



Nam Tai Q2 2021 Earnings Presentation

August 2, 2021



Forward Looking Statements

Certain statements included in this presentation, other than statements of historical fact, are forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may”, “might”, “can”, “could”, “will”, “would”, “anticipate”, “believe”, “continue”, “estimate”, “expect”, “forecast”, “intend”, “plan”, “seek”, or “timetable”. These forward-looking statements, which are subject to risks, uncertainties, and assumptions, may include projections of our future financial performance based on our growth strategies and anticipated trends in our business and the industry in which we operate. These statements are only predictions based on our current expectations about future events. There are several factors, many beyond our control, which could cause results to differ materially from our expectation. These risk factors are described in our Annual Report on Form 20-F and in our Current Reports filed on Form 6-K from time to time and are incorporated herein by reference. Any of these factors could, by itself, or together with one or more other factors, adversely affect our business, results of operations or financial condition. There may also be other factors currently unknown to us, or have not been described by us, that could cause our results to differ from our expectations. Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. You should not rely upon forward-looking statements as predictions of future events. These forward-looking statements apply only as of the date of this presentation; as such, they should not be unduly relied upon as circumstances change. Except as required by law, we are not obligated, and we undertake no obligation, to release publicly any revisions to these forward-looking statements that might reflect events or circumstance occurring after the date of this presentation or those that might reflect the occurrence of unanticipated events.

The image is a wide architectural rendering of a modern urban development. In the background, several tall, multi-story apartment or office buildings with glass and concrete facades stand against a clear blue sky. In the foreground, a long, low-rise building with a large glass facade and a flat roof is visible. This building has a modern, industrial feel. In front of this building is a wide, paved promenade with green landscaping, including trees and shrubs. To the left of the promenade is a body of water, which reflects the buildings and the sky. The overall scene is bright and clear, suggesting a sunny day. A dark blue horizontal band is superimposed over the middle of the image, containing the text 'MAJOR ACHIEVEMENTS' in white, bold, sans-serif capital letters.

MAJOR ACHIEVEMENTS

Challenging Financial and Operating Environment

All of our PRC lenders have demanded us to repay their respective outstanding loans immediately due to the significant uncertainty on share ownership and the potential changes in the Board of Directors of the Company. The Company has been in an ongoing dialogue with the lenders to appease them from taking further legal actions, while exploring other potential lenders for refinancing.

In addition, the lenders have suspended fund withdrawal of some of our bank accounts in light of freezing orders issued by the relevant PRC courts regarding some lawsuits filed by our suppliers, resulting in a liquidity crunch in our operations. As a result, the Company is unable to meet the progress payment of our contractors and suppliers, causing delays in the construction in progress and disrupting the day-to-day operations.

Further, some of our suppliers and contractors have also taken legal actions against the Company for the outstanding payments. In general, our suppliers and contractors have imposed more stringent payment terms, further exacerbating the liquidity of the Company.

The Company has been operating in this challenging environment, while striving to meet the completion schedule of Nam Tai Inno Park and the commencement of pre-sale of Nam Tai • Longxi.

Q2 2021 Financial Results

- Revenue was \$9.5 million in the second quarter of 2021, an increase of \$8.7 million year-on-year.
- Net loss from operations was \$0.3 million in the second quarter of 2021, reduced from net loss from operations of \$4.5 million in the second quarter of 2020.
- Consolidated net loss was \$0.3 million in the second quarter of 2021, reduced from consolidated net loss from operations of \$3.8 million in the second quarter of 2020.
- Real estate properties under development, net was \$336.1 million as of June 30, 2021, an increase of \$23.9 million from the end of 2020.

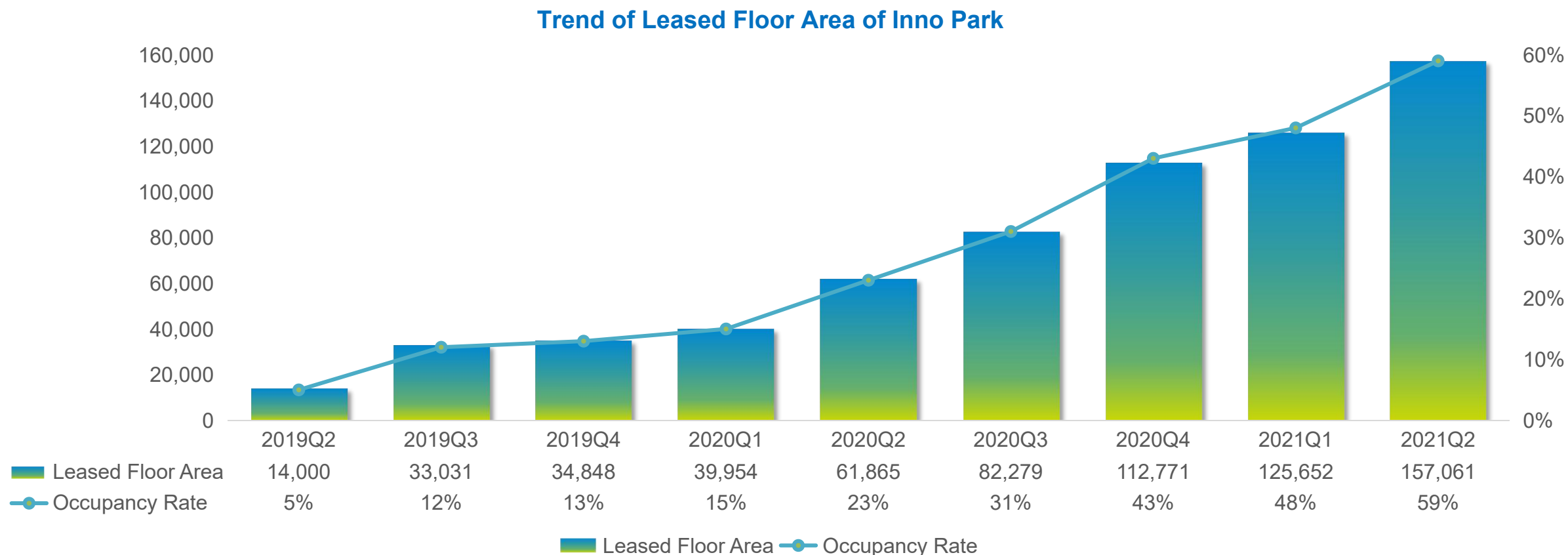
Competitive Portfolio with Healthy Leasing Progress

- Leasable floor area of approximately 365,000 square meters, with 85% located in Shenzhen and 15% located in Wuxi and Shanghai.
- **Total occupancy rate** of available units in our projects increased **from 59% to 68%** in Q2 2021.
- Occupancy rate of Shenzhen projects increased from 52% to 63% in Q2 2021.

Projects	Leasable Area as of June 30, 2021	Leased Area as of June 30, 2021	Occupancy Rate
Shenzhen	310,193	193,901	63%
Nam Tai Inno Park	264,337	157,061	59%
Nam Tai Inno Valley	38,270	30,241	79%
Nam Tai • Tang Xi Technology Park	7,586	6,599	87%
Wuxi & Shanghai	54,809	54,390	99%
Wuxi facilities	50,828	50,828	100%
Nam Tai • U-Creative Space (Lujiazui)	3,981	3,562	89%
Total	365,002	248,292	68%

Strong Leasing Performance of Nam Tai Inno Park

- Occupancy rate of Inno Park increased from 48% to 59% in Q2 2021 with 157,000m² of quality industrial spaces being leased to technology enterprises and other tenants.



Pre-sale of Longxi's Units

- We have made the relevant application for the pre-sale of Longxi and expect to obtain the pre-sale permit and commence the pre-sale in August 2021.
- The sales center has been opened since July 2021 and show flats are available for public viewing. We held a promotional event to attract target customers as the preparation for the official pre-sales of units in July 2021.

Sales Center



Show Flats



Remarks: There is no assurance that the pre-sale permit will be obtained and the pre-sale will be a success.

The image is a wide architectural rendering of a modern urban development. In the background, several tall, multi-story residential or commercial buildings with glass and concrete facades rise against a clear blue sky. In the foreground, a low-rise building with a large glass facade and a flat roof is visible. The building has a modern, industrial feel. In front of the building is a wide, paved promenade with a green lawn and some trees. A body of water, likely a river or a large pond, is in the immediate foreground, reflecting the buildings and the sky. The overall scene is bright and clear, suggesting a sunny day.

OPERATIONAL OVERVIEW

Construction and Development Progress

Nam Tai Inno Park

- As of June 30, 2021, approximately 1,200 dormitory units have been delivered to our tenants.
- As of July 28, 2021, all construction was completed.

Nam Tai • Longxi

- The sales center has been opened and show flats opening for public viewing.
- The main structure of the towers are under construction.

Nam Tai Technology Center

- The capping of roof for the towers has been completed.
- We have not met the conditions for applying the pre-sale permit.

Nam Tai Inno Valley

- We are in the process of obtaining approval of urban renewal application.
- We will continue to lease the units for short-term tenancy.

Nam Tai Technology Center Progress



Note: Recent picture of the project taken in July 2021

Nam Tai • Longxi Progress



Note: Recent picture of the project taken in July 2021

Industrial Operation Progress

In the second quarter of 2021, we held several industrial activities to provide various services to our corporate tenants in respect of talent recruitment, technology facilitation, financing and policy consulting, aiming to support the growth of our enterprise tenants and the technology community.



Talent Recruitment

We held a talent fair and partnered with six human resource agents to assist our corporate tenants.



Technology Facilitation

We have established the “Nam Tai Inno Park Medical Device 3C Industry Platform” in Nam Tai Inno Park on April 2021, aiming to facilitate cooperation and technology exchange among enterprises from biopharmaceuticals and medical device sectors.



Industrial Operation Progress



Financing

We co-organized the “2021 Investment and Financing for Smart Industry Roadshow” with the First Roadshow Co., Ltd. in Nam Tai Inno Park in May 2021.

This event attracted nearly 80 investment institutions to participate and facilitated various potential investments on the projects presented in the roadshow.



Policy Consulting

We held the “1st Nam Tai National High-tech Enterprise Cultivation and Innovation Training Class” and provided one-to-one policy counseling services for 38 enterprises in the second quarter of 2021.



An architectural rendering of a modern urban development. In the background, several tall, multi-story apartment or office buildings with balconies and glass facades stand against a clear blue sky. In the foreground, a low-rise commercial building with large glass windows and a flat roof is visible. A wide, paved promenade runs along a body of water, with people walking and cycling. The water reflects the buildings and the sky. A dark blue horizontal band with the text "FINANCIAL PERFORMANCE" in white capital letters is superimposed over the middle of the image.

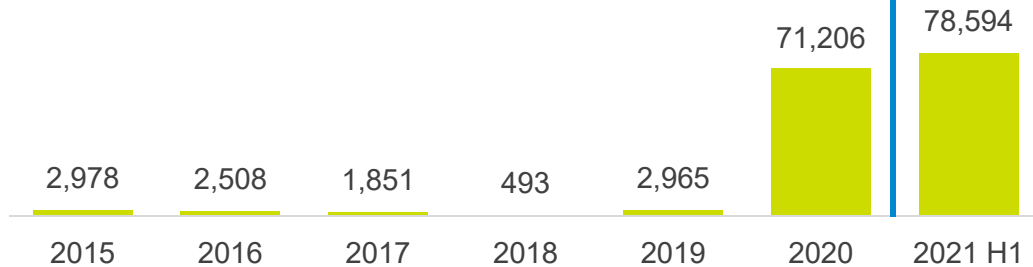
FINANCIAL PERFORMANCE

Financial Highlights

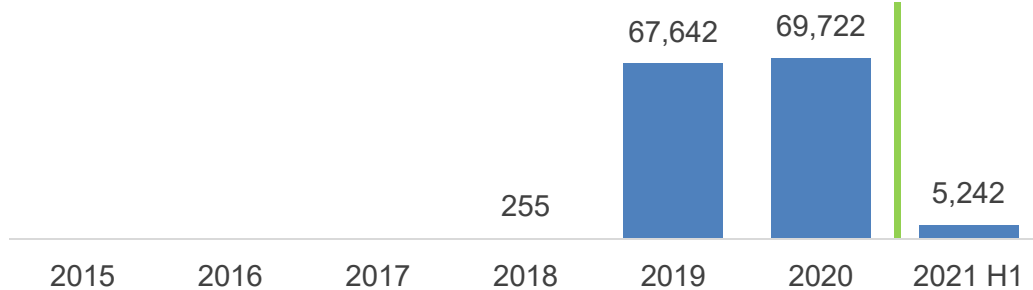
(Units: 000s)

Steady Growth

Revenue (USD'000s)

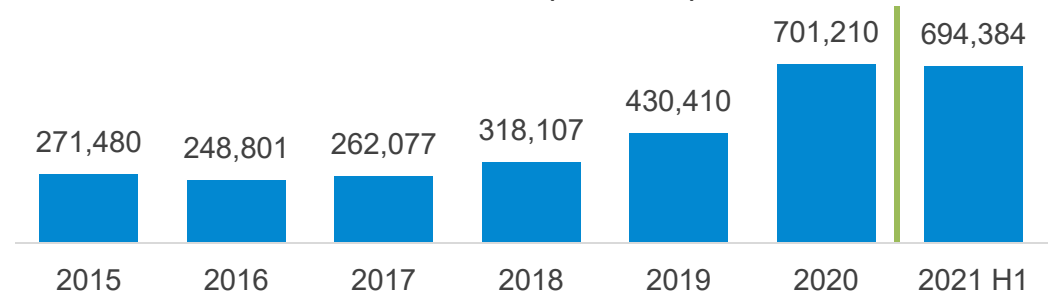


Advance From Customers (USD'000s)

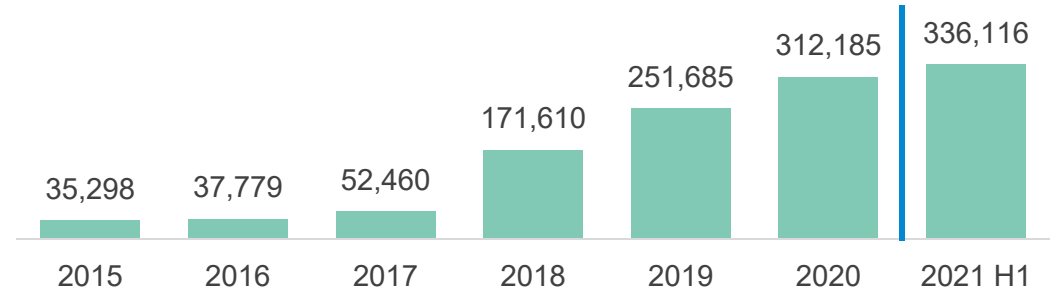


Continuous Investment in Project Development

Total Assets (USD'000s)



Real estate properties under development, net (USD'000s)



Remarks: The financial data for the first half of 2021 and as of June 30, 2021 are derived from our unaudited consolidated financial statements.

Income Statement (Selected Financial Data)

(In Thousands of US dollars except share and per share data)

	Quarterly Results			1H Results		
	Q2 2021	Q2 2020	YoY(%)	6M 2021	6M2020	YoY(%)
Revenue	9,547	843	1,032.5	78,594	1,542	4,996.9
Gross profit	5,469	160	3,318.1	50,439	242	20,742.6
Net (loss) income from operations	(306)	(4,489)		35,934	(8,211)	
% of revenue	(3.2)%	(532.5)%		45.7%	(532.5)%	
per share (diluted)	(0.01)	(0.11)		0.91	(0.21)	
Consolidated net (loss) income	(292)	(3,784)		25,339	(6,960)	
% of revenue	(3.1)	(448.9)		32.2	(451.4)	
Basic (loss) income per share	(0.01)	(0.10)	(90.0)	0.65	(0.18)	—
Diluted (loss) income per share	(0.01)	(0.10)	(90.0)	0.65	(0.18)	—
Weighted average number of shares ('000)						
Basic	39,226	39,144		39,212	38,888	
Diluted	39,330	39,144		39,280	38,888	

	As of June 30, 2021	As of December 31, 2020	As of June 30, 2020
Current ratio ^(a)	0.86	0.87	0.46
Debt ratio ^(b)	60.1%	64.5%	57.5%
Return on equity ^(c)	9.6%	6.8%	(6.6)%
Ratio of total liabilities to total equity	1.51	1.82	1.35

Notes:

a) Current ratio is calculated with all current assets divided by all current liabilities.

b) Debt ratio is calculated with all total liabilities divided by total assets.

c) Return on equity is calculated with consolidated net income (loss) divided by average of total shareholders' equity at beginning and end of the period.

Balance Sheet (Selected Financial Data)

(In Thousands of US dollars)

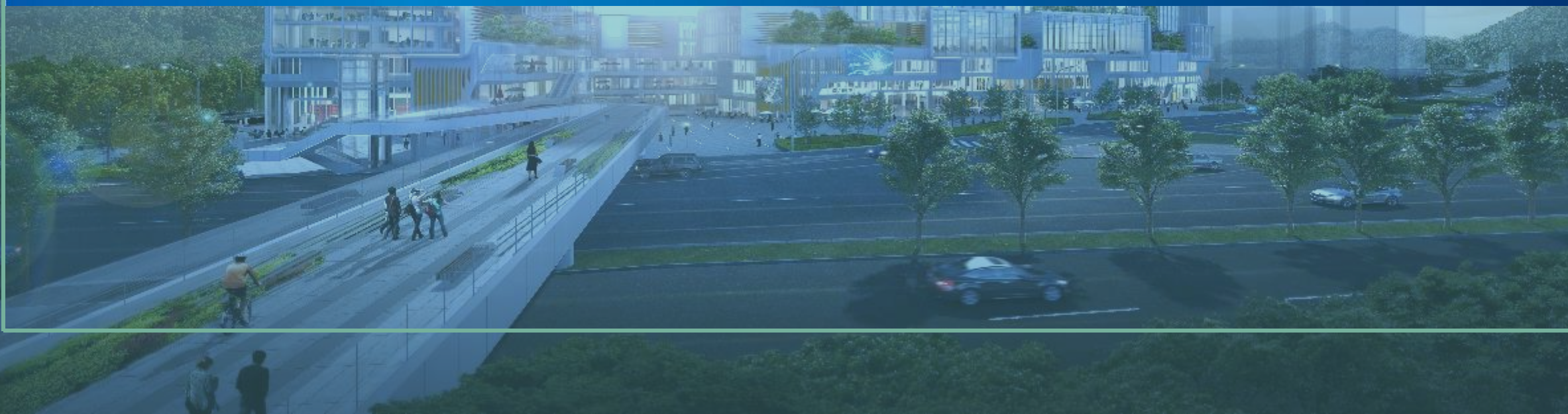
	Financial Position		
	As of June 30, 2021 (unaudited)	As of December 31, 2020 (audited)	As of June 30, 2020 (unaudited)
Cash and cash equivalents ^(a)	4,378	60,980	68,091
Short term investments ^(b)	66,662	150,150	—
Restricted cash	100,582	2,065	1,134
Prepaid expenses and other receivables	9,163	7,141	8,092
Real estate properties under development, net	336,116	312,185	370,674
Real estate properties held for sales type lease	7,638	31,558	—
Real estate properties held for lease, net	124,489	92,207	—
Property, plant and equipment, net	26,132	26,568	25,026
Right of use assets	9,161	9,695	9,501
Deferred income tax assets	5,033	4,154	2,526
Total assets	694,384	701,210	490,140
Amount due to a shareholder	146,869	146,869	—
Current portion of long term bank loans	121,517	122,883	3,297
Accounts payable	80,653	61,559	40,111
Advance from customers	5,242	69,722	95,884
Long term bank loans	—	—	121,548
Total shareholders' equity	277,122	248,828	208,435
Total number of common shares issued	39,258	39,198	38,935

Notes:

- Cash and cash equivalents include all cash balances and certificates of deposit having a maturity date of three months or less when purchased.
- Short term investments included investments with original maturities of three months and less than 12 months, and investments that were expected to be realized in cash in the next 12 months. As of June 30, 2021, the Company had short term investments of principal amount of \$66.7 million, which were from the proceeds of a private placement completed on October 5, 2020 (the "Private Placement"), investing into a supply chain finance fund managed by Credit Suisse (the "Fund") with underlying notes insured by insurance companies with a credit rating of at least A by Standard & Poor's or A2 by Moody's, which was terminated with effect as of March 4, 2021 due to some of the fund's assets being subject to considerable valuation uncertainty and reduced availability of insurance coverage for new investments, and was subsequently in liquidation. We were notified by Credit Suisse that the liquidation proceeds were to be repaid by instalments.



APPENDIX




BVI Court Appeal

- On April 7, 2021, we filed an application to appeal the March 3, 2021 judgment issued by the Eastern Caribbean Supreme Court in the High Court of Justice in the British Virgin Islands where it was held that the Private Placement was void and should be set aside (the “Appeal”).
- On April 20, 2021, the Eastern Caribbean Court of Appeal in the British Virgin Islands (the “Court of Appeal”) has granted an order postponing the special meeting of shareholders previously scheduled for April 26, 2021 at a later date, to be determined pending judgment of the Appeal.
- The Appeal was heard before the Court of Appeal from June 14, 2021 to June 16, 2021. However, there is no indication as to when the Court of Appeal will hand down the relevant judgment.

Real Estate Market Update

- In order to promote the healthy development of the housing market, the PRC government has been rolling out restrictive measures with the objectives to curb the rapid price increase in housing and speculation activities.
- The Company is planning to launch the pre-sale of Nam Tai • Longxi situated in Dongguan in the second half of 2021. In particular on Dongguan housing market, the local government has also promulgated restrictive measures to curb rapid rise in housing price.
- For instance, on February 27, 2021, the Bureau of Housing and Urban Rural Development of Dongguan, Municipal Natural Resources Bureau and six other departments jointly issued a “Notice on the Further Regulating of the Real Estate Market Regulation” to curb speculation and excessive price increases.
- On April 29, 2021, the Bureau of Housing and Urban Rural Development of Dongguan, the Trade and Industry Department of Dongguan and the Immovable Property Registry of Dongguan have jointly issued a “Notice on Further Guiding the Selling Price of Commodity Housing” to restrict the pricing of the newly marketed commodity housing.
- Further, on July 9, 2021, the Bureau of Housing and Urban Rural Development of Dongguan has issued a “Notice on Declaring the Pricing of the New Commodity Housing Project” stipulating the rules to control the price of the new commodity housing and land tendering so as to curb speculation and excessive price increases.

Real Estate Market Update



Despite the implementation of these policies, the land sales market in Dongguan remains buoyant. On July 22, 2021, a parcel of residential and commercial land situated in Machong town, which is in close proximity to our Nam Tai • Longxi project, attracted 11 participants for public bidding and was transacted at a premium of 39.7% with an effective per-square-meter price of RMB14,008.

This transaction, compared to the purchase price of the land where Nam Tai • Longxi is (i.e. approximately RMB10,950 per square meter), reflects our foresight to the market of Guangdong–Hong Kong–Macau Greater Bay Area, and our abilities to create value for shareholders through strategic expansion.

Hence, we believe that despite the restrictive government measures, the growth of the real estate market remains steady and it is conducive for a healthy and sustainable development of our business.

Multiple Platforms for Value Creation



Nam Tai Inno Park

Project completed in July 2021



Nam Tai Inno Valley

Urban renewal application pending, expected to be completed in 2025



Nam Tai Technology Center

Construction expected to be completed in 2022



Nam Tai • Longxi

Mixed residential & commercial development expected to be completed in 2022

Record of Adhering to Project Schedules

Estimated Project Development Schedule

Schedule	Nam Tai Inno Park	Nam Tai Technology Center	Nam Tai • Longxi
Land Use Permit	June 2015	May 2018	June 2020
Land Use Rights Certificate	September 2015	March 2019	May 2020
Construction Land Planning Permit	August 2017	May 2019	December 2020
Main Structure Construction Permit	May 2018	July 2019	December 2020
Main Structure Completion Acceptance Certificate	December 2019		
Property Ownership Certificate	June 2020		
Delivery	Since Q3 2020		

■ Obtained

Remarks: Detailed redevelopment schedule for Nam Tai Inno Valley is not yet available as the project is still pending approval for urban renewal.



Highly Experienced and Well-Functioning Board

Highly Experienced & Diligent Directors

- The current board and management have a deep understanding of the operating conditions in the PRC for property development, in particular industrial properties.
- The incumbent directors attended all the Board Meetings during the first half of 2021.

Diversity

- Four directors are located in Hong Kong or Mainland China, with direct experience in the China market.
- The Board has broad representation with two independent directors from North America, i.e., Mr. Peter R. Kellogg and Mr. Mark Waslen.

Independence and Oversight

- All the directors but one are independent, representing 83% independence ratio on the Board.
- The Board's three standing committees are composed solely of independent Directors.
- Mr. Kellogg sits on the Audit, Compensation and Nominating and Corporate Governance committees.

Commitment to Good Corporate Governance & Value Creation

We are committed to ongoing transparency and creation of value for all shareholders

- The Board and management deeply value the input and opinion from investors
- We are fostering investor engagement by:
 - ◆ Resuming quarterly conference calls and continuing dialogue with investors
 - ◆ Exploring analyst coverage once the Company becomes more stable
 - ◆ Arranging project site visits upon request
- The Company will explore the declaration of dividends after resolving the liquidity crisis