

HTC REPORTS SECOND QUARTER 2019 RESULTS

Taipei, Taiwan – August 12, 2019 – HTC Corporation (TWSE: 2498), a global leader in innovation and design, today announced consolidated results for its fiscal 2019 second quarter ended June 30, 2019.

2Q19 Financial Highlights :

- Quarterly revenue of NT\$2.81 billion with gross margin of 20.3%, up 5.6% sequentially and the sixth consecutive quarterly increase since Q4'17
- Quarterly operating loss of NT\$2.49 billion with operating margin of -88.5%
- Quarterly net loss after tax: NT\$2.23 billion, or -NT\$2.71 per share

2Q19 Business Update :

VIVE VIRTUAL REALITY

Demonstrated commitment to providing premium VR hardware and the software and services that will power the future of Vive VR for consumers and enterprises.

- **VIVEPORT Infinity** launched as the first unlimited subscription service for VR, supporting multiple VR headsets. Since VIVEPORT Infinity debuted in April, users have launched nearly 900,000 game titles and played nearly 21 million hours worldwide.
- HTC launched the **VIVE Enterprise Solutions** business to leverage HTC's popularity among commercial applications of virtual reality across several key verticals.
- **VIVE with SYNnex**: HTC announced an agreement with SYNnex Corporation, a leading business process services company, to provide enterprise resellers with HTC VIVE solutions designed for markets including architecture, construction and engineering; product design; healthcare and medicine; and education.
- More details about the forthcoming **VIVE COSMOS** headset were released, including resolution specs, design updates, and more; Vive Cosmos, created for a new level of accessibility and ease of use, will debut in 2H 2019.
- HTC continued developing the '**VIVE Reality System**,' a reimagining of what VR should look like (as unveiled in Q1) in the age of spatial computing with fresh ways to display content and transport users between immersive environments.

HTC Smartphones and Connected Devices

The **HTC 5G Hub** is an easy-to-use, versatile device that enables smooth 4K video streaming, low-latency gaming, and 5G mobile hotspot features for up to 20 devices.

- Sprint launched HTC's first 5G-centric product, the 5G Hub, in cities across North America, further demonstrating its commitment to being at the forefront of emerging technology.
- EE in the UK went live with its HTC 5G Hub in June. The UK's number 1 mobile network also announced the news that 5G capability will now be available in ten cities across the UK.
- Sunrise (one of Switzerland's largest telecommunications companies) also launched its 5G Hub in June 2019.

HTC U19e and HTC Desire 19+ launched in selected markets (including Taiwan) over the last couple of months, demonstrating our continued commitment to this important segment of digital world.



Quarterly Results Information

HTC investor information may be accessed at:

<https://htc.gcs-web.com/>

About HTC

HTC Corporation aims to bring brilliance to life. As a global innovator in smart mobile devices and virtual reality devices and technology, HTC has produced award-winning products and industry firsts since its inception in 1997, including the critically acclaimed HTC U and Desire lines of premium and flagship smartphones, and leads the VR industry with the VIVE portfolio. The pursuit of brilliance is at the heart of everything we do, inspiring best-in-class design and game-changing mobile and virtual reality experiences for consumers around the world. HTC is listed on the Taiwan Stock Exchange (TWSE: 2498). www.htc.com

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