



Chung Hwa Pulp Corporation

4Q23 Earnings Results

Disclaimer

This presentation is prepared according to the reviewed financial statements by CPA and the financial numbers hereby are based on IFRS, please refer to the published financial statements for full content.

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Company Profile

□ Data

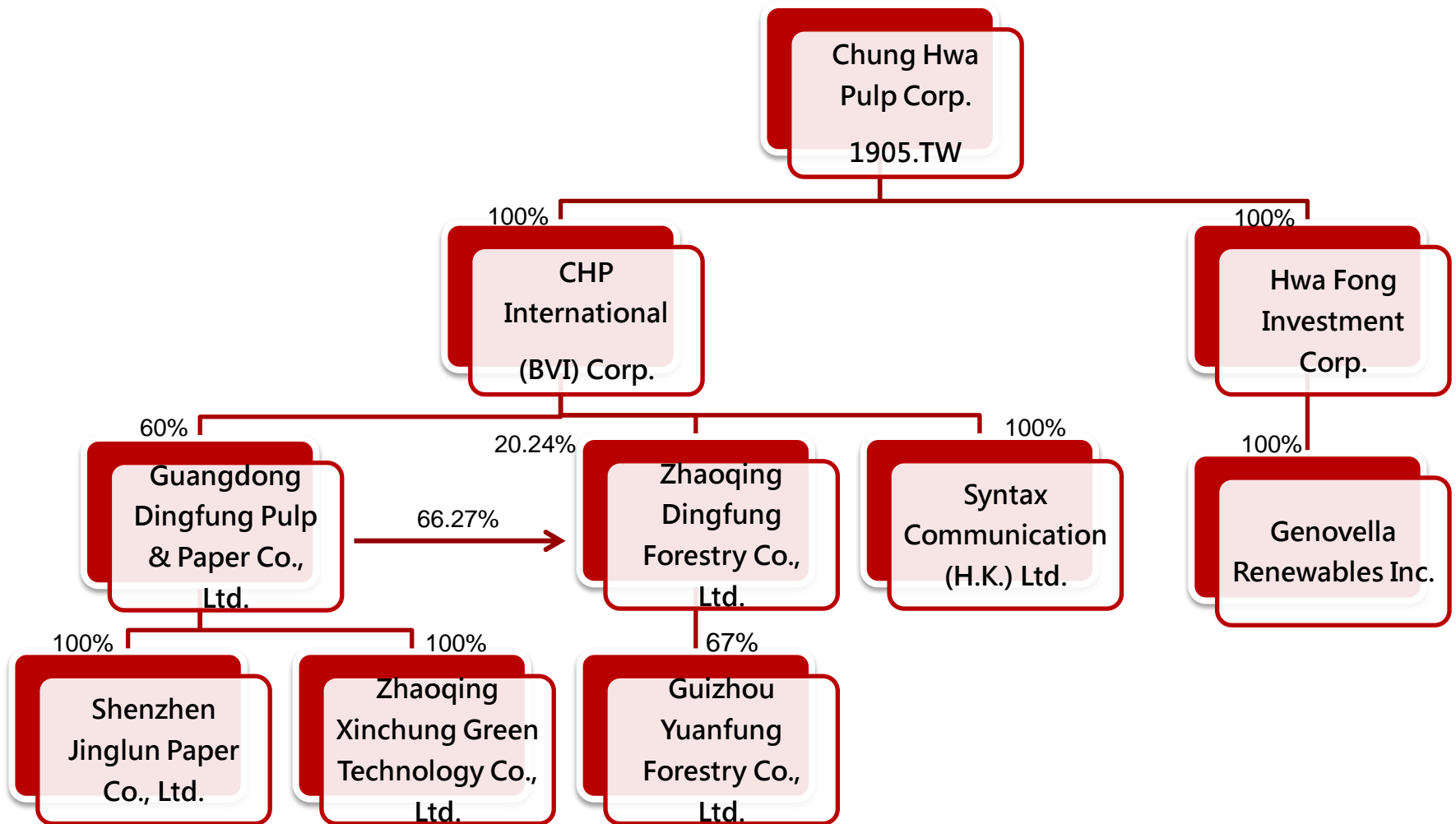
- Company: Chung Hwa Pulp Corp.
- Stock Code: 1905.TW
- Capital: NTD\$ 11,028 Million
- Date of Establishment: 1968/7/5



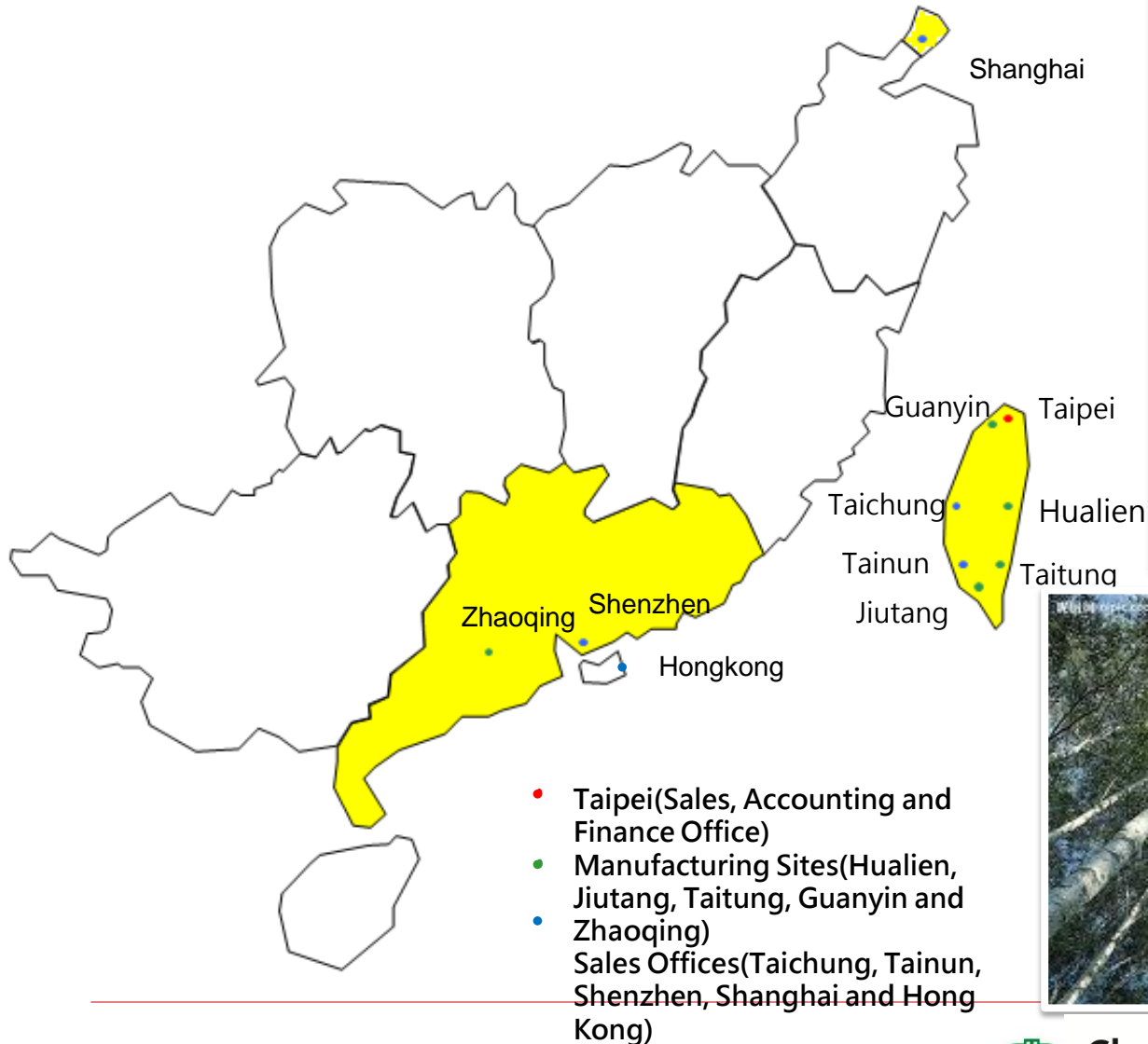
□ Major Products

- Cellulosic Materials Division
 - ✓ Printing & Writing Paper
 - ✓ Packaging Paper
 - ✓ Specialty Paper
 - ✓ Pulp
 - ✓ Cellulosic Materials Products
- Special Processing Division
 - ✓ Special Coating Products
- Forestry & Agriculture
 - ✓ Fertilizer
 - ✓ Plantation
 - ✓ Eco-friendly building materials
 - ✓ Environmental protection projects

Holding Structures



Operating Locations



4Q23 Financial Results

In NTD thousand	4Q23		3Q23		QoQ	2023		2022		YoY
	Amunt	%	Amunt	%	%	Amunt	%	Amount	%	%
Sales	5,458,140	100.0	4,980,365	100.0	9.6	20,955,451	100.0	23,651,129	100.0	(11.4)
Gorss Profit	548,324	10.0	132,474	2.7	313.9	1,089,889	5.2	2,552,141	10.8	(57.3)
Operating Porfit	47,285	0.9	(358,294)	(7.2)	---	(859,198)	(4.1)	240,572	1.0	---
Non-operating Income/Expense	(24,617)	(0.5)	156,674	3.1	---	159,950	0.8	304,305	1.3	(47.4)
-Finance Costs	(50,242)	(0.9)	(50,662)	(1.0)	---	(196,067)	(0.9)	(128,562)	(0.5)	---
-FX Gains/Losses	(56,614)	(1.0)	63,511	1.3	---	(4,728)	(0.0)	42,928	0.2	---
-Share of Profit of Associates	22,297	0.4	42,158	0.8	(47.1)	136,466	0.7	188,961	0.8	(27.8)
-Dividend income	0	0.0	66,708	1.3	---	66,708	0.3	95,858	0.4	(30.4)
-Other Incomes	59,942	1.1	34,959	0.7	71.5	157,571	0.8	105,120	0.4	49.9
Profit Before Tax	22,668	0.4	(201,620)	(4.0)	---	(699,248)	(3.3)	544,877	2.3	---
Profit After Tax	168,614	3.1	(198,115)	(4.0)	---	(554,497)	(2.6)	539,691	2.3	---
Profit Attributable to Owners	154,665	2.8	(182,318)	(3.7)	---	(573,395)	(2.7)	445,934	1.9	---
After Tax EPS(NTD)	0.14		-0.17			-0.53		0.41		

Summary

4Q of 2023

✓Due to the continuous recovery of pulp prices in Q4 and stabilization of sales volume, the consolidated revenue amounted to NTD 5.46 billion. The gross profit was NTD 550 million and a gross profit margin of 10%. Operating net profit amounted to NTD 47 million and an after-tax profit of NTD 169 million. The after-tax net profit attributable to the company was NTD 155 million, with an earnings per share after-tax NTD 0.14. **The fourth quarter turned from a loss to a profit.**

2023

✓Affected by the rapid decline in pulp prices in the second quarter, along with a sluggish overall economy and reduced paper sales volume, the consolidated revenue amounted to NTD 20.95 billion, with a gross profit of NTD 1,090 million. The operating loss of NTD 860 million. The after-tax net loss was NTD 550 million, and the after-tax net loss attributable to the company was NTD 570 million, with a negative earnings per share of NTD -0.53.

Outlook for 1Q24

✓In the first quarter, the company was impacted by factors such as reduced working days, routine maintenance at the Hualien mill, and increased transportation costs. Fortunately, international pulp prices remained stable, while wood chip prices continued to decline. Additionally, there was a gradual uptick in paper product sales. The company maintains a cautiously optimistic attitude, adhering to prudent management principles to create reasonable investment value for shareholders.

✓CHP continue to implement the "full cycle" concept and focus on the three pillars of "green energy", "green manufacturing" and "green products". We develop low-carbon products to expand markets, increase investment in renewable energy equipment, practice circular economy, and achieve sustainable operations.

Thank you
