“PFIC”) for United States (“U.S.”) federal income tax purposes for the taxable year ended December 31, 2017. As a result of the PFIC reporting requirements affecting taxable years ending on or after December 31, 2013, the following information is relevant to U.S. shareholders of the Company, regardless of whether an election has been made to treat this PFIC as a Qualified Electing Fund (“QEF”). The information below is intended to assist in the completion of Internal Revenue Service Form 8621, *Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund*. Please consult your tax advisor regarding a QEF election and the information contained in this statement.

(1) Name and Registered Address of PFIC:

Nam Tai Property Inc.  
c/o McNamara Chambers  
P.O. Box 3342  
Road Town, Tortola  
British Virgin Islands

(2) Taxable Year: January 1, 2017 - December 31, 2017

(3) Description of each class of shares: Common

(4) The per day, per share ordinary earnings of the Company’s shares are \$0.000293082. If a QEF election has been made, then your pro rata share of such earnings may be determined as follows:

- (a) If you owned the same number of Company shares from January 1, 2017 through December 31, 2017, multiply the number of such shares by \$0.000293082, and then multiply that product by 365.
- (b) If you did not own Company shares for the entire period beginning on January 1, 2017 and ending on December 31, 2017, multiply the number of shares that you owned by \$0.000293082, and then multiply that product by the number of days during 2017 that you held such shares.
- (c) If you owned different numbers of Company shares at different times during 2017, perform the calculation specified in subpart (b), above, for each lot of shares owned.

(5) The per day, per share net capital gain of the Company is \$0.

(6) The amount of cash dividends distributed to you during the taxable year specified in part (2), above, may be computed by reference to the following table, which shows the cash dividends per Company share paid to the Company’s shareholders of record during the above-specified taxable year. Each per share dividend payment should be multiplied by the amount of shares that you held on the record date in order to determine the cash dividend distributed to you on that date. All such cash dividends received by you on the record dates should then be added together to determine the total amount of cash dividends distributed to you during the taxable year specified in part (2), above.

<u>Record Date</u>	<u>Per Share Dividend</u>
January 20, 2017	\$0.07
April 20, 2017	\$0.07
May 20, 2017	\$0.07
October 20, 2017	\$0.07



- (7) The Company did not distribute any other property to you during the taxable year specified in part (2), above.
- (8) The Company will permit you to inspect and copy their permanent books of account, records, and such other documents as may be maintained by it that are necessary to establish that PFIC ordinary earnings and net capital gain, as provided in §1293(e) of the Internal Revenue Code of 1986, as amended (the “Code”), are computed in accordance with U.S. federal income tax principles, and to verify these amounts and your pro rata shares thereof.
- (9) If a QEF election has not been made, then the amount of any excess distribution or gain treated as an excess distribution under Code §1291 is \$0.
- (10) The Company expects that it will be a PFIC for U.S. federal income tax purposes for the taxable years ending December 31, 2018 and December 31, 2019, and further expects to issue annual information statements to you in connection with that classification.

NAM TAI PROPERTY INC.

By:           /s/ Julian Lin            
Name: Julian Lin  
Title: President