



The company's Board of Director meeting has approved to execute a Business Cooperation Agreement with Google

September 21, 2017

1.Date of occurrence of the event:2017/09/21

2.Counterparty to the contract or commitment:Google

3.Relationship to the Company:N/A

4.Starting and ending dates (or rescission date) of the contract or commitment:From the signing of the Agreement

5.Major content (not applicable where rescinded):

Google and HTC today announced a definitive agreement under which certain HTC employees – many of whom are already working with Google to develop Pixel smartphones – will join Google. HTC will receive US\$1.1 Billion in cash from Google as part of the transaction. Separately, Google will receive a non-exclusive license for HTC intellectual property (IP).

6.Restrictive covenants (not applicable where rescinded):

The closing of the Transaction will be subject to the fulfillment of the conditions precedent of the Business Cooperation Agreement, which include, but are not limited to, the merger filing or approvals by competent authorities of the various jurisdictions.

7.Effect on company finances and business (not applicable where rescinded):

This agreement supports our company's continued branded smartphone strategy, enabling a more streamlined product portfolio, greater operational efficiency and financial flexibility. We remain fully committed to our branded smartphone business as well as our VIVE virtual reality business, and will make appropriate asset and cost reallocation to realize the potential of a new generation of connected products and services.

8.Concrete purpose/objective (not applicable where rescinded):

This agreement supports our company's continued branded smartphone strategy.

9.Any other matters that need to be specified:N/A