104 Corporation (TSE:3130)

A Total Solution Provider in the Chinese HR Services Market

October 2018

Safe Harbor Statement

This presentation contains some forward-looking statements that are subject to substantial risks and uncertainties. Typically, these statements contain words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "plan," "forecast," "project," "predict," "potential," "continue," "may," "should," "will" and "would" or similar words. You should consider these forward-looking statements carefully because such statements are only our expectations or projections about future events; and actual results may differ materially from those expressed or implied by such statements.

You should be cautioned that the forward-looking statements are not the guarantees of our future performance. The forward-looking statements contained in this presentation are made only as of the date of this presentation and we undertake no obligation to update the forward-looking statements to reflect subsequent events or circumstances, except as required by law.

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Agenda

- Company Profile
- Services and Products
- Financial Review and Dividend Policy
- 104 Value Map

In 1996, 104 was established

"For jobseekers, we don't just help find jobs—we forge careers; and for employers, we don't just help find workers—we manage talent."

by Rocky Yang, founder and chairman of 104

Company Profile

Market Position

- 104 Job Bank was established: 1996.
- First job bank to IPO in Taiwan: 2006.
- First job bank in Taiwan to get ISO 27001 and BS 10012 + ISO 29100 accreditation.

ISO/IEC 27001
(Information Security Management System)
BS 10012
(Personal Information Management System)
ISO/IEC 29100
(Privacy Framework)

Core Competence

- Strong database:
  7. 82 million resumes,
  75% college graduated/ above,
  343K corp. customers.
  (Sep. 2018)
- Comprehensive range of HR related services.
- Competitive candidate matching and job recommendation system.

Financial Strengths

- **Zero** debt.
- Solid NT$ **2.2 billion** cash position.
  (Jun. 2018)
- Proven capability to generate cash even in difficult economic periods.
- High satisfaction & recognition of 104 brand & services.

Source: Company data

Services and Products

Business Segments

Online Services

For Job Seekers
- *Vast, easy, & accessible platform*
- *Career map & value added services*

104 教育網
104 Learn
Training Program Posting Services

104 外包網
104 Case
Case Outsourcing Posting Services

104 家教網
104 Tutor
Tuition Posting Services

104 人力銀行
104 Job Bank
Job Posting Services

104 廣告中心
104 Ads
HR Advertisement Services

Platform & Consultation Services

104 人資學院
HR Academy
HR Solutions & Consultancy

104 獵才顧問
104 Hunter
Executive Search Services

For Corporate Users
- *Large and diversified resume pool*
- *Variety of integrated HR services*

Mobile Apps

104 工作快找
Job-Search App

104 人才快找
Talent-Search App

Source: Company data

Revenue Performance

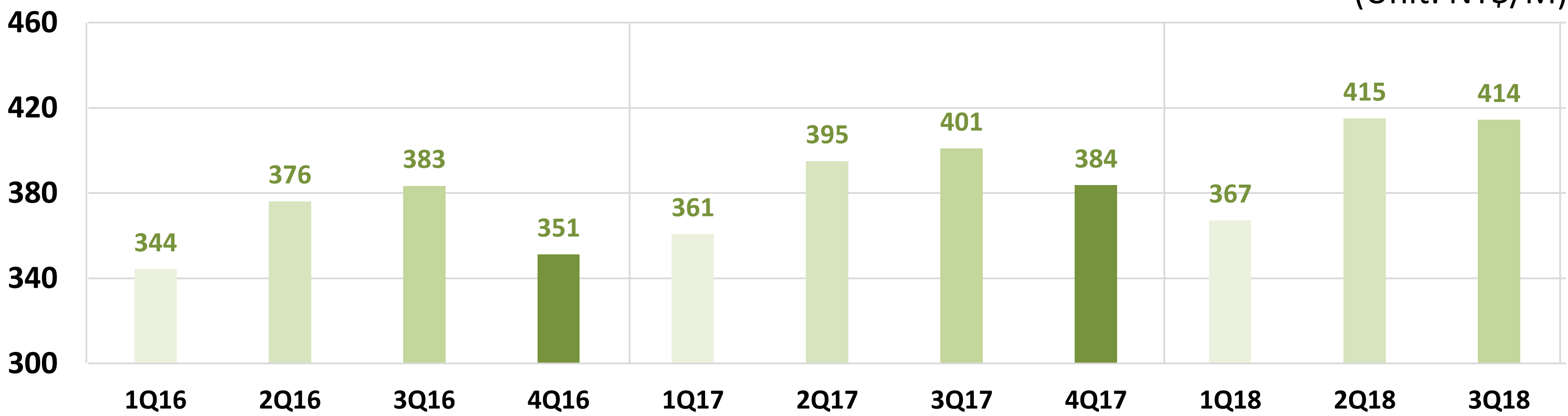
Consolidated Revenue

(Unit: NT$'000)

Time / Amount	Quarterly Revenue		YoY	Accumulated Revenue		YoY
	Q3 2018	Q3 2017		2018	2017	
Total	414,280	400,865	3.35%	1,196,343	1,156,455	3.45%

Quarterly Revenue

(Unit: NT$/M)



Source: Company data

Unaudited Operating Performance – Q3 2018

Q3 2018 Unaudited Performance

(Unit: NT$'000)

	Q3 2018 (unaudited)	Q3 2017 (reviewed)	YoY	YTD 2018 (unaudited)	YTD 2017 (reviewed)	YoY
Operating Revenue	414,280	400,865	3.35%	1,196,343	1,156,455	3.45%
Operating Income	95,963	107,018	(10.33%)	262,316	282,393	(7.11%)
Pre-tax Income	103,269	112,575	(8.27%)	282,799	300,094	(5.76%)
OPM	*23.2%*	*26.7%*		*21.9%*	*24.4%*	

Source: Company data

Q2 2018 Income Statements

(Unit: NT$'000, except for EPS)

	Q2 2018	%	Q2 2017	%	YoY
Operating Revenue	**414,945**	**100%**	**394,909**	**100%**	**5.07%**
Operating Costs	41,256	9.9%	36,439	9.2%	13.22%
Gross Profit	**373,689**	**90.1%**	**358,470**	**90.8%**	**4.25%**
Operating Expenses	279,474	67.4%	259,016	65.6%	7.90%
Selling Expenses	156,466	37.7%	136,035	34.4%	15.02%
Administrative Expenses	44,073	10.6%	45,246	12.0%	(2.59%)
Research & Development Expenses	78,935	19.0%	77,735	19.7%	1.54%
Operating Income	**94,215**	**22.7%**	**99,454**	**25.2%**	**(5.27%)**
Non-Operating Income and Expenses	8,023	1.9%	4,976	1.3%	61.23%
Income Before Income Tax	**102,238**	**24.6%**	**104,430**	**26.4%**	**(2.10%)**
Income Tax Expenses	20,229	4.9%	17,869	4.5%	13.21%
Net Income	**82,009**	**19.8%**	**86,561**	**21.9%**	**(5.26%)**
Basic EPS	**2.47**		**2.61**		

Source: Company data

H1 2018 Income Statements

(Unit: NT$'000, except for EPS)

	H1 2018	%	H1 2017	%	YoY
Operating Revenue	**782,063**	**100%**	**755,590**	**100%**	**3.50%**
Operating Costs	79,056	10.1%	69,419	9.2%	13.88%
Gross Profit	**703,007**	**89.9%**	**686,171**	**90.8%**	**2.45%**
Operating Expenses	536,654	68.6%	510,796	67.6%	5.06%
Selling Expenses	298,136	38.1%	289,573	38.3%	2.96%
Administrative Expenses	83,234	12.0%	86,526	12.0%	(3.80%)
Research & Development Expenses	155,284	19.9%	134,697	17.8%	15.28%
Operating Income	**166,353**	**21.3%**	**175,375**	**23.2%**	**(5.14%)**
Non-Operating Income and Expenses	13,177	1.7%	12,144	1.6%	8.51%
Income Before Income Tax	**179,530**	**23.0%**	**187,519**	**24.8%**	**(4.26%)**
Income Tax Expenses	34,454	4.4%	29,824	3.9%	15.52%
Net Income	**145,076**	**18.6%**	**157,695**	**20.9%**	**(8.00%)**
Basic EPS	**4.37**		**4.77**		

Source: Company data

H1 2018 Balance Sheets

(Unit: NT$'000)

	2018.6.30	%	2017.6.30	%
Cash & Cash Equivalents	2,206,523	87%	2,192,124	87%
NR & AR, Net	57,807	2%	43,652	2%
Other Receivables	11,427	-	10,246	-
Total Current Assets	**2,290,125**	**90%**	**2,258,996**	**90%**
Property, Plant and Equipment	212,767	9%	217,026	9%
Intangible Assets	4,037	-	6,993	-
Total Assets	**2,531,956**	**100%**	**2,506,164**	**100%**
NP, AP and Other Payables	605,351	23%	612,334	24%
Contract Liability- Current	446,339	18%	-	-
Deferred Revenue	-	-	423,832	17%
Total Current Liabilities	**1,161,026**	**46%**	**1,129,201**	**45%**
Total Liabilities	**1,167,578**	**46%**	**1,132,994**	**45%**
Total Equity	**1,364,378**	**54%**	**1,373,170**	**55%**

Source: Company data

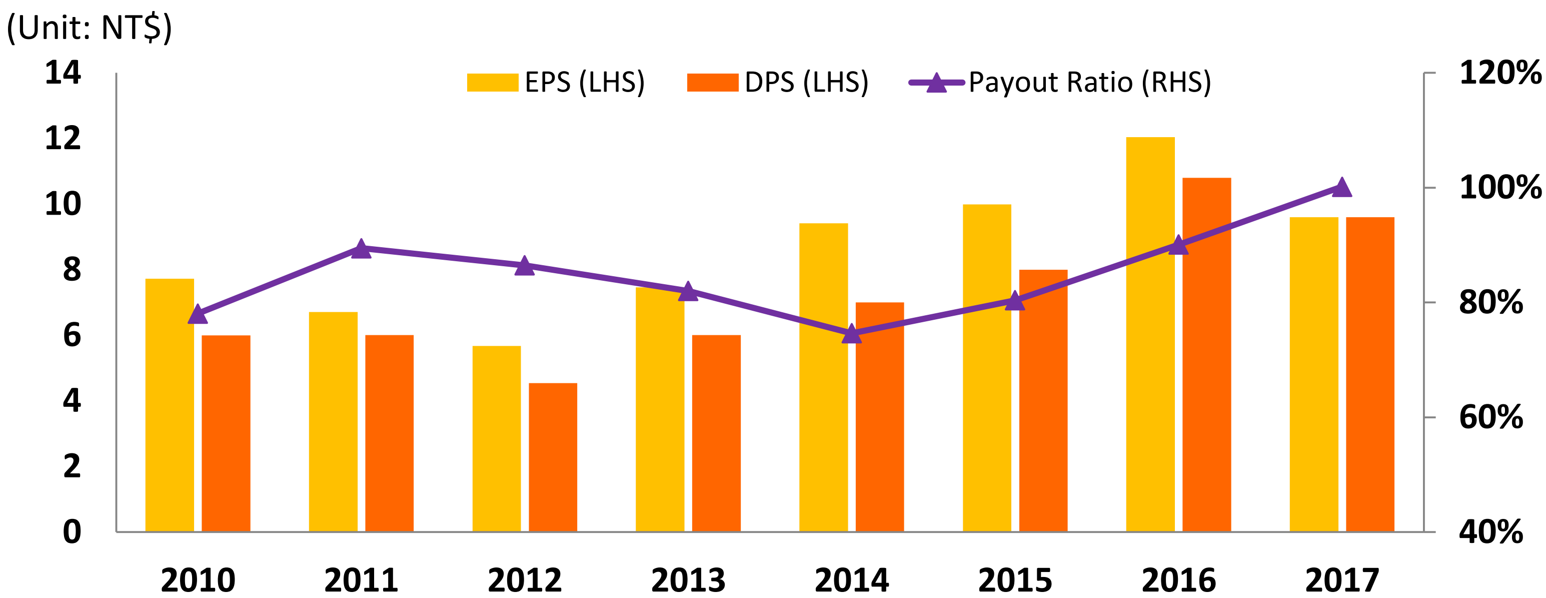
H1 2018 Cash Flow Statements

(Unit: NT$'000)

	H1 2018	H1 2017
Net Cash Flows from Operating Activities	**179,203**	**222,676**
Income Before Tax	179,530	187,519
Depreciation and Amortization Expenses	23,019	29,015
Other Account Payable	(39,200)	(16,681)
Other Operating Sources (Uses)	15,854	22,823
Net Cash Flows from (Used in) Investing Activities	**(16,483)**	**(17,715)**
Acquisition/Disposal of Property, Plant and Equipment	(13,196)	(17,122)
Acquisition of Intangible Assets	(2,796)	(1,026)
Other Investing Sources	(491)	433
Net Cash Flows Used in Financing Activities	**-**	**-**
Effect of Exchange Rate Changes	**333**	**(1,667)**
Net Increase in Cash and Cash Equivalents	**163,053**	**203,294**

Source: Company data

Dividend Policy



	2010	2011	2012	2013	2014	2015	2016	2017
EPS	7.72	6.71	5.67	7.46	9.41	9.99	12.04	9.60
DPS	**6.0**	**6.0**	**4.55**	**6.0**	**7.0**	**8.0**	**10.8**	**9.60**
Payout Ratio (%)	**78%**	**89%**	**87%**	**82%**	**75%**	**80%**	**90%**	**100%**
Avg. Stock Price	112.6	99.23	76.06	90.06	122.24	151.94	139.15	151.47
Yield Rate (%)	5.33%	6.05%	5.98%	6.66%	5.73%	5.27%	7.76%	6.34%

Source: TWSE & Company data

Cash dividends distribute date:2018/08/08

104's Mission

- 50% profit margin

We care

Higher ageing rate

<u>Elderly care platform to support current workers and families</u>

65 yrs old

We develop

Job & resume material value

<u>Career, talent, & knowledge management</u>

15 yrs old

We inspire

Lowest birth rate

<u>Enable children to find their gifts and compete</u>

C — M — O — S

Cloud Mobile Open Social

104 Career Management Platform

Professional Development Through Social Networking	*Adoption of Open APIs to Enrich Services and Achieve a Triple-Win*

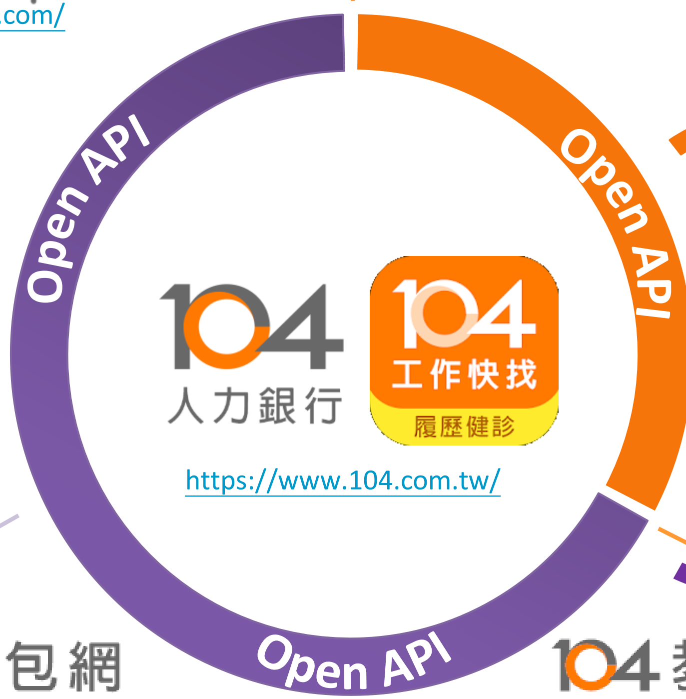
104教室
https://clazzrooms.com/

104職涯社群
https://plus.104.com.tw/

BeAGiver
https://beagiver.com/

104共享顧問

104高年級
https://senior.104.com.tw/



Third Party Service Providers

In-House Application Development

104外包網
https://case.104.com.tw/

104教育網
https://learn.104.com.tw/

104獵才顧問
https://hunter.104.com.tw/

104家教網
https://tutor.104.com.tw/

HR Capital Management Solutions

On-Premise & Customized for Large Companies

104 eHRMS
人力資源管理系統

Human Capital Mgmt

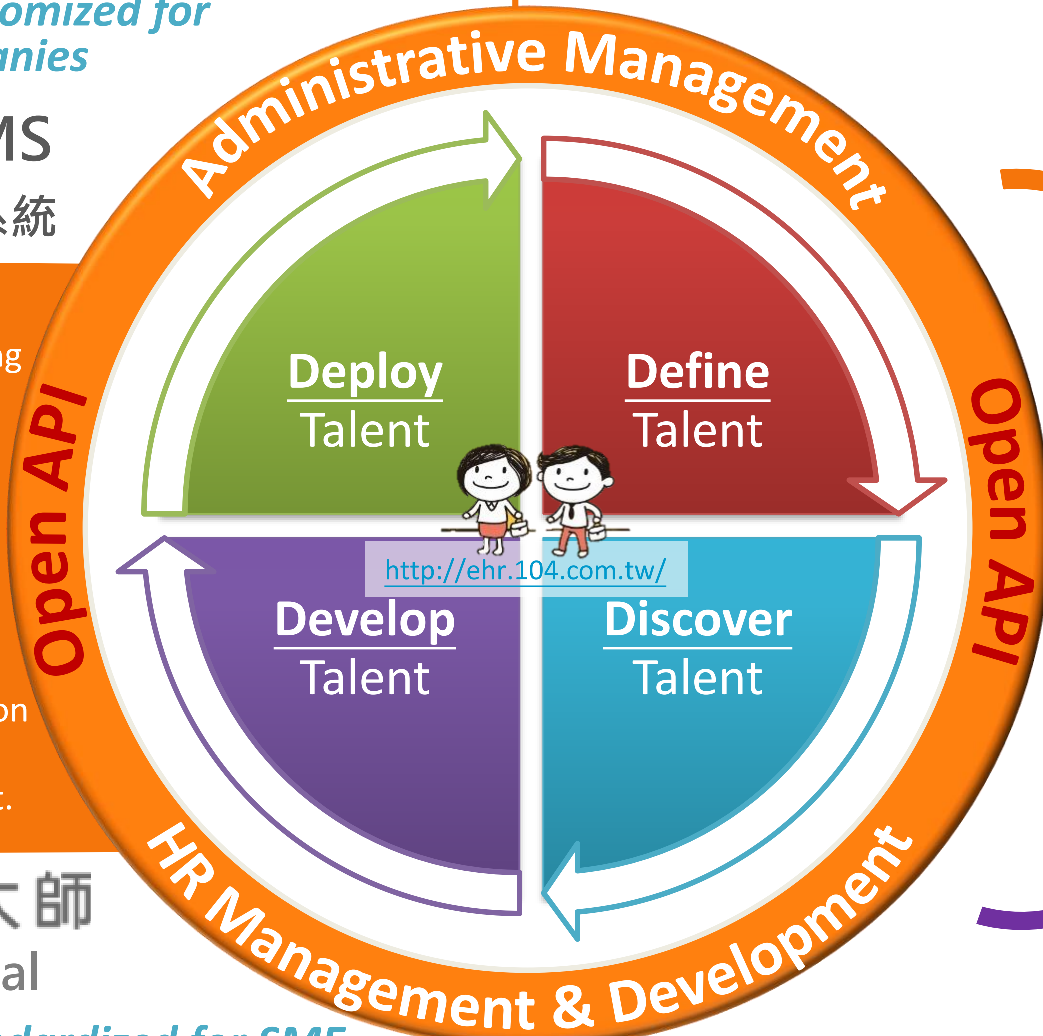
- Recruiting & Onboarding
- Shift Arrangement
- Payroll & Benefits
- Competency Testing & Talent Retention

Mobile Office

- Latest Industry News
- Real Time Administration
- Intra-Departmental Comm. & Project Mgmt.

104 企業大師
HR Portal

Cloud-Based & Standardized for SME



Third Party Service Providers

In-House Application Development

For K-12

104工作世界
World of Work
https://wow.104.com.tw/

I want to become a...

Our Q&A Platform: Children can explore the world of work based on 104's job data and ask career-related questions to volunteer workers.

kids
https://kids.104.com.tw/

Our Kid Talent Platform: enables children, parents, teachers and experts to explore, analyze, record and demonstrate children's gifts.

兒童美術館
www.cicisasa.com

Our Web Gallery of Arts: A virtual art gallery for children's creative arts exhibition and talent showcase.

Star
https://star.104.com.tw/

Resources to Explore Talent
Activities, contests and learning programs

For Seniors

104 銀髮銀行
Senior Care Bank
https://104careu.104.com.tw/

教練管家
Caregiver Coach

Our in-home care professionals offer

- Health care and coaching services for seniors/patients
- Coaching and consulting services for family members/caregivers

Integrated-Care Team

- Medical professionals
- Therapists

Tailor-Made Solutions

- Health assessment
- Care plan development

Care Plan Execution

- Caring & assistance
- Coaching & consulting

Monitoring & Evaluation

104資訊科技

Thank you

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