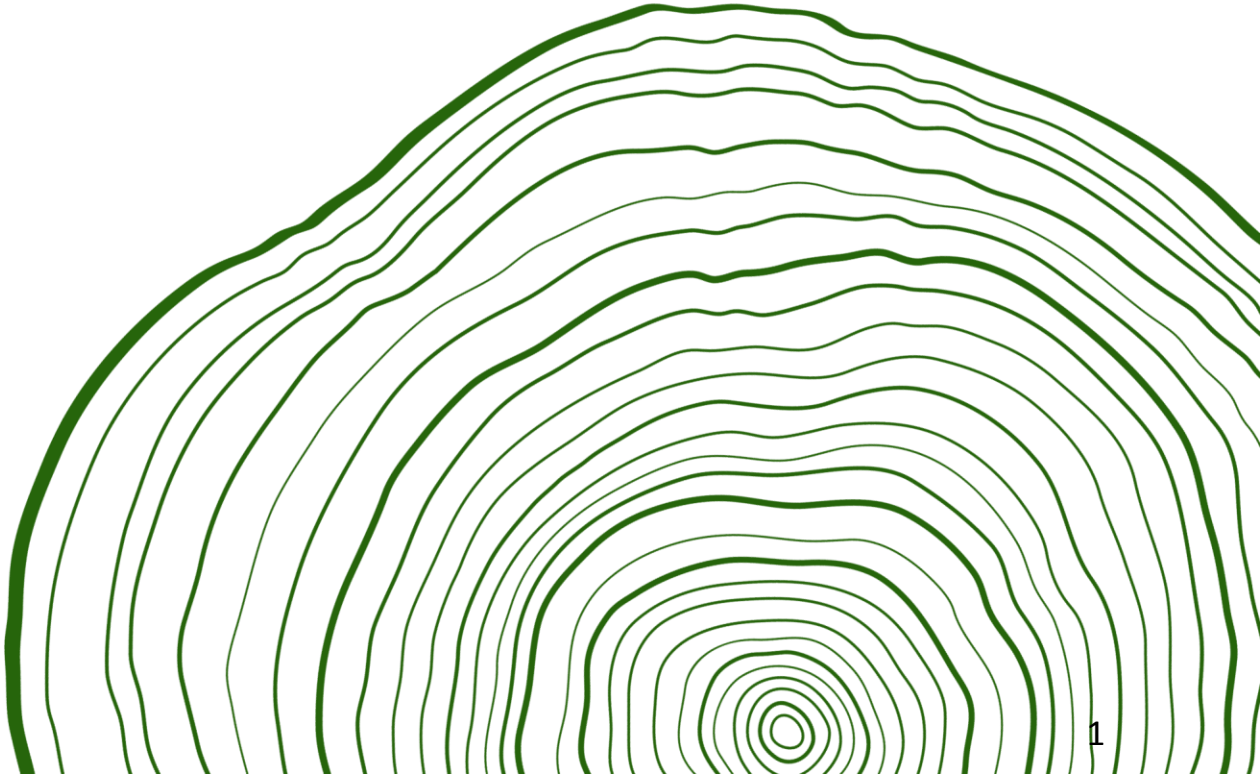




中華紙漿股份有限公司

1905.TW

# 1Q26 Earnings Results



2026. 5. 15



# 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.

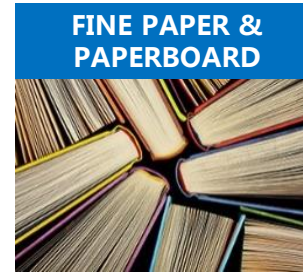
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# Company Profile



- Chung Hwa Pulp Corp. (CHP) is a leading global **supplier of bio-based fiber materials**, specializing in the design and manufacture of various special pulps and functional paper materials, as well as sustainable recycling materials.



**Establishment** 1968  
**Headquarters** Taipei, Taiwan  
**Chairman** Kirk Hwang  
**Stock Code** TWSE 1905  
**Capital** NTD 11 Billion

**Operating Locations** 5 production bases and 6 sales offices in Greater China.

Capacity



**林**  
FOREST



**漿**  
PULP



**紙**  
PAPER

# Operating Locations



Integrated Pulp and Paper Mill

- Hualien Mill
- Dingfung Mill

Recyclable Eco-Friendly Paper Mill

- Taitung Mill

Specialty Paper Mill

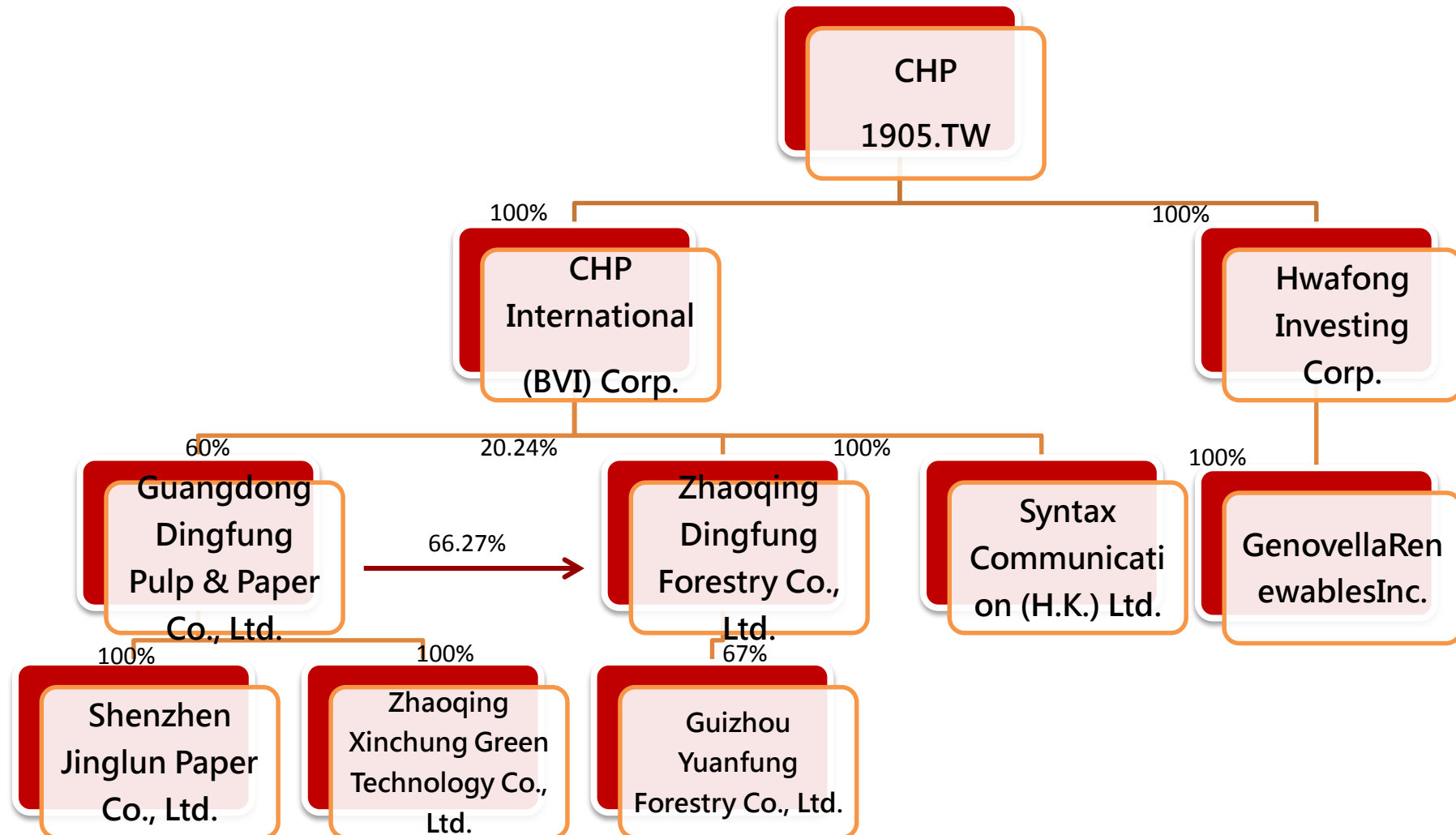
- Jiutang Mill

Taipei Office (Sales, Accounting and Finance)  
 Manufacturing Sites(Hualien, Jiutang, Taitung, Guanyin, and Zhaoqing)  
 Sales Office (Taichung, Tainan, Shenzhen, Shanghai, and Hong Kong)





# Holding Structures





# 1Q26 Financial Results

In NTD thousand	1Q26		1Q25		YoY
	Amount	%	Amount	%	%
Sales	4,394,312	100.0	4,829,805	100.0	(9.0)
Gorss Profit	230,376	5.2	152,534	3.2	51.0
Operating Porfit	(214,982)	(4.9)	(458,858)	(9.5)	----
Non-operating Income/Expense	38,204	0.9	45,397	0.9	(15.8)
- Finance Costs	(65,689)	(1.5)	(69,188)	(1.4)	----
- FX Gains/Losses	11,832	0.3	32,739	0.7	(63.9)
- Share of Profit of Associates	49,314	1.1	37,549	0.8	31.3
- Other Incomes	42,747	1.0	44,297	0.9	(3.5)
Profit Before Tax	(176,778)	(4.0)	(413,461)	(8.6)	----
Profit After Tax	(176,885)	(4.0)	(336,687)	(7.0)	----
Profit Attributable to Owners	(176,549)	(4.0)	(342,850)	(7.1)	----
After Tax EPS(NTD)	-0.16		-0.31		

# Summary

## 2026 Q1



- ✓ Revenue performance in January and February was relatively softer, primarily due to fewer working days during the Lunar New Year holiday period, annual maintenance shutdowns at several mills, and continued weakness in market demand for paper products. However, rising geopolitical tensions stemming from the U.S.-Iran conflict led customers to anticipate potential increases in raw material costs, resulting in a noticeable increase in urgent purchasing activity. The first quarter consolidated revenue was NTD 4.39 billion, with an operating gross profit of NTD 230 million equivalent to gross margin of 5.2%. Operating loss was NTD 210 million, with an operating margin of -4.8%. Both the gross margin and operating margin improved compared to the same period last year, with net loss attributable to the company at NTD 177 million.

## 2026 Q2 OUTLOOK

- ✓ First-quarter performance was affected by a combination of external and internal factors. Externally, market demand remained relatively subdued amid broader economic pressures. Internally, revenue in January and February was impacted by fewer working days during the Lunar New Year holiday period, as well as annual maintenance shutdowns at several mills. Beginning in March, however, rising geopolitical tensions stemming from the U.S.-Iran conflict prompted customers to anticipate higher raw material costs, leading to more proactive purchasing activity and a corresponding improvement in revenue momentum.
- ✓ The U.S.-Iran conflict has contributed to fluctuations in oil prices, leading to a more cautious market sentiment. In light of ongoing cost uncertainties, customers have also tended to place orders on a shorter-term basis. In addition, although international pulp prices have remained on a stable upward trend, raw material and energy costs have continued to rise. In response to these market dynamics, CHP will continue to closely monitor developments and adjust production efficiency and sales strategies in a timely manner, while maintaining a disciplined and prudent approach to operations.
- ✓ In terms of sustainable development, CHP achieved significant progress across three key areas in 2025: climate governance, nature conservation, and green energy development. In December 2025, the Company officially received validation from the Science Based Targets initiative (SBTi), confirming that its carbon reduction pathway is aligned with internationally recognized climate science and net-zero transition objectives. In March 2026, CHP further became an adopter of the Taskforce on Nature-related Financial Disclosures (TNFD), making it one of the few companies in Taiwan committed to advancing ecological conservation and biodiversity protection through internationally aligned disclosure and management frameworks. At the same time, the Company achieved an A- rating in the CDP Forest assessment, reflecting strong performance in supply chain transparency, sustainable sourcing, and green asset management. Meanwhile, construction of the new biomass green power generation facility at the Hualien mill is progressing as scheduled. In addition to strengthening the Company's green energy self-sufficiency, the project is expected to further expand the scale of renewable energy certificate generation and enhance long-term green energy competitiveness. The Company also noted that its biomass-generated green electricity has obtained internationally recognized certifications, including ISO 13065, ISO 14067, and ISCC EU. These certifications validate the traceability and credibility of raw material sourcing, carbon emissions data, and carbon reduction value, while meeting international market standards for renewable energy and greenhouse gas management. Looking ahead, CHP will continue leveraging its sustainability capabilities and green energy expertise to support customers in achieving their carbon reduction and sustainability goals, while creating long-term value for shareholders through responsible and forward-looking development.

**Thank you**



**CHP**