

104 Corporation Reports Q2 2020 After-Tax EPS of NT\$ 1.41

Taipei, Taiwan, R.O.C., August 14, 2020 --- 104 Corporation (TSE:3130), a leading provider of integrated human resource services in Taiwan, announced today the reviewed financial statements for the second quarter of 2020. Its consolidated operating revenue for the second quarter of 2020 amounted to NT\$ 390 million with a 9.41% year-over-year decrease. The operating income and pre-tax income decreased 47.28% and 45.68% comparing to the same period of 2019 to NT\$ 52 million and NT\$ 56 million, respectively. The net income decreased by 44.21% to NT\$ 46 million on a year-over-year basis. Earnings per share decreased to NT\$ 1.41 from NT\$ 2.45 compared to the same period of last year.

Its consolidated operating revenue for the first half of 2020 amounted to NT\$ 787 million with a 2.60% year-over-year decrease. The operating income and pre-tax income decreased 23.21% and 20.56% comparing to the same period of 2019 to NT\$ 123 million and NT\$ 132 million, respectively. The net income decreased by 23.11% to NT\$ 107 million on a year-over-year basis. Earnings per share decreased to NT\$ 3.28 from NT\$ 4.21 compared to the same period of last year. As of June 30, 2020, cash and cash equivalents reached NT\$ 2,289 million on the consolidated balance sheets.

The decrease in net income was mainly due to the revenue decrease by the epidemic impact on the industries, which caused the corporate to slow down the recruitment plan in the second quarter of 2020. The number of corporates that used job posting services hit rock bottom in April and have increased moderately since May. The company expects revenue in the second half of this year to improve gradually.

Consolidated Statements of Comprehensive Income (unit: NT\$'000, except for EPS)

	Q2 2020	Q2 2019	YoY(%)
Operating Revenue	390,021	430,521	-9.41%
Operating Costs	49,979	41,752	19.70%
Gross Profit	340,042	388,769	-12.53%
Operating Expenses	288,362	290,737	-0.82%
Operating Income	51,680	98,032	-47.28%
Non-Operating Income and Expenses	3,834	4,160	-7.84%
Income Before Income Tax	55,514	102,192	-45.68%
Less: Income Tax Expenses	9,691	20,060	-51.69%
Net Income	45,823	82,132	-44.21%
Other Comprehensive Loss (Income)	-893	-755	-
Total Comprehensive Income	44,930	81,377	-44.79%
Net Income Attributable to Shareholders of the Company	46,872	81,375	-42.40%
Net Income Attributable to Non-Controlling Interests	-1,049	757	-238.57%
Earnings Per Share	1.41	2.45	-42.45%

Consolidated Statements of Comprehensive Income

(unit: NT\$'000, except for EPS)

	H1 2020	H1 2019	YoY(%)
Operating Revenue	786,939	807,963	-2.60%
Operating Costs	94,387	81,998	15.11%
Gross Profit	692,552	725,965	-4.60%
Operating Expenses	569,284	565,443	0.68%
Operating Income	123,268	160,522	-23.21%
Non-Operating Income and Expenses	9,042	6,023	50.12%
Income Before Income Tax	132,310	166,545	-20.56%
Less: Income Tax Expenses	24,905	26,860	-7.28%
Net Income	107,405	139,685	-23.11%
Other Comprehensive Loss (Income)	-1,606	631	-354.52%
Total Comprehensive Income	105,799	140,316	-24.60%
Net Income Attributable to Shareholders of the Company	108,751	139,608	-22.10%
Net Income Attributable to Non-Controlling Interests	-1,346	77	-1848.05%
Earnings Per Share	3.28	4.21	-22.09%

Consolidated Balance Sheets

(unit: NT\$'000)

	30 June, 2020		30 June, 2019	
Cash and Cash Equivalents	2,289,204	85%	2,212,903	83%
Notes Receivable and Accounts Receivable, Net	63,476	2%	60,516	2%
Total Current Assets	2,389,512	88%	2,301,990	87%
Property, Plant and Equipment	216,890	8%	229,412	8%
Right-of-Use Assets	69,877	3%	96,998	4%
Total Assets	2,710,822	100%	2,660,965	100%
Current Contract Liabilities	575,173	21%	497,905	19%
Notes Payable, Accounts Payable, and Other Payables	623,897	23%	592,430	22%
Current Lease Liabilities	28,745	1%	32,042	1%
Total Current Liabilities	1,341,988	49%	1,232,009	46%
Non-Current Lease Liabilities	41,882	2%	65,337	3%
Total Liabilities	1,392,287	51%	1,302,232	49%
Total Equity	1,318,535	49%	1,358,733	51%

Consolidated Statements of Cash Flows

(unit: NT\$'000)

	H1 2020	H1 2019
Net Cash Flows from Operating Activities	151,503	191,999
Income Before Tax	132,310	166,545
Depreciation and Amortization Expenses	38,416	40,757
Cash Flow Used in Other Operating Activities	-19,223	-15,303
Net Cash Flows Used in Investing Activities	-12,400	-34,709
Acquisition/Disposal of Property, Plant and Equipment	-13,675	-44,763
Acquisition of Intangible Assets	-133	-370
Decrease in Other Receivables	0	11,372
Cash Flow from (Used in) Other Investing Activities	1,408	-948
Net Cash Flows Used in Financing Activities	-16,952	-17,608
Payments of Lease Liabilities	-16,952	-17,608
Cash and Cash Equivalents at End of Period	2,289,204	2,212,903

About 104 Corporation

104 Corporation, headquartered in Taipei, has been a leading provider of integrated human resource services in Taiwan since 1996. 104 Corporation was the first listed internet company on the Taiwan Stock Exchange in 2006, which has been ranked as the most visited HR service website in Taiwan, aiming to become a well-known HR brand in the Chinese region. In pursuing industrial innovation with C.M.O.S. (Cloud-based, Mobile Apps, Open platforms, and Social media) as core concepts, 104 Corporation provides a variety of HR-related services and management solutions, including online talent acquisition and recruitment services, career competitiveness, executive search, HR Portal, HR Academy, testing and assessment, and other complementary HR consulting services. 104 Corporation has provided career services for students to explore their talents and career direction since 2014. In 2017, the Company launched senior services for those who ensuing retirement or the retirees to continuously contribute their values. In 2018, the Company launched 104careu Bank platform which provides self-supporting services to take care of elderly people's dignity, to fulfil its goals concerning corporate social responsibility. For more information, please visit: corp.104.com.tw.

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