

104 資訊科技

104 Corporation (TSE:3130)

A Total Solution Provider in the Chinese HR Services Market

November 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.

This presentation and the information contained herein is the property of 104 Corporation.

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.

Services and Products

Business Segments



Mobile Apps



Job-Search App



Talent-Search App

For Corporate Users

- Large and diversified resume pool
- Variety of integrated HR services

Revenue Performance

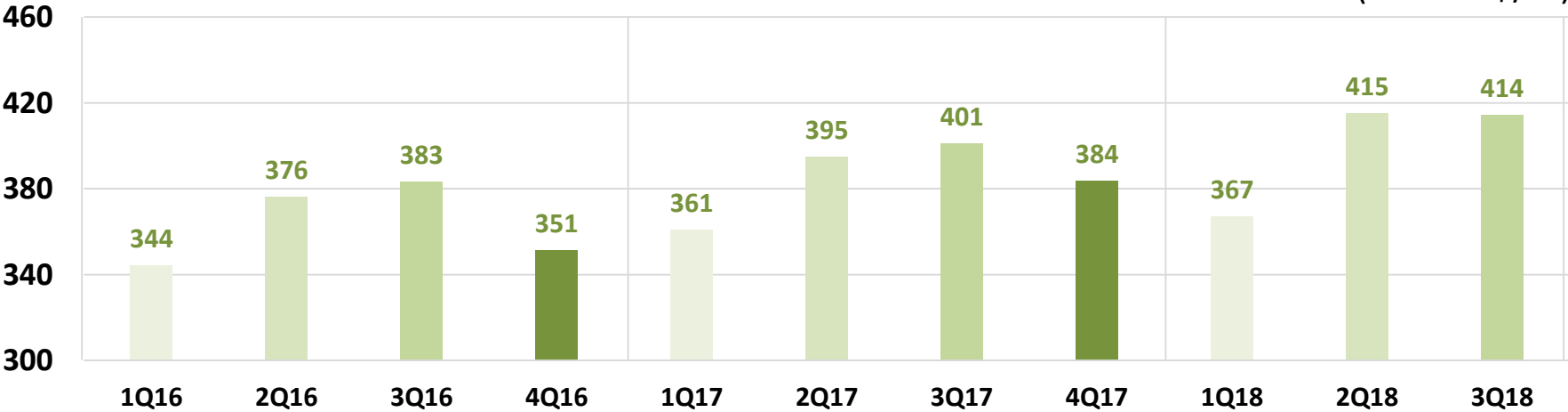
Consolidated Revenue

(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%)
<i>OPM</i>	<i>23.2%</i>	<i>26.7%</i>		<i>21.9%</i>	<i>24.4%</i>	

The decreases of operating income above were mainly affected by the increase in related spending for optimizing existing services and accelerating new product development.

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		

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		

H1 2018 Balance Sheets

(Unit: NT\$'000)

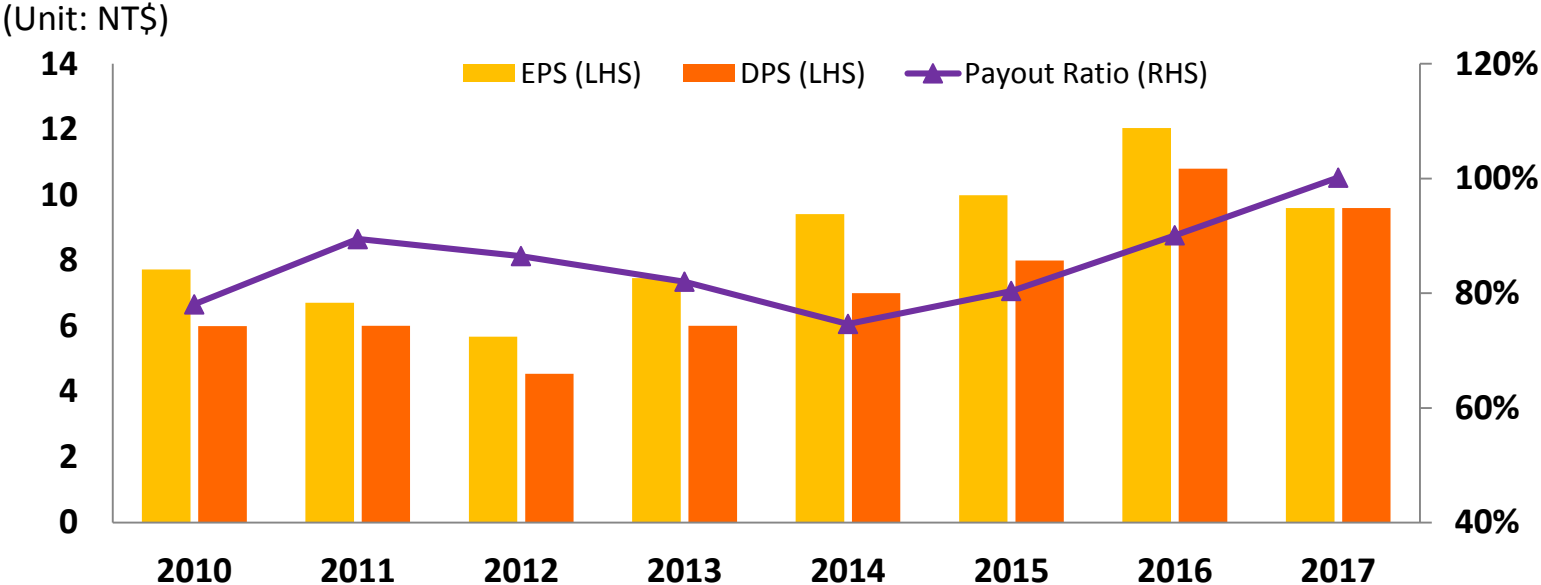
	2018.6.30	%	2017.6.30	%
Cash & Cash Equivalents	2,206,523	87%	2,192,124	87%
NR & AR, Net	57,807	2%	43,652	2%
Other Receivables	11,427	-	10,246	-
Total Current Assets	2,290,125	90%	2,258,996	90%
Property, Plant and Equipment	212,767	9%	217,026	9%
Intangible Assets	4,037	-	6,993	-
Total Assets	2,531,956	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%

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

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

Higher ageing rate

Elderly care platform to support current workers and families

We care



65 yrs old

Job & resume material value

Career, talent, & knowledge management

We develop



15 yrs old

Lowest birth rate

Enable children to find their gifts and compete

We inspire



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



HR Capital Management Solutions

On-Premise & Customized for Large Companies

104 eHRMS
人力資源管理系統

Human Capital Mgmt

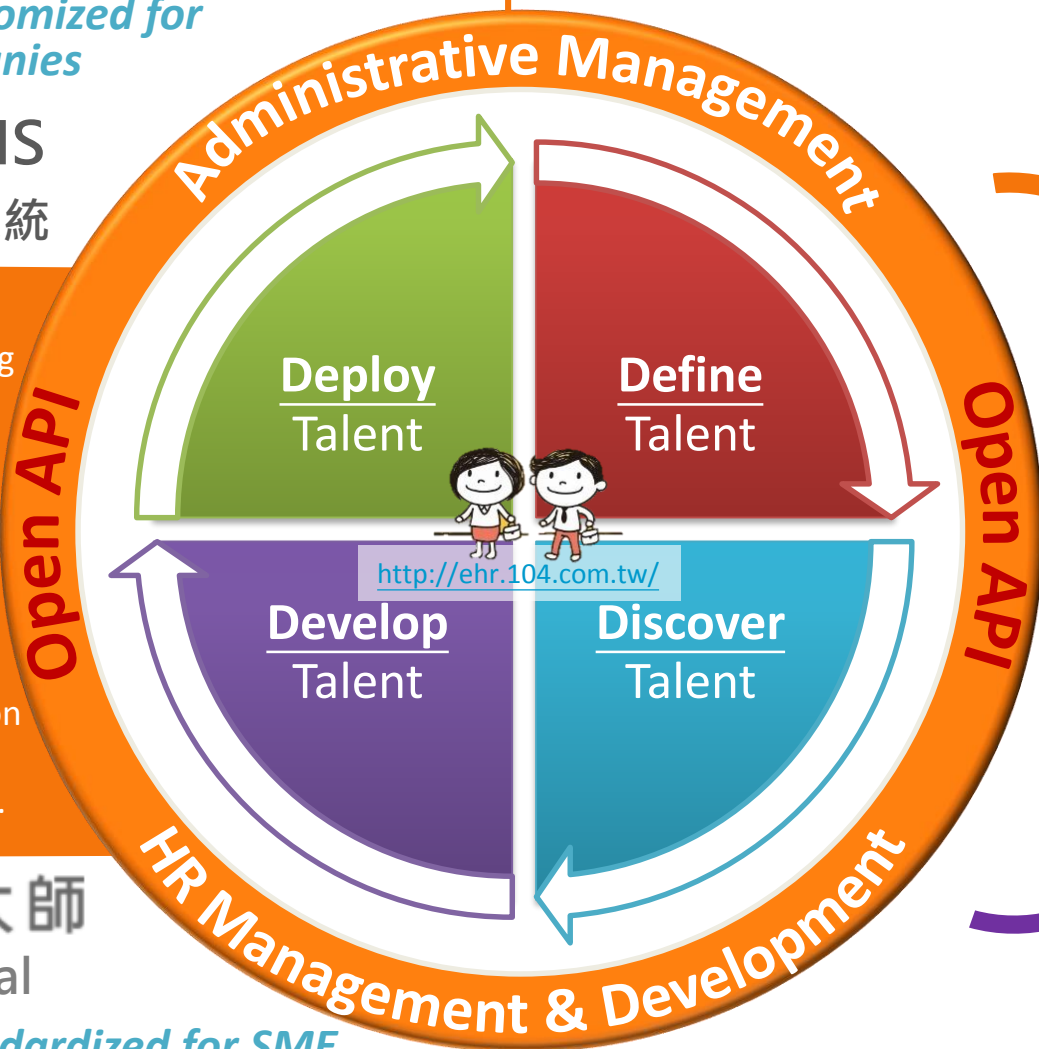
- Recruiting & Onboarding
- Shift Arrangement
- Payroll & Benefits
- Competency Testing & Talent Retention

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



For K-12

104 工作世界

World of Work

<https://wow.104.com.tw/>



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.



<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

For more information, please contact:

Brenda Shih, VP, Chairman's Office

886-2-2912-6104 ext. 9688 / brenda.shih@104.com.tw

Kendrah Chen, IR

886-2-2912-6104 ext. 9692 / kendrah.chen@104.com.tw