Stock Code:3130

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

104 CORPORATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

With Independent Auditors' Review Report
For the Six Months Ended June 30, 2021 and 2020

Address: 10F., No. 119-1, Baozhong Rd., Xindian Dist., New Taipei City 231, Taiwan, R.O.C.

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The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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Independent Auditors' Review Report

To the Board of Directors of 104 Corporation:

Introduction

We have reviewed the accompanying consolidated balance sheets of 104 Corporation and subsidiaries as of June 30, 2021 and 2020, and the related consolidated statements of comprehensive income for the three months and the six months periods then ended, and changes in equity and cash flows for the six months ended June 30, 2021 and 2020, and notes to the consolidated financial statements, including a summary of significant accounting policies. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Accounting Standards ("IASs") 34, "Interim Financial Reporting" endorsed by the Financial Supervisory Commission of the Republic of China. Our responsibility is to express a conclusion on the consolidated financial statements based on our review.

Scope of Review

Except as explained in the Basis for Qualified Conclusion paragraph, we conducted our reviews in accordance with Statement of Auditing Standards 65, "Review of Financial Information Performed by the Independent Auditor of the Entity". A review of the consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified Conclusion

As stated in Note 4(2), the consolidated financial statements included the financial statements of certain non-significant subsidiaries, which were not reviewed by independent auditors. These financial statements reflect the total assets amounting to NT$112,254 thousand and NT$122,309 thousand, constituting 3.94% and 4.51% of the consolidated total assets; and the total liabilities amounting to NT$13,901 thousand and NT$14,534 thousand, constituting 0.96% and 1.04% of the consolidated total liabilities as of June 30, 2021 and 2020, respectively; as well as the total comprehensive gain (loss) amounting to NT$5,184 thousand, NT$2,081 thousand, NT$15,139 thousand and NT$ (391) thousand, constituting 5.92%, 4.63%, 7.94% and (0.37)% of the consolidated total comprehensive income for the three and six months ended June 30, 2021 and 2020, respectively.

Qualified Conclusion

Based on our reviews, except for the effects of such adjustments, if any, as might have been determined to be necessary had the financial statements of certain non-significant subsidiaries as described in the Basis for Qualified Conclusion paragraph above been reviewed by independent auditors, nothing has come to our attention that causes us to believe that the accompanying consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of 104 Corporation and subsidiaries as of June 30, 2021 and 2020, and of its consolidated financial performance for the three and six months ended June 30, 2021 and 2020, as well as its consolidated cash flows for the six months ended June 30, 2021 and 2020 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IASs 34, “Interim Financial Reporting” endorsed by the Financial Supervisory Commission of the Republic of China.

The engagement partners of KPMG on the review resulting in this independent auditor’s report are Min-Ju Chao and Chun-Hsiu Kuang.

Taipei, Taiwan (Republic of China)
July 27, 2021

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Reviewed only, not audited in accordance with generally accepted auditing standards as of June 30, 2021 and 2020

104 CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

June 30, 2021, December 31 and June 30, 2020

(Expressed in Thousands of New Taiwan Dollars)

Assets	June 30, 2021 Amount	%	December 31, 2020 Amount	%	June 30, 2020 Amount	%
Current assets:						
Cash and cash equivalents (note 6(1))	$ 2,420,163	85	2,236,512	84	2,289,204	85
Notes receivable, net (notes 6(3) and (12))	782	-	161	-	46	-
Accounts receivable, net (notes 6(3) and (12))	83,301	3	50,906	2	63,430	2
Other receivables	7,969	-	9,334	-	9,497	-
Other current assets, others	32,204	1	37,044	2	27,335	1
Total current assets	2,544,419	89	2,333,957	88	2,389,512	88
Non-current assets:						
Non-current financial assets at fair value through profit or loss (note 6(2))	4,458	-	4,557	-	4,741	-
Property, plant and equipment (note 6(4))	203,033	7	208,883	8	216,890	8
Right-of-use assets (notes 6(5) and (7))	66,619	3	76,824	3	69,877	3
Intangible assets (note 6(6))	1,569	-	1,553	-	1,937	-
Deferred tax assets	8,638	-	8,638	-	7,051	-
Prepayments for business facilities	-	-	588	-	468	-
Guarantee deposits paid	8,829	-	8,300	-	8,101	-
Other non-current financial assets (note 8)	10,000	1	10,000	1	10,000	1
Other non-current assets, others (notes 6(3) and (12))	3,815	-	4,224	-	2,245	-
Total non-current assets	306,961	11	323,567	12	321,310	12
Total assets	$ 2,851,380	100	2,657,524	100	2,710,822	100

Liabilities and Equity	June 30, 2021 Amount	%	December 31, 2020 Amount	%	June 30, 2020 Amount	%
Current liabilities:						
Current contract liabilities (note 6(12))	$ 631,345	22	600,876	23	575,173	21
Notes payable	632	-	54	-	4	-
Accounts payable	1,072	-	1,859	-	2,098	-
Other payables (notes 6(10) and (13))	622,869	22	395,053	15	621,795	23
Current tax liabilities	57,665	2	44,948	2	60,574	2
Current lease liabilities (note 6(7))	31,043	1	32,891	1	28,745	1
Other current liabilities, others	61,082	2	58,759	2	53,599	2
Total current liabilities	1,405,708	49	1,134,440	43	1,341,988	49
Non-current liabilities:						
Non-current lease liabilities (note 6(7))	36,386	1	44,734	2	41,882	2
Net defined benefit liability, non-current	11,820	1	12,611	-	8,417	-
Total non-current liabilities	48,206	2	57,345	2	50,299	2
Total liabilities	1,453,914	51	1,191,785	45	1,392,287	51
Equity attributable to owners of parent (note 6(10)):						
Common stock	331,907	12	331,907	12	331,907	12
Capital surplus	397,574	14	397,574	15	397,574	15
Retained earnings:						
Legal reserve	378,199	13	378,199	15	378,199	14
Special reserve	5,339	-	6,121	-	6,121	-
Unappropriated earnings	285,932	10	351,628	13	205,665	8
Total retained earnings	669,470	23	735,948	28	589,985	22
Other equity:						
Exchange differences on translation of foreign financial statements	(6,097)	-	(5,339)	-	(7,530)	-
Total equity attributable to owners of parent	1,392,854	49	1,460,090	55	1,311,936	49
Non-controlling interests	4,612	-	5,649	-	6,599	-
Total equity	1,397,466	49	1,465,739	55	1,318,535	49
Total liabilities and equity	$ 2,851,380	100	2,657,524	100	2,710,822	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

Reviewed only, not audited in accordance with generally accepted auditing standards

104 CORPORATION AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the three and six months ended June 30, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

	For the three months ended June 30,				For the six months ended June 30,			
	2021		2020		2021		2020	
	Amount	%	Amount	%	Amount	%	Amount	%
Operating revenue (note 6(12))	$ 456,934	100	390,021	100	894,834	100	786,939	100
Operating costs (notes 6(4), (5), (7), (8), (13), 7 and 12)	43,471	9	49,979	13	88,138	10	94,387	12
Gross profit	413,463	91	340,042	87	806,696	90	692,552	88
Operating expenses (notes 6(3), (4), (5), (7), (8), (13), 7 and 12):								
Selling expenses	170,951	38	162,466	42	333,827	37	324,089	41
Administrative expenses	38,067	8	39,921	10	77,063	9	76,500	10
Research and development expenses	96,257	21	85,976	22	185,690	21	168,366	21
Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	465	-	(1)	-	649	-	329	-
Total operating expenses	305,740	67	288,362	74	597,229	67	569,284	72
Operating income	107,723	24	51,680	13	209,467	23	123,268	16
Non-operating income and expenses (notes 6(4), (5), (7), (8), (14), (15), (16), 7 and 12):								
Interest income	2,708	1	3,123	1	5,331	1	6,615	1
Other income	1,637	-	6,260	1	3,406	-	11,062	1
Other gains and losses	(2,615)	(1)	(5,265)	(1)	(2,601)	-	(8,058)	(1)
Finance costs	(260)	-	(284)	-	(539)	-	(577)	-
Total non-operating income and expenses	1,470	-	3,834	1	5,597	1	9,042	1
Income before income tax	109,193	24	55,514	14	215,064	24	132,310	17
Less: income tax expenses (note 6(9))	21,255	5	9,691	2	23,615	3	24,905	3
Net income	87,938	19	45,823	12	191,449	21	107,405	14
Other comprehensive income (loss):								
Items that may be reclassified subsequently to profit or loss								
Exchange differences on translation of foreign financial statements	(428)	-	(893)	-	(835)	-	(1,606)	(1)
Less: Income tax related to items that are or may be reclassified subsequently to profit or loss	-	-	-	-	-	-	-	-
Other comprehensive loss	(428)	-	(893)	-	(835)	-	(1,606)	(1)
Total comprehensive income	**$ 87,510**	**19**	**44,930**	**12**	**190,614**	**21**	**105,799**	**13**
Net income attributable to:								
Shareholders of the Company	$ 88,411	19	46,872	12	192,409	21	108,751	14
Non-controlling interests	(473)	-	(1,049)	-	(960)	-	(1,346)	-
	$ 87,938	**19**	**45,823**	**12**	**191,449**	**21**	**107,405**	**14**
Total comprehensive income (loss) attributable to:								
Shareholders of the Company	$ 88,021	19	46,086	12	191,651	21	107,342	13
Non-controlling interests	(511)	-	(1,156)	-	(1,037)	-	(1,543)	-
	$ 87,510	**19**	**44,930**	**12**	**190,614**	**21**	**105,799**	**13**
Basic earnings per share (note 6(11))								
Basic earnings per share	**$ 2.66**		**1.41**		**5.80**		**3.28**	
Diluted earnings per share	**$ 2.65**		**1.41**		**5.77**		**3.26**	

See accompanying notes to consolidated financial statements.

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Reviewed only, not audited in accordance with generally accepted auditing standards

104 CORPORATION AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the six months ended June 30, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent									
			Retained earnings							
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Foreign currency translation differences for foreign operations	Total equity attributable to Owners of parent	Non-controlling interests	Total equity
Balance at January 1, 2020	$ 331,907	397,574	378,199	4,051	385,088	767,338	(6,121)	1,490,698	8,142	1,498,840
Appropriations and distributions										
Special reserve	-	-	-	2,070	(2,070)	-	-	-	-	-
Cash dividends	-	-	-	-	(286,104)	(286,104)	-	(286,104)	-	(286,104)
Net income (loss) for the period	-	-	-	-	108,751	108,751	-	108,751	(1,346)	107,405
Other comprehensive income (loss) for the period	-	-	-	-	-	-	(1,409)	(1,409)	(197)	(1,606)
Total comprehensive income (loss) for the period	-	-	-	-	108,751	108,751	(1,409)	107,342	(1,543)	105,799
Balance at June 30, 2020	**$ 331,907**	**397,574**	**378,199**	**6,121**	**205,665**	**589,985**	**(7,530)**	**1,311,936**	**6,599**	**1,318,535**
Balance at January 1, 2021	$ 331,907	397,574	378,199	6,121	351,628	735,948	(5,339)	1,460,090	5,649	1,465,739
Appropriations and distributions										
Cash dividends	-	-	-	-	(258,887)	(258,887)	-	(258,887)	-	(258,887)
Reversal of special reserve	-	-	-	(782)	782	-	-	-	-	-
Net income (loss) for the period	-	-	-	-	192,409	192,409	-	192,409	(960)	191,449
Other comprehensive income (loss) for the period	-	-	-	-	-	-	(758)	(758)	(77)	(835)
Total comprehensive income (loss) for the period	-	-	-	-	192,409	192,409	(758)	191,651	(1,037)	190,614
Balance at June 30, 2021	**$ 331,907**	**397,574**	**378,199**	**5,339**	**285,932**	**669,470**	**(6,097)**	**1,392,854**	**4,612**	**1,397,466**

See accompanying notes to consolidated financial statements.

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Reviewed only, not audited in accordance with generally accepted auditing standards

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Consolidated Statements of Cash Flows

For the six months ended June 30, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	For the six months ended June 30, 2021	2020
Cash flows from (used in) operating activities:		
Income before tax	$ 215,064	132,310
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	33,738	37,510
Amortization expense	572	906
Expected credit loss	649	329
Interest expense	539	577
Interest income	(5,331)	(6,615)
Loss (gain) on disposal of property, plant and equipment	400	(187)
Unrealized foreign exchange loss	99	56
Gain from lease modifications	(52)	-
Total adjustments to reconcile profit	30,614	32,576
Changes in operating assets and liabilities:		
Net changes in operating assets:		
Notes receivable	(621)	393
Accounts receivable	(33,044)	(15,857)
Other receivables	1,422	(397)
Other financial assets	-	150
Other current assets	4,840	(11,896)
Total net changes in operating assets	(27,403)	(27,607)
Net changes in operating liabilities:		
Contract liabilities	30,469	56,690
Notes payable	578	(117)
Accounts payable	(787)	(354)
Other payables	(36,733)	(38,056)
Other current liabilities	2,323	1,968
Net defined benefit liabilities	(791)	(763)
Total net changes in operating liabilities	(4,941)	19,368
Total net changes in operating assets and liabilities	(32,344)	(8,239)
Total adjustments	(1,730)	24,337
Cash inflow generated from operations	213,334	156,647
Interest received	5,274	7,026
Interest paid	(539)	(577)
Income taxes paid	(10,898)	(11,593)
Net cash flows from operating activities	207,171	151,503
Cash flows from (used in) investing activities:		
Acquisition of property, plant and equipment	(5,896)	(13,873)
Proceeds from disposal of property, plant and equipment	-	198
Decrease (increase) in refundable deposits	(529)	153
Acquisition of intangible assets	-	(133)
Decrease (increase) in other non-current assets	409	1,255
Net cash flows used in investing activities	(6,016)	(12,400)
Cash flows used in financing activities:		
Payments of lease liabilities	(16,670)	(16,952)
Net cash flows used in financing activities	(16,670)	(16,952)
Effect of exchange rate changes on cash and cash equivalents	(834)	(1,603)
Net decrease in cash and cash equivalents	183,651	120,548
Cash and cash equivalents at beginning of period	2,236,512	2,168,656
Cash and cash equivalents at end of period	$ 2,420,163	2,289,204

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
Reviewed only, not audited in accordance with generally accepted auditing standards

104 CORPORATION AND SUBSIDIARIES

Notes to the Consolidated Financial Statements

June 30, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars, unless otherwise stated)

(1) Company history

104 Corporation (the “Company”) was incorporated as a company limited by shares under the Company Act of the Republic of China in October 1993. The Company, formerly named Fu-Hwa International Market Development Consultant Ltd., was renamed 104 Corporation in August 2000. The Company and subsidiaries (the “Consolidated Company”) are engaged in information technology, general advertising services, employment services, and human resource consultancy.

(2) Approval date and procedures of the consolidated financial statements

The consolidated financial statements were authorized for issuance by the board of directors on July 27, 2021.

(3) New standards, amendments and interpretations adopted

1) The impact of the International Financial Reporting Standards (“IFRSs”) endorsed by the Financial Supervisory Commission, R.O.C. (“FSC”) which have already been adopted.

The Consolidated Company has initially adopted the following new amendments, which do not have a significant impact on its consolidated financial statements, from January 1, 2021:

- Amendments to IFRS 4 “Extension of the Temporary Exemption from Applying IFRS 9”
- Amendments to IFRS 9, IAS39, IFRS7, IFRS 4 and IFRS 16 “Interest Rate Benchmark Reform—Phase 2”
- Amendments to IFRS 16 “Covid-19-Related Rent Concessions beyond June 30, 2021”

2) The impact of IFRS issued by the FSC but not yet effective

The Consolidated Company assesses that the adoption of the following new amendments, effective for annual period beginning on January 1, 2022, would not have a significant impact on its consolidated financial statements:

- Amendments to IAS 16 “Property, Plant and Equipment－Proceeds before Intended Use”
- Amendments to IAS 37 “Onerous Contracts－Cost of Fulfilling a Contract”
- Annual Improvements to IFRS Standards 2018–2020
- Amendments to IFRS 3 “Reference to the Conceptual Framework”

3) The impact of IFRS issued by IASB but not yet endorsed by the FSC

The following new and amended standards, which may be relevant to the Consolidated Company, have been issued by the International Accounting Standards Board (IASB), but have yet to be endorsed by the FSC:

Standards or Interpretations	Content of amendment	Effective date per IASB
Amendments to IAS 1 "Disclosure of Accounting Policies"	The key amendments to IAS 1 include: • requiring companies to disclose their material accounting policies rather than their significant accounting policies; • clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and • clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.	January 1, 2023
Amendments to IAS 8 "Definition of Accounting Estimates"	The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.	January 1, 2023

The Consolidated Company is evaluating the impact of its initial adoption of the abovementioned standards or interpretations on its consolidated financial position and consolidated financial performance. The results thereof will be disclosed when the Consolidated Company completes its evaluation.

The Consolidated Company does not expect the following other new and amended standards, which have yet to be endorsed by the FSC, to have a significant impact on its consolidated financial statements:

- Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture"
- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 "Insurance Contracts"
- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"
- Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"

(4) Summary of significant accounting policies

Except the following accounting policies mentioned below, the significant accounting policies adopted in the consolidated financial statements are the same as those in the consolidated financial statement for the year ended December 31, 2020. For the related information, please refer to note 4 of the consolidated financial statement for the year ended December 31, 2020.

1) Statement of compliance

These consolidated financial statements have been prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers (hereinafter referred to the Regulations) and guidelines of IAS 34 "Interim Financial Reporting" which are endorsed by FSC and do not include all of the disclosures required by International Financial Reporting Standards,

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Notes to the Consolidated Financial Statements

International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed by the FSC (hereinafter referred to IFRS endorsed by the FSC) for full annual consolidated financial statements.

2) Basis of consolidation

1. List of subsidiaries included in the consolidated financial statements

List of subsidiaries in the consolidated financial statements:

Name of investor	Name of subsidiary	Business activities	Percentage of ownership June 30, 2021	December 31, 2020	June 30, 2020	Notes
The Company	104 Consulting Corporation (104 Consulting)	General advertising services, IT software services, electronic information services, talent dispatching, management consultancy and data processing services	100.00%	100.00%	100.00%	Note
The Company	104 Human Resources Consultancy (Shanghai) Co., Ltd. (104 Human Resources Consultancy)	Collecting, coordinating, publishing, and consulting on human resource information; recruitment; designing and developing computer software, multimedia, and network systems; designing and producing advertising	70.00%	70.00%	70.00%	Note
The Company	104 Redpoint Information Technology (Shanghai) Co., Ltd. (Redpoint Information)	Developing network technologies and computer software, selling products, providing technical advice and services, and management consultancy	100.00%	100.00%	100.00%	Note

Note：It is a non-significant subsidiary, and its financial statements have not been reviewed.

2. Subsidiaries excluded from the consolidated financial statements: None.

3) Employee benefits

The pension cost for an interim period was calculated on a year-to-date basis by using the actuarially determined pension cost rate at the end of the prior fiscal year, adjusted for significant market fluctuations since that time and for significant curtailments, settlements, or other significant one-off events.

4) Income taxes

The income tax expenses have been prepared and disclosed in accordance with IAS 34 “Interim Financial Reporting”.

Income tax expenses for the period are best estimated by multiplying pre-tax income for the interim reporting period using the effective annual tax rate as forecasted by the management. This should be recognized fully as tax expense for the current period.

Temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases shall be measured based on the tax rates that have been enacted or substantively enacted at the time of the asset or liability is recovered or settled, and be recognized directly in equity or other comprehensive income as tax expense.

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Notes to the Consolidated Financial Statements

(5) Significant accounting assumptions and judgments, and major sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with the Regulations and IAS 34 “Interim Financial Reporting” which are endorsed by FSC requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The preparation of the consolidated financial statements, estimates and underlying assumptions are reviewed on an ongoing basis which are in conformity with the consolidated financial statements for the year ended December 31, 2020. For the related information, please refer to note 5 of the consolidated financial statements for the year ended December 31, 2020.

(6) Explanation of significant accounts

Except for the following disclosures, there is no significant difference as compared with those disclosed in the consolidated financial statements for the year ended December 31, 2020. For the related information, please refer to Note 6 of the consolidated financial statements for the year ended December 31, 2020.

1) Cash and cash equivalents

	June 30, 2021	December 31, 2020	June 30, 2020
Cash	$ 39	34	1
Checking deposits	50	2,709	2,749
Demand deposits	125,592	214,669	170,632
Time deposits	2,119,482	1,969,100	2,043,822
Cash equivalents－RS bond	175,000	50,000	72,000
Cash and cash equivalents in the consolidated statement of cash flows	$ 2,420,163	2,236,512	2,289,204

2) Financial assets at fair value through profit or loss

	June 30, 2021	December 31, 2020	June 30, 2020
Mandatorily measured at fair value through profit or loss－non-current			
Private fund	$ 4,458	4,557	4,741

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Notes to the Consolidated Financial Statements

3) Notes and accounts receivable and overdue receivable

	June 30, 2021	December 31, 2020	June 30, 2020
Notes receivable	$ 782	161	46
Accounts receivable	83,479	50,906	63,481
Overdue receivable (recorded under other non-current assets)	43	-	-
Less: Allowance for doubtful accounts－accounts receivable	(178)	-	(51)
Allowance for doubtful accounts－overdue receivable (recorded under other non-current assets)	(43)	-	-
	$ 84,083	51,067	63,476

The Consolidated Company applies the simplified approach to provide for its expected credit losses, i.e. the use of lifetime expected loss provision for all receivables. To measure the expected credit losses, notes, accounts and overdue receivable have been grouped based on shared credit risk characteristics and the days past due, as well as incorporated forward looking information, including macroeconomic and relevant industry information.

The loss allowance was determined as follows:

	June 30, 2021		
	Gross carrying amount	Weighted-average expected loss rate (%)	Lifetime expected credit loss allowance
Aging 1~365 days	$ 84,261	0.21	178
Aging over 365 days	43	100.00	43
	$ 84,304		221

	December 31, 2020		
	Gross carrying amount	Weighted-average expected loss rate (%)	Lifetime expected credit loss allowance
Aging 1~365 days	$ 51,067	-	-

	June 30, 2020		
	Gross carrying amount	Weighted-average expected loss rate (%)	Lifetime expected credit loss allowance
Aging 1~365 days	$ 63,527	0.08	51

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Notes to the Consolidated Financial Statements

The movement in the allowance for notes, accounts and overdue receivable were as follows:

	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Balance on January 1	$ -	229
Impairment losses recognized	649	329
Amounts written off	(492)	(543)
Accounts recovered	65	36
Foreign exchange losses	(1)	-
Balance on June 30	**$ 221**	**51**

The Consolidated Company does not hold any collateral for collectible amounts.

4) Property, plant and equipment

Movement of the cost, depreciation, and impairment loss of the property, plant and equipment of the Consolidated Company for the six months ended June 30, 2021 and 2020 were as follows:

	Land	Buildings	Computer equipment	Office equipment	Leasehold improvement	Transportation equipment	Other equipment	Unfinished construction	Total
Cost or deemed cost:									
Balance at January 1, 2021	$ 103,562	76,781	366,205	4,873	54,133	-	26,964	-	632,518
Additions	-	190	7,252	775	3,144	-	197	-	11,558
Disposals	-	-	(764)	(66)	(4,456)	-	-	-	(5,286)
Effect of movements in exchange rates	-	-	(42)	(1)	-	-	-	-	(43)
Balance at June 30, 2021	**$ 103,562**	**76,971**	**372,651**	**5,581**	**52,821**	**-**	**27,161**	**-**	**638,747**
Balance at January 1, 2020	$ 103,562	75,782	366,028	4,873	53,391	523	29,996	-	634,155
Additions	-	999	3,457	-	1,367	-	1,016	-	6,857
Disposals	-	-	(2,677)	-	-	(523)	(1,643)	-	(4,843)
Effect of movements in exchange rates	-	-	(70)	(2)	-	-	-	-	(72)
Balance at June 30, 2020	**$ 103,562**	**76,781**	**366,756**	**4,871**	**54,758**	**-**	**29,369**	**-**	**636,097**
Depreciation and impairment loss:									
Balance at January 1, 2021	$ -	39,918	312,547	3,870	44,226	-	23,074	-	423,635
Depreciation	-	1,638	12,417	357	1,624	-	971	-	17,007
Disposals	-	-	(764)	(66)	(4,056)	-	-	-	(4,886)
Effect of movements in exchange rates	-	-	(41)	(1)	-	-	-	-	(42)
Balance at June 30, 2021	**$ -**	**41,556**	**324,159**	**4,160**	**41,794**	**-**	**24,045**	**-**	**435,714**
Balance at January 1, 2020	$ -	36,688	297,126	3,284	40,873	523	25,183	-	403,677
Depreciation	-	1,605	15,489	293	2,089	-	955	-	20,431
Disposals	-	-	(2,666)	-	-	(523)	(1,643)	-	(4,832)
Effect of movements in exchange rates	-	-	(68)	(1)	-	-	-	-	(69)
Balance at June 30, 2020	**$ -**	**38,293**	**309,881**	**3,576**	**42,962**	**-**	**24,495**	**-**	**419,207**
Carrying amount:									
Balance at January 1, 2021	**$ 103,562**	**36,863**	**53,658**	**1,003**	**9,907**	**-**	**3,890**	**-**	**208,883**
Balance at June 30, 2021	**$ 103,562**	**35,415**	**48,492**	**1,421**	**11,027**	**-**	**3,116**	**-**	**203,033**
Balance at January 1, 2020	**$ 103,562**	**39,094**	**68,902**	**1,589**	**12,518**	**-**	**4,813**	**-**	**230,478**
Balance at June 30, 2020	**$ 103,562**	**38,488**	**56,875**	**1,295**	**11,796**	**-**	**4,874**	**-**	**216,890**

As of June 30, 2021, December 31 and June 30, 2020, the property, plant and equipment were not pledged.

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Notes to the Consolidated Financial Statements

5) Right-of-use assets

The Consolidated Company leases many assets including buildings and transportation equipment. Information about leases for which the Consolidated Company as a lessee is as below:

	Building	Transportation equipment	Total
Cost:			
Balance at January 1, 2021	$ 137,569	6,256	143,825
Addition	8,305	816	9,121
Disposal (modification of contract)	(2,595)	-	(2,595)
Balance at June 30, 2021	$ 143,279	7,072	150,351
Balance at January 1, 2020	$ 104,351	5,102	109,453
Addition	10,230	1,154	11,384
Disposal (modification of contract)	(64)	-	(64)
Balance at June 30, 2020	$ 114,517	6,256	120,773
Depreciation:			
Balance at January 1, 2021	$ 63,265	3,736	67,001
Depreciation	15,725	1,006	16,371
Balance at June 30, 2021	$ 78,990	4,742	83,732
Balance at January 1, 2020	$ 32,061	1,756	33,817
Depreciation	16,108	971	17,079
Balance at June 30, 2020	$ 48,169	2,727	50,896
Carrying amount:			
Balance at January 1, 2021	$ 74,304	2,520	76,824
Balance at June 30, 2021	$ 64,286	2,330	66,619
Balance at January 1, 2020	$ 72,290	3,346	75,636
Balance at June 30, 2020	$ 66,348	3,529	69,877

6) Intangible assets

There were no significant additions, disposal, or recognition and reversal of impairment losses of intangible assets for the six months ended June 30, 2021 and 2020. Information on amortization for the period, please refer to Note 12. For other related information, please refer to Note 6(6) of the consolidated financial statements for the year ended December 31, 2020.

7) Lease liabilities

The Consolidated Company's lease liabilities were as follows:

	June 30, 2021	December 31, 2020	June 30, 2020
Current	$ 31,043	32,891	28,748
Non-current	36,386	44,734	41,882
	$ 67,429	77,625	70,627

Please refer to Note 6(17) financial instrument for the maturity information.

The amounts under profit and loss were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Interest expense of lease liabilities	$ 260	284	539	577
Short term lease	$ 800	649	1,531	1,161

The amounts recognized in the statement of cash flows for the Consolidated Company was as follows:

	For the six months ended June 30,	
	2021	2020
Total cash flows used in operating activities	$ 2,070	1,738
Total cash flows used in financing activities	16,670	16,952
Total cash flows	$ 18,740	18,690

1. Leases of buildings

The Consolidated Company leased buildings as office. The rental periods were 2 to 5 years. The options to extend the rental period as the original leasing period were included in the leasing periods for some of the lease.

2. Other leases

The rental periods of transportation were 1 to 5 years.

Meanwhile, for office, parking lots, mobility cabinet and event venue with the rental periods of within one year, the Consolidated Company recognized those under exemption for short term leases, without recognizing the right of use and lease liabilities.

8) Employee benefits

1. Defined benefit plans

Management believes that there was no material volatility of the market, no material reimbursement and settlement or other material onetime events since prior fiscal year. As a result, the pension cost in the accompanying consolidated financial statements was measured and disclosed according to the actuarial report as of December 31, 2020 and 2019.

The expenses recognized in profit or loss for the Consolidated Company were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Operating costs	$ -	-	3	5
Selling expenses	-	-	20	32
Administrative expenses	-	-	8	14
Research and development expenses	-	-	7	13
	$ -	-	38	64

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2. Defined contribution plans

The Consolidated Company's pension costs under the defined contribution plans to the Bureau of Labor Insurance or the independent fund administered by the government were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Operating costs	$ 1,022	1,057	2,089	2,084
Selling expenses	5,128	5,028	10,029	9,815
Administrative expenses	936	949	1,931	1,948
Research and development expenses	2,829	2,635	5,611	5,730
Other gains and losses	132	127	267	252
	$ 10,047	9,796	19,927	19,469

9) Income taxes

1. The components of income tax expense (benefit) were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Current tax expense (benefit)				
Current period	$ 21,604	10,041	42,609	25,255
Adjustment for prior periods	(349)	(350)	(18,994)	(350)
Income tax expense	$ 21,255	9,691	23,615	24,905

2. Assessment of tax

The R.O.C. income tax authorities have examined and approved the Company's income tax returns through 2019.

10) Share capital and other equity

Except the following mentioned below, there was no significant change in share capital and other equity for the periods from January 1 to June 30, 2021 and 2020. For the related information, please refer to note 6(10) of the consolidated financial statements for the year ended December 31, 2020.

1. Special reserve

The carrying amount of special reserve amounted to $5,339 thousand, $6,121 thousand, and $6,121 thousand as of June 30, 2021, December 31 and June 30, 2020.

2. Earnings distribution

Earnings distribution for 2020 has reached the statutory threshold through e-voting, and the general meeting of shareholders is expected to be held on August 12, 2021. The Company decided to distribute a cash dividend of $7.80 (dollars) per share, totaling $258,887 thousand.

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Earnings distribution for 2019 was decided via the general meeting of shareholders held on May 28, 2020. The Company decided to distribute a cash dividend of $8.62 (dollars) per share, totaling $286,104 thousand.

The aforementioned earning distribution for 2020 and 2019 which were approved in stockholders' meeting have not paid on June 30, 2021 and 2020 and were recognized as other payables. The related information about earnings distribution is available on the Market Observation Post System website.

11) Earnings per share

The calculation of basic and diluted earnings per share for the six months ended June 30, 2021 and 2020 were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2021	**2020**	**2021**	**2020**
Basic EPS:				
Net income	$ 88,411	46,872	192,409	108,751
Weighted-average number of common shares outstanding (thousand shares)	33,190	33,190	33,190	33,190
Basic EPS (New Taiwan dollars)	$ 2.66	1.41	5.80	3.28
Diluted EPS:				
Net income	$ 88,411	46,872	192,409	108,751
Weighted-average number of common shares outstanding (thousand shares)	33,190	33,190	33,190	33,190
Effects of potentially dilutive common stock				
Employees' compensation	118	74	170	137
Weighted-average number of common shares outstanding－diluted (thousand shares)	33,308	33,264	33,360	33,327
Diluted EPS (New Taiwan dollars)	$ 2.65	1.41	5.77	3.26

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12) Revenue from contracts with customers

1. The details of revenue were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Primary geographical markets:				
Taiwan	$ 452,266	381,645	885,652	775,724
Other countries	4,668	8,376	9,182	11,215
	$ 456,934	390,021	894,834	786,939
Primary services:				
Online and consultation services	$ 456,934	390,021	894,834	786,939

2. Contract balances

	June 30, 2021	December 31, 2020	June 30, 2020
Notes Receivable	$ 782	161	46
Accounts Receivable	83,749	50,906	63,481
Overdue receivable (recorded under other non-current assets)	43	-	-
Less: Allowance for impairment－accounts receivable	(178)	-	(51)
Allowance for doubtful accounts－overdue receivable (recorded under other non-current assets)	(43)	-	-
Total	$ 84,083	51,067	63,476
Contract liabilities	$ 631,345	600,876	575,173

Please refer to Note 6(3) for details on accounts receivable and allowance for impairment.

13) Employees' compensation and remunerations of directors and supervisors

In accordance with the Articles of incorporation, if the Company operates at a profit (the profit so called is pre-tax profit before deducting employees' compensation and remunerations of directors and supervisors) it shall contribute 8%~15% of profit as employees' compensation and remunerations of directors and supervisors no more than 3%. However, any losses accumulated by the corporation to date shall be paid off first.

The employees' compensation in the preceding paragraph shall be distributed in the form of shares or in cash and object of payment includes the employees of subsidiaries of the corporation meeting certain specific requirements.

For the three and six months ended June 30, 2021 and 2020, the Company estimated its employees' compensation to be $10,038 thousand, $5,126 thousand, $19,772 thousand and $12,127 thousand, respectively, and the remuneration of directors and supervisors to be $2,433 thousand, $1,243 thousand, $4,793 thousand and $2,940 thousand, respectively. The estimated amounts mentioned above are calculated based on the net profit before tax, excluding the remuneration to employees, directors and supervisors of each period, multiplied by the percentage of remuneration to employees, directors and

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supervisors as specified in the Company's Articles. These remunerations were expensed under operating costs or operating expenses for each period. If there are any subsequent adjustments to the actual remuneration amounts, the adjustment will be regarded as changes in accounting estimates and will be reflected in profit or loss in the following year. If the employees' compensation is paid by the Company's stock, the numbers of shares to be distributed were calculated based on the closing price of the Company's ordinary shares, one day before the date of the meeting of board of directors.

For the year ended December 31, 2020 and 2019, the employees' compensation amounted to $27,867 thousand and $30,372 thousand, respectively, and the remunerations of directors and supervisors amounted to $6,756 thousand and $7,363 thousand, respectively. There was no difference between the aforementioned amounts and the amounts approved in board of directors' meeting. The related information is available on the Market Observation Post System website.

14) Non-operating income

1. Interest Income

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Deposit interest	$ 2,708	3,123	5,331	6,615

2. Other Income

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Miscellaneous Income	$ 1,637	6,260	3,406	11,062

15) Other gains and losses

The details of other gains and losses were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Gains (losses) on disposal of property, plant and equipment	$ (400)	-	(400)	187
Gains from lease modifications	52	-	52	-
Net foreign exchange (losses) gains	(749)	(231)	(695)	290
Other	-	(5,034)	-	(9,383)
Other gains or losses	(1,518)	-	(1,558)	848
	$ (2,615)	(5,265)	(2,601)	(8,058)

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16) Finance costs

The details of finance costs were as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2021	**2020**	**2021**	**2020**
Lease liabilities interest expenses	$ 260	284	539	577

17) Financial instruments

1. Categories of financial instruments

(A) Financial asset

	June 30, 2021	December 31, 2020	June 30, 2020
Financial assets at fair value through profit or loss：			
Mandatorily measured at fair value through profit or loss	$ 4,458	4,557	4,741
Financial assets at amortized cost：			
Cash and cash equivalents	2,420,163	2,236,512	2,289,204
Notes and accounts receivable	84,083	51,067	63,476
Other receivables	7,969	9,334	9,497
Refundable deposits	8,829	8,300	8,101
Other non-current financial assets	10,000	10,000	10,000
	2,531,044	2,315,213	2,380,278
Total	$ 2,535,502	2,319,770	2,385,019

(B) Financial liabilities

	June 30, 2021	December 31, 2020	June 30, 2020
Financial liabilities at amortized cost：			
Notes and accounts payable	$ 1,704	1,913	2,102
Other payables	622,869	395,053	608,404
Lease liabilities	67,429	77,625	70,627
Total	$ 692,002	474,591	681,133

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2. Liquidity risk

The following table shows the contractual maturity of the financial liabilities, excluding estimated interest:

	Carrying amount	Contractual cash flows	Within 1 year	1-5 years	Over 5 years
June 30, 2021					
Non-derivative financial liabilities					
Notes and accounts payable	$ 1,704	1,704	1,704	-	-
Other payables	622,869	622,869	622,869	-	-
Lease liabilities	67,429	67,429	31,043	36,386	-
	$ 692,002	**692,002**	**655,616**	**36,386**	**-**
December 31, 2020					
Non-derivative financial liabilities					
Notes and accounts payable	$ 1,913	1,913	1,913	-	-
Other payables	395,053	395,053	395,053	-	-
Lease liabilities	77,625	77,625	32,891	44,734	-
	$ 474,591	**474,591**	**429,857**	**44,734**	**-**
June 30, 2020					
Non-derivative financial liabilities					
Notes and accounts payable	$ 2,102	2,102	2,102	-	-
Other payables	608,404	608,404	608,404	-	-
Lease liabilities	70,627	70,627	28,745	41,882	-
	$ 681,133	**681,133**	**639,251**	**41,882**	**-**

The Consolidated Company does not expect the cash flows included in the maturity analysis to occur significantly earlier or at significantly different amounts.

3. Interest rate analysis

Please refer to the financial risk management for the disclosure on the interest rate risk.

4. Currency risk

(A) Exposure to foreign currency risk

The Consolidated Company's significant exposure to foreign currency risk was as follows:

	June 30, 2021			December 31, 2020			June 30, 2020		
	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD	Foreign currency	Exchange rate	TWD
Financial assets									
Monetary items									
USD	$ 1,292	27.86	35,983	1,256	28.48	35,783	1,254	29.63	37,170

(B) Sensitivity analysis

The Consolidated Company's exposure to foreign currency risk arises from the translation of the foreign currency exchange gains and losses on cash and cash equivalents that are denominated in a foreign currency. A weakening of 1% of the TWD against the USD as at June 30, 2021 and 2020, would have increased the net profit after tax by $288 thousand and $297 thousand for the six months ended June 30, 2021 and 2020, respectively. The analysis assumes that all other variables remain constant.

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(C) Foreign exchange gains and losses on monetary items

The foreign exchange gains and losses (including realized and unrealized) on monetary items was as follows:

	For the three months ended June 30,			
	2021		2020	
	Exchange gains and losses	Average exchange rate	Exchange gains and losses	Average exchange rate
TWD	$ (107)	-	(78)	-
CNY	RMB (148)	4.34	(36)	4.25

	For the six months ended June 30,			
	2021		2020	
	Exchange gains and losses	Average exchange rate	Exchange gains and losses	Average exchange rate
TWD	$ (88)	-	(24)	-
CNY	RMB (139)	4.36	73	4.29

5. Fair value of financial instruments

(A) Fair value hierarchy

The fair value of financial assets and liabilities at fair value through profit or loss, financial instruments used for financial assets at fair value through other comprehensive income is measured on a recurring basis. The carrying amount and fair value of the Consolidated Company's financial assets and liabilities , including the information on fair value hierarchy were as follows; however, except as described in the following paragraphs, for financial instruments not measured at fair value whose carrying amount is reasonably close to the fair value, and disclosure of fair value information is not required:

	June 30, 2021			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss－non-current				
Private fund	$ -	-	4,458	4,458

	December 31, 2020			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss－non-current				
Private fund	$ -	-	4,557	4,557

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	June 30, 2020			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss－non-current				
Private fund	$ -	-	4,741	4,741

(B) Reconciliation of Level 3 fair values

Name	For the six months ended June 30, 2021		
	Opening balance	In profit or loss	Ending balance
Financial assets at fair value through profit or loss－private fund	$ 4,557	(99)	4,458

Name	For the six months ended June 30, 2020		
	Opening balance	In profit or loss	Ending balance
Financial assets at fair value through profit or loss－private fund	$ 4,797	(56)	4,741

(C) Quantified information on significant unobservable inputs (Level 3) used in fair value measurement

The Consolidated Company’s financial instruments that use Level 3 inputs to measure fair value is financial assets at fair value through profit or loss – Private fund.

Quantified information of significant unobservable inputs was as follows:

Item	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Financial assets at fair value through profit or loss – Private fund	Net Asset Value Method	• Net Asset Value	The higher the net asset value, the higher the fair value

18) Financial risk management

There were no significant changes in the Consolidated Company’s financial risk management and policies as disclosed in Note 6(19) of the consolidated financial statements for the year ended December 31, 2020.

19) Capital management

The objectives, policies and processes of capital management of the Consolidated Company has been applied consistently with those disclosed in the consolidated financial statements for the year ended December 31, 2020. Please refer to Note 6(20) of the consolidated financial statements for the year ended December 31, 2020 for the related information.

20) Investing and financing activities not affecting current cash flow

1. The right-of-use assets are acquired by lease, please refer to Note 6(5) for the related information.

2. The Consolidated Company's financing activities which did not affect the current cash flow in the six months ended June 30, 2021 and 2020, were as follows:

			Non-cash changes					
	January 1, 2021	Cash flows	Acquisitions	Additions	Decrease	Foreign exchange movement	Fair value changes	June 30, 2021
Lease liabilities	$ 77,625	(16,670)	-	9,121	(2,647)	-	-	67,429

			Non-cash changes					
	January 1, 2020	Cash flows	Acquisitions	Additions	Decrease	Foreign exchange movement	Fair value changes	June 30, 2020
Lease liabilities	$ 76,259	(16,952)	-	11,384	(64)	-	-	70,627

(7) Related-party transactions

1) Names and relationship with related parties

The followings are entities that have had transactions with the Consolidated Company during the periods covered in the consolidated financial statements.

Name of related party	Relationship with the Consolidated Company
104 Hope Foundation	Same chairman

2) Transactions with related parties－Rental income

The amount of rental income by related parties was as follow:

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
104 Hope Foundation	$ 3	3	6	6

The price charged for rental was agreed by both parties, and was collected by telegraphic transfer.

3) Key management personnel compensation

Key management personnel compensation comprised:

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		For the three months ended June 30,		For the six months ended June 30,	
		2021	2020	2021	2020
Short-term employee benefits	$	18,566	16,165	37,251	35,002
Share-based payments		1,087	846	2,469	2,212
	$	19,653	17,011	39,720	37,214

(8) Pledged assets

The carrying values of pledged assets were as follows:

Pledged assets	Object		June 30, 2021	December 31, 2020	June 30, 2020
Time deposits (recorded under other financial assets－non-current)	Guarantee for employment services	$	10,000	10,000	10,000

(9) Significant Commitments and Contingencies

1) Unrecognized contractual commitments

The Consolidated Company applied to the Council of Labor Affairs for permission to provide employment services in accordance with the Employment Services Act. For the six months ended June 30, 2021 and 2020, the guaranteed amount provided by banks on behalf of the Consolidated Company was $1,000 thousand.

2) Contingent liabilities: None.

(10) Losses due to major disasters: None.

(11) Significant subsequent events: None.

(12) Other

1) A summary of employee benefits, depreciation, and amortization, be classified by function as follows:

Function / Account	For the three months ended June 30, 2021				2020			
	Operating costs	Operating expenses	Non-operating expenses (Note)	Total	Operating costs	Operating expenses	Non-operating expenses	Total
Employee benefits								
Salary	25,720	227,391	2,498	255,609	27,638	210,727	2,627	240,992
Health and labor insurance	1,899	15,669	284	17,852	1,837	14,490	261	16,588
Pension	1,022	8,893	132	10,047	1,057	8,612	127	9,796
Remuneration of directors	-	1,825	-	1,825	-	932	-	932
Other personnel expense	664	5,685	167	6,516	750	5,698	160	6,608
Depreciation	4,117	12,046	297	16,460	5,237	12,298	457	17,992
Amortization	90	220	1	311	199	254	-	453

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Function / Account	For the six months ended June 30, 2021 Operating costs	2021 Operating expenses	2021 Non-operating expenses (Note)	2021 Total	2020 Operating costs	2020 Operating expenses	2020 Non-operating expenses	2020 Total
Employee benefits								
Salary	49,487	442,379	4,852	496,691	52,447	413,165	4,781	470,393
Health and labor insurance	3,975	31,834	572	36,381	3,646	28,955	514	33,115
Pension	2,092	17,606	267	19,965	2,089	17,192	252	19,533
Remuneration of directors	-	3,595	-	3,595	-	2,205	-	2,205
Other personnel expense	1,312	11,300	326	12,938	1,467	11,322	311	13,100
Depreciation	8,798	24,344	596	33,738	11,296	25,226	988	37,510
Amortization	182	389	1	572	398	507	1	906

Note: The Consolidated Company accounts for other gains and losses by presenting non-operating expenses with the related non-operating income, net.

2) Seasonality of operations

The Consolidated Company's operations were not affected by seasonality or cyclicality factors.

(13) Other disclosures items

1) Information on significant transactions

The following were the information on significant transactions required by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the Consolidated Company for the six months ended June 30, 2021:

1. Loans to other parties: None.

2. Guarantees and endorsements for other parties: None.

3. Securities held as of June 30, 2021 (excluding investment in subsidiaries, associates, and joint ventures):

Name of holder	Category and name of security	Relationship with company	Account title	Ending balance Shares/ units (thousands)	Carrying value	Percentage of ownership (%)	Fair value	Remarks
The Company	Private fund-SparkLabs Taipei Fund I	-	Financial assets at fair value through profit or loss－non-current	-	4,458	-%	4,458	

4. Individual securities acquired or disposed of with accumulated amount exceeding the lower of $300 million or 20% of the capital stock: None.

5. Acquisition of individual real estate with amount exceeding $300 million or 20% of the capital stock: None.

6. Disposal of individual real estate with amount exceeding the lower of $300 million or 20% of the capital stock: None.

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Notes to the Consolidated Financial Statements

7. Related-party transactions for purchases and sales with amounts exceeding the lower of $100 million or 20% of the capital stock: None.
8. Receivables from related parties with amount exceeding the lower of $100 million or 20% of the capital stock: None.
9. Trading in derivative instruments: None.
10. Business relationships and significant intercompany transactions:

				Intercompany transactions			
Number (note 1)	Name of company	Name of counterparty	Nature of relationship (note 2)	Account name	Amount (note 3)	Trading terms	Percentage of the consolidated total operating revenue or total assets
0	The Company	104 Consulting	1	Sales	12,430	No significant differences with third-party transactions	1.39%
0	The Company	104 Consulting	1	Miscellaneous income	2,395	Income for service support and asset authorization; there are no other customers for comparison	0.27%
0	The Company	104 Consulting	1	Accounts receivable	5,811	No significant differences with third-party transactions	0.20%
0	The Company	104 Consulting	1	Other receivables	1,235	There are no other customers for comparison	0.04%
0	The Company	104 Human Resources Consultancy	1	Other receivables	3,228	There are no other customers for comparison	0.11%
0	The Company	104 Human Resources Consultancy	1	Miscellaneous income	6,165	Income for service support and asset authorization; there are no other customers for comparison	0.69%
1	104 Consulting	The Company	2	Sales	7,859	There are no other customers for comparison	0.88%
1	104 Consulting	The Company	2	Accounts receivable	4,157	There are no other customers for comparison	0.15%
3	Redpoint Information	104 Human Resources Consultancy	3	Sales	1,584	There are no other customers for comparison	0.18%

Note 1: 1. 0 represents the Company
2. 1 represents 104 Consulting
3. 2 represents 104 Human Resource Consultancy
4. 3 represents Redpoint Information

Note 2: 1. Parent company to subsidiary company.
2. Subsidiary company to parent company.
3. Subsidiary company to subsidiary company

Note 3: Mutual business dealings between the parent company and subsidiaries amounting to $1,000 thousand are disclosed.

Note 4: Related-party transactions have been eliminated in the preparation of the consolidated financial statements.

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Notes to the Consolidated Financial Statements

2) Information on investees:

The following is the information on investees for the six months ended June 30, 2021 (excluding information on investees in Mainland China):

Unit: thousand dollars

Name of investor	Name of investee	Location	Main business and products	Original investment amount		Balance of June 30, 2021			Net income (loss) of investee	Share of profit/ losses of investee (notes 1 and 2)	Remarks
				June 30, 2021	December 31, 2020	Shares (in thousands)	Percentage of ownership	Book value (notes 1 and 2)			
The Company	104 Consulting	Taiwan	General advertising services, IT software services, electronic information services, talent dispatching, management consultancy and data processing services	12,678	12,678	1,219	100.00%	31,885	3,726	3,726	Subsidiary

Note 1: The long-term investments and investment gain or loss accounts have been eliminated in the preparation of the consolidated financial statements.

Note 2: The investment gain (loss) and book value recognized by the Company are based on the unaudited financial statements of the investee companies under the equity method.

3) Information on investment in Mainland China:

1. The names of investees in Mainland China, the main businesses and products, and other information:

Unit: thousand dollars

Name of investee	Main businesses and products	Total amount of paid-in capital (note 4)	Method of investment (note 1)	Aggregate investment amount remitted from Taiwan at beginning of year (note 4)	Amount remitted or returned in current year		Aggregate investment amount remitted from Taiwan at end of period (note 4)	Net income (loss) of investee	Percentage of direct or indirect ownership by the Company (%)	Investment gain (loss) (notes 2 and 3)	Book value as of June 31, 2021 (notes 2 and 3)	Amount of investment income remitted back to Taiwan at end of period
					Invested amount	Returned amount						
104 Human Resources Consultancy	Collecting, coordinating, publishing, and consulting on human resource information; recruitment; designing and developing computer software, multimedia, and network systems; designing and producing advertising	34,091	(1)	23,909 (USD770)	-	-	23,909 (USD770)	(3,201)	70.00%	(2,240)	10,760	-
Redpoint Information	Developing network technologies and computer software, selling products, providing technical advice and services, and management consultancy	60,365	(1)	60,365 (USD2,000)	-	-	60,365 (USD2,000)	1,482	100.00%	1,482	37,276	-

Note 1: Ways of investments are as follows:

(1) direct investment in Mainland China.

(2) others.

Note 2: The long-term investments and investment gain or loss accounts have been eliminated in the preparation of the consolidated financial statements.

Note 3: The investment gain (loss) and book value disclosed above included direct and indirect investments. The investment gain (loss) and book value recognized by the Company are based on the unaudited financial statements of the investee companies under the equity method.

Note 4: Based on historical exchange rates.

2. Limitation on investment in Mainland China:

Unit: thousand dollars

Aggregate investment amount remitted from Taiwan to Mainland China at the end of the period (Note 2)	Investment amount approved by Investment Commission of Ministry of Economic Affairs (Note 2)	Limitation on investment in Mainland China by Investment Commission of Ministry of Economic Affairs (Note 1)
84,274 (USD 2,770)	77,172 (USD 2,770)	835,712

Note 1: Limitation on investment in Mainland China: 60% of the Company's stockholders' equity of $1,392,854 thousand.

Note 2: Issued capital and investment capital remitted from Taiwan to Mainland China were translated at historical rates, and the rest of the investment information was translated at the period-end rate of June 30, 2021 (USD : NTD=1:27.86).

See accompanying notes to consolidated financial statements.

3. Significant transactions:

Significant transactions with the investees in Mainland China for the six months ended June 30, 2021, for which inter-company transactions were eliminated upon consolidation, are disclosed in "Information on significant transactions".

4) Major shareholders:

Shareholding Shareholder's Name	Shares	Percentage
JcbNext Berhad	7,630,000	22.99 %
Rocky Yang	4,495,402	13.54 %
Vicky Ku	4,495,401	13.54 %
Askforce Corporation	2,427,344	7.31 %

Note: (1) The information on major shareholders, which is provided by the Taiwan Depository & Clearing Corporation, summarized the shareholders who held over 5% of the total non-physical common stocks and preferred stocks (including treasury stocks) on the last business date of each quarter. The registered non-physical stocks may be different from the capital stocks disclosed in the financial statement due to different calculations basis.

(2) If the aforementioned data contains shares which were kept in trust by the shareholders, the data disclosed will be deemed as the settlor's separate account for the fund set by the trustee. As for the shareholder who reports its share equity as an insider and whose shareholding ratio is greater than 10% in accordance with Securities and Exchange Act and include its self-owned shares and trusted shares, as well as the shares of the individuals who have power to decide how to allocate the trust assets. For the information on reported share equity of the insider, please refer to the Market Observation Post System.

(14) Segment information

The Consolidated Company identifies reportable segment in accordance with the reported information which used by operating decision maker when making decision. To develop diversified career services and improve operating synergy, the Consolidated Company only has a single reportable segment and considerate the overall operating profit and loss. Please refer to consolidated financial statements of comprehensive income for the related segment information for the six months ended June 30, 2021 and 2020.