



IT Tech Packaging, Inc.

First Quarter 2025

Financial Results Presentation



Safe Harbor Statement

This presentation contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact in this announcement are forward-looking statements, including but not limited to, anticipated revenues from the digital photo paper business segment; the actions and initiatives of current and potential competitors; the Company's ability to introduce new products; the Company's ability to implement the planned capacity expansion of corrugate medium paper; market acceptance of new products; general economic and business conditions; the ability to attract or retain qualified senior management personnel and research and development staff; and other risks detailed in the Company's filings with the Securities and Exchange Commission. These forward-looking statements involve known and unknown risks and uncertainties and are based on current expectations, assumptions, estimates and projections about the companies and the industry. The Company undertakes no obligation to update forward-looking statements to reflect subsequent occurring events or circumstances, or to changes in its expectations, except as may be required by law. Although the Company believes that the expectations expressed in these forward looking statements are reasonable, it cannot assure you that its expectations will turn out to be correct, and investors are cautioned that actual results may differ materially from the anticipated results.

Agenda

- Key Highlights
- Financial & Business Review
- Operational & Business Updates

The background of the slide features a close-up, artistic shot of an open book. The pages are fanned out, creating a sense of depth and movement. A semi-transparent green rectangular box is positioned in the center-left of the image, serving as a backdrop for the text.

KEY HIGHLIGHTS

Key Highlights for Q1 2025

Revenue increased by 58.76% YoY to \$10.90 million, primarily due to the increase of sales volume of corrugating medium paper ("CMP"), partially offset by the decrease in average selling prices ("ASP") of CMP.

Gross profit down 78.93% YoY to \$0.08 million, primarily due to factors described above. Overall gross margin down 5.04 percentage points to 0.77%.

Loss from operations was \$3.38 million, compared to loss from operations of \$3.50 million for the same period of last year.

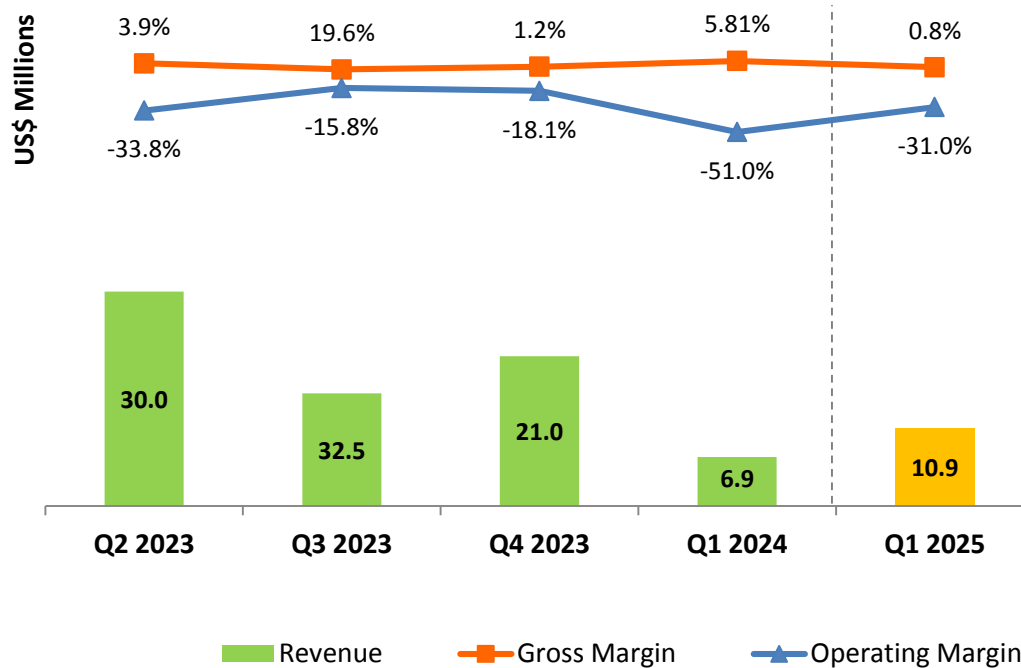
Net loss was \$3.50 million, or loss per share of \$0.35, compared to net loss of \$3.75 million, or loss per share of \$0.37, for the same period of last year.

Earnings before interest, taxes, depreciation and amortization ("EBITDA") was \$0.18 million, compared to EBITDA of -\$0.02 million for the same period of last year.

The background of the slide features a close-up, artistic shot of an open book. The pages are fanned out, creating a sense of depth and movement. A semi-transparent green rectangular overlay is positioned horizontally across the middle of the image, serving as a backdrop for the title text.

FINANCIAL & BUSINESS REVIEW

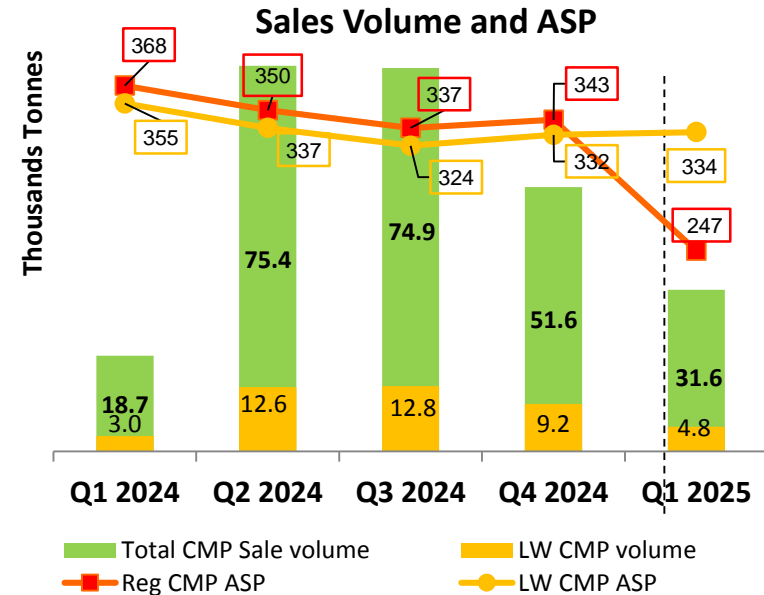
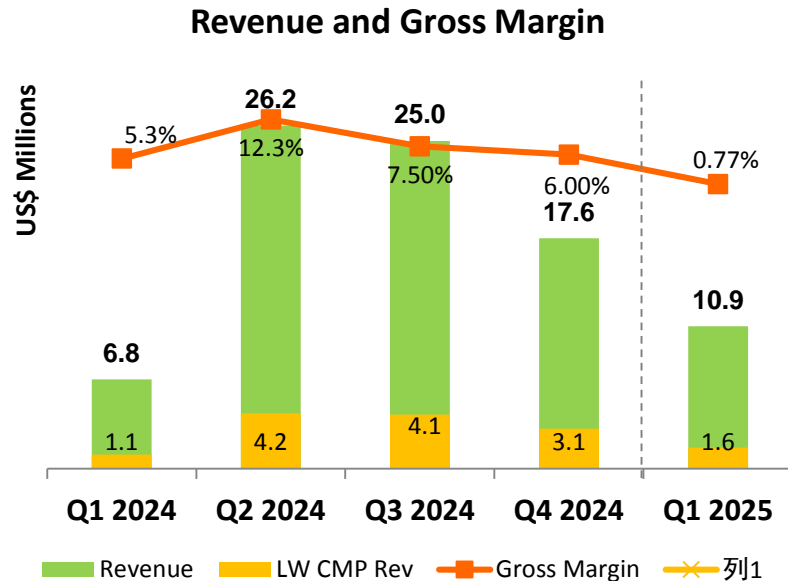
Revenue



Q1 2025

- Revenue up 58.76% YoY to \$10.90 million, due to the the increase of sales volume of corrugating medium paper ("CMP"), partially offset by the decrease in average selling prices ("ASP") of CMP.
- Overall gross margin down 5.04 percentage points YoY to 0.77%.
- Operating loss margin down 0.20 percentage points YoY to 0.31%.

Corrugating Medium Paper (CMP)

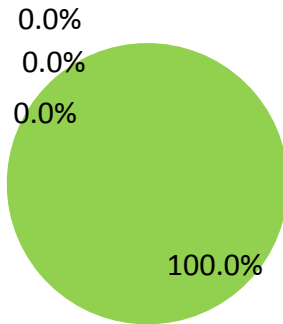


Q1 2025 CMP (includes both Regular and Light-Weight CMP)

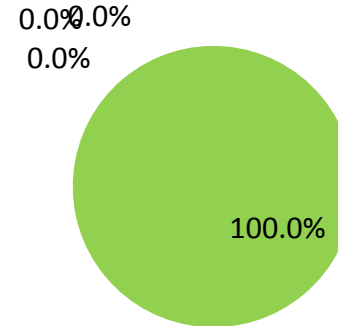
- Revenue: up 59.62% YoY to \$10.90 million, accounted for 100% of total revenue.
- Sales volume: up 69.29% YoY to 31,607 tonnes.
- ASP: Regular CMP down 5.71% to \$347/tonne.
- ASP: Light-Weight CMP down 5.92% to \$334/tonne.

Revenue Mix

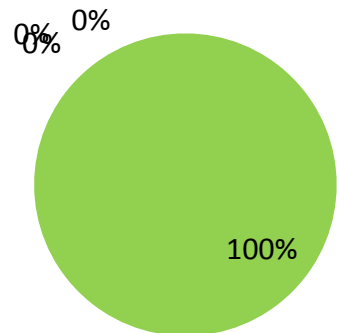
Q1 2025



Q1 2024

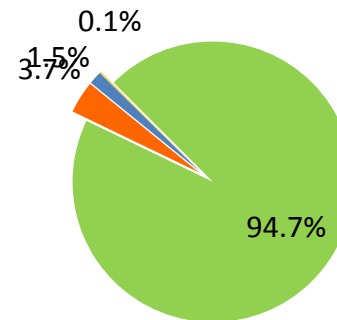


FY2024



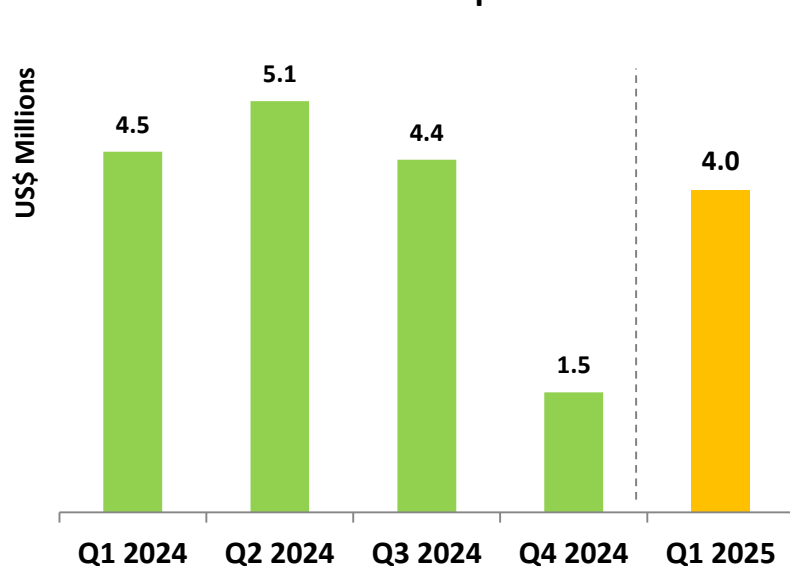
FY2023

- Corrugating Medium Paper
- Offset Printing Paper
- Tissue Paper
- Face Mask

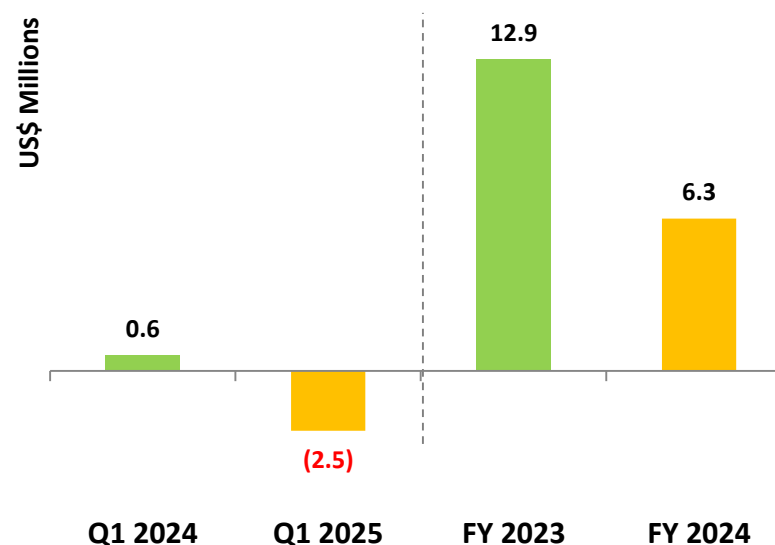


•Corrugating Medium Paper includes both Light-Weight CMP and Regular CMP

Cash and Cash Equivalents



Cash Flow from Operating Activities



Q1 2025

- Cash position at \$4.03 million as of March 31, 2025.
- Net cash used in operating activities was \$2.47 million for the first quarter of 2025, as compared to net cash provided by operating activities was \$0.62 million for the same period of last year.

The background of the slide features a close-up, artistic shot of an open book. The pages are fanned out, creating a sense of depth and movement. A vibrant green rectangular overlay is positioned in the center, partially obscuring the book's pages. The text 'THANK YOU' is written in white, bold, sans-serif capital letters on the left side of this green overlay.

THANK YOU

The background of the slide features a close-up, artistic shot of an open book. The pages are fanned out, creating a sense of depth and movement. A semi-transparent green rectangular overlay is positioned in the center-left of the image, serving as a backdrop for the title text.

APPENDIX

Production Facilities of IT Tech Packaging

PM#	Paper Product	Designed Capacity (tonnes/year)	Location
PM1	Corrugating medium paper	60,000	Xushui District, Baoding city, Hebei province
PM2	Offset printing paper	50,000	
PM3	Offset printing paper	40,000	
PM4 ^[a]	Digital photo paper	2,500	Xushui District, Baoding city, Hebei province
PM5 ^[a]	Digital photo paper	2,500	
PM6 ^[b]	Corrugating medium paper	360,000	Xushui District, Baoding city, Hebei province
PM7	Specialty paper	10,000	
PM8 ^[c]	Tissue paper	15,000	Economic Development Zone in Wei County, Hebei Province
PM9 ^[d]	Tissue paper	15,000	
PM10 ^[e]	Tissue Paper	20,000	

[a]: PM4 and PM5 have been suspended in June 2016 due to low market demand

[b]: 30.44% utilization rate in Q1 FY2025; vs. 15.11% in Q1 FY2024.

[c]: The production and sales of tissue paper products have increased steadily since year 2019.

[d]: In November 2019, we completed the commercial launch of a new tissue paper production line the PM9 following the success of its trial production.

[e] In May 2020, we planned commercial launch of a new tissue paper production line PM10 and the Company expects the new tissue paper production line to be launched after the success of its trial run.

Income Statement Summary

	For the Three Months Ended March 31		YoY Change
(US\$)	2025	2024	
Revenue	10,897,266	6,863,841	58.8%
Cost of sales	(10,813,180)	(6,464,728)	67.3%
Gross Profit	84,086	399,113	-78.9%
Gross profit margin	0.8%	5.8%	-5.0%
Selling, general and administrative expenses	(3,461,321)	(3,900,783)	-11.3%
Income (Loss) from operations	(3,377,235)	(3,501,670)	3.6%
Operating margin	-31.0%	-51.0%	-20.0%
Net Income (Loss)	(3,503,785)	(3,746,536)	6.5%
Net (loss) margin	-32.2%	-54.6%	-22.4%
Loss per share – basic and diluted	(0.35)	(0.37)	-5.4%

Selected Balance Sheet Items

(US\$)	March 31, 2025	December 31, 2024
Current Assets		
Cash and bank balance	4,034,428	5,916,373
Restricted cash	1,035,932	1,034,203
Accounts receivable	2,127,629	287,576
Inventories	4,642,056	2,351,876
Other current assets	17,658,993	18,871,275
Total current assets	29,499,038	28,461,303
Other non-current assets	145,705,092	149,085,483
Total Assets	175,204,130	177,546,786
Current Liabilities		
Short-term bank loans	5,043,047	4,451,616
Current portion of long-term loans from credit union	3,564,961	3,559,902
Lease Liability	108,604	245,604
Accounts Payable	-	1
Other current liabilities	12,217,351	11,889,644
Total current liabilities	20,933,963	20,146,767
Long-term loans	1,114,486	1,112,904
Lease Liability non-current	377,603	231,147
Derivative liability	1,098	5,651
Total Liabilities	22,427,150	21,496,469
Total Stockholders' equity	152,776,980	156,050,317
Total Liabilities and Stockholders' Equity	175,204,130	177,546,786

Solid Operating Cash Flows to Support Continued Investment



(US\$)	Three Months Ended March 31,	
	2025	2024
Net Cash Provided by (Used in) Operating Activities	(2,474,978)	624,420
Net Cash Provided by (Used in) Investing Activities	(8,364)	(9,027)
Net Cash Provided by(Used in) Financing Activities	585,456	422,488
Effect of Exchange Rate Changes on Cash and Cash Equivalents	17,670	(12,242)
Net (Decrease)/Increase in Cash and Cash Equivalents	(1,880,216)	1,025,639
Cash and Cash Equivalents – Beginning of Period	6,950,576	4,391,921
Cash and Cash Equivalents – End of Period	5,070,360	5,417,560