



EARNINGS  
PRESENTATION

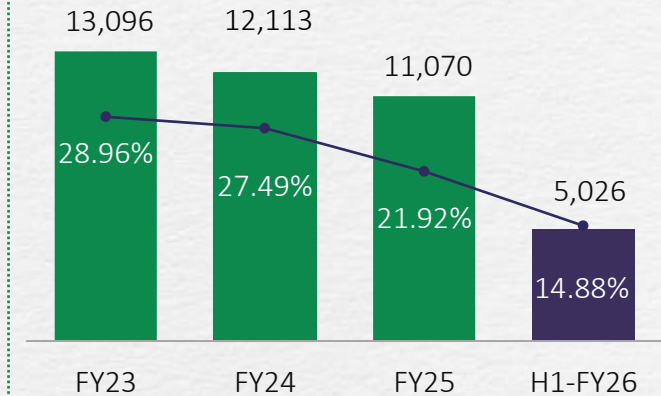
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Q2/H1-FY26

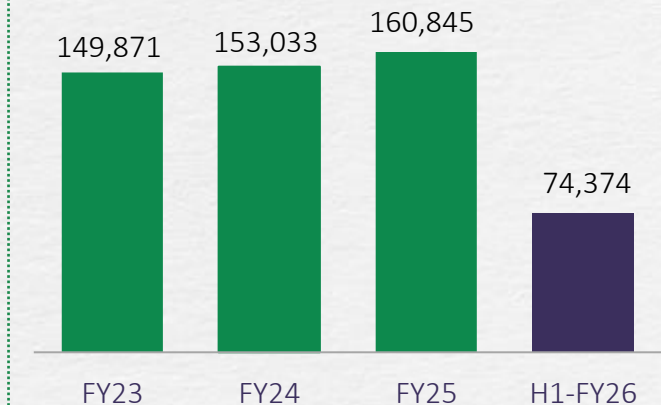


- Kuantum Papers Ltd, a leading agro and wood-based paper manufacturer started its commercial operations in 1980 in an economically backward village of Hoshiarpur, Punjab.
- They started their production with 30 TPD and with continuous process upgrades and backward integration projects are now currently operating at 450 TPD.
- Due to its location in the foothills of the Shivalik range, Kuantum Papers has been strategically utilizing agro residues like wheat straw, sarkanda and bagasse along with wood chips, veneer waste & bamboo to make high quality paper.
- The company's fully integrated manufacturing facility spread across 259 acres helps it gain an advantage in terms of better operational efficiency and higher product offering.
- Its extensive portfolio of writing and printing paper finds application in books, notebooks, annual reports, directories, account books, envelopes, diaries, calendars, computer & office stationery.
- Kuantum's product offerings include maplitho, cream wove and value added specialty products like thermal paper, bond paper, parchment paper, azure laid paper, cartridge paper, coloured paper, ledger paper, stiffener paper, base paper for cups and straws with a GSM range of 40 – 200.
- The company manufactures its products on an order-based system from its 100+ dealer network spread across India, many of whom have been associated with it for three generations.
- The company has increased its export footprint in the last few years and is now exporting to 24 countries.
- Its Marquee clients include Macmillan Education India, McGraw Hill Education India, Oxford University Press, Pearson India Education Services, HT Media, Rachna Sagar, Chitra Prakashan India, Magic International, SBM Industries, Today Diaries amongst others.
- The company's Social Farm Forestry Program includes wood plantations of 16,000+ acres and it aims to expand it to 75,000 acres by 2030.

Operational Revenue (INR Mn) & EBITDA Margins (%)



Paper Sales Volume (MT)



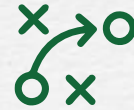
## KEY STRENGTHS



Pan India presence with an extensive network of 100+ dealers



Cost savings through executed backward integration project has led to improved EBITDA margins



Strategic location in Punjab with abundant availability of raw materials such as Wheat Straw, Sarkanda & Bagasse, allows us to get steady supplies at stable prices



Superior product quality and market focus allow us to charge premium price of 5-7% higher than competitors



Largest product portfolio in the Paper Industry covering Maplitho, Copier, Specialty and Creamwove papers



Fully integrated plant infrastructure with technologically upgraded 4 Paper Machines, Agro & Wood Pulp Mill, Chemical Recovery Plant, Co - Gen Power Plant & Effluent Treatment Plant



Raw Materials are perfect substitutes of each other, so not dependent on any single one throughout the year



Established distinguished range of branded products



Long standing relationship with dealers, many associated with the company for over 3 decades



Located near densely populated Northern Region including NCR, a higher paper consumption market



The company aims to augment the Clonal Propagation Center's capacity to produce 1 crore clones annually, covering more than 75,000 acres by 2030 to ensure a sustainable source of wood material



Market-driven sales strategy ensuring timely supplies with minimum inventory backlog catering to diverse needs of our customers

## Pulping Facilities

## Paper Machines

## Chemical Recovery Plant

## Co-Gen Power Plant

## Segment



## Capacity

**Total Capacity - 365 TPD**

- Agro Based Pulp - 165 TPD
- Wood Pulp - 200 TPD

**Total Approved Capacity - 540 TPD**

**Current Operating Capacity:**

- Machine 1 - 50 TPD
- Machine 2 - 50 TPD
- Machine 3 - 115 TPD
- Machine 4 - 285 TPD

**Total Capacity - 700 Solids TPD**

- Recovery Boiler 1 - 200 Solids TPD
- Recovery Boiler 2 - 500 Solids TPD

**Turbines: Total Installed Capacity – 38 MW**

**Boilers : Total Operational Capacity - 190 TPH**

- Boiler 1 - 60 TPH
- Boiler 2 - 130 TPH

## Description

Kquantum combines its own agro and wood along with imported pulp in order to produce better quality fiber for paper production.

The different configurations of the four paper machines allow Kquantum to manufacture a wide variety of surface-sized, non surface-sized and value-added specialty products.

The Chemical Recovery Plant operates at a high efficiency allowing recovery of over 95% of Caustic, enabling cost reductions, margin improvements and reusing for subsequent pulp production runs.

The state of the art Co-Gen Power Plant ensures uninterrupted steam and power supply to process units. The 130 TPH high pressure CFBC boiler combined with a set of highly efficient extraction cum condensing turbine and an extraction cum back pressure turbine, lead to power generation at very cost effective rates which are much lower than the grid rate.



Debottlenecking and upgrading plant operations to increase production capacity by ~ 50% and further optimize cost



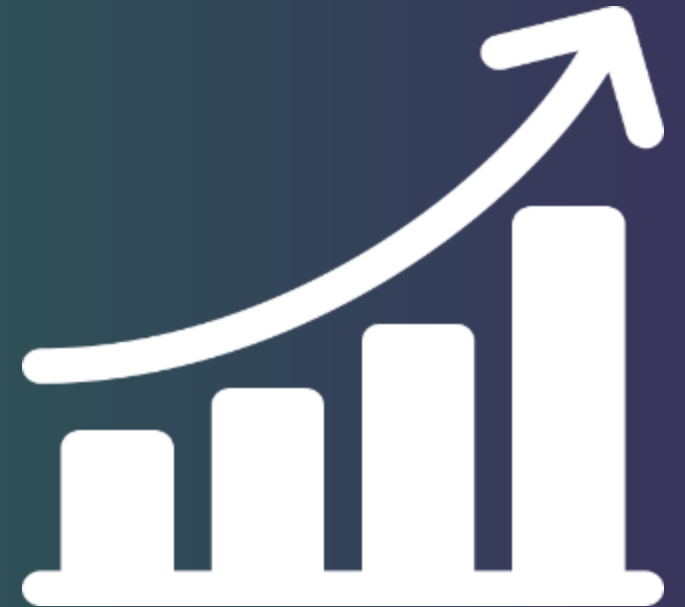
Leveraging single use plastic ban by developing a portfolio of specialty products for a sustainable future



Exploring technology in the specialty / tissue paper segment to diversify product portfolio



Harnessing the power of Industry 4.0 including IoT, AI and cloud computing for operational efficiency and optimal resource utilization





## FINANCIAL & OPERATIONAL HIGHLIGHTS

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Q2/H1-FY26

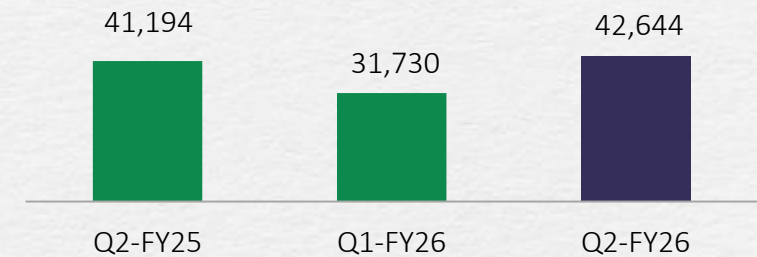
### Q2-FY26 Financial Highlights

<b>INR 2,797 Mn</b> Income from Operations	<b>INR 344 Mn</b> EBITDA	<b>12.30 %</b> EBIDTA Margins
<b>INR 58 Mn</b> Net Profit	<b>2.07 %</b> PAT Margins	<b>INR 0.66 /Share</b> Diluted EPS

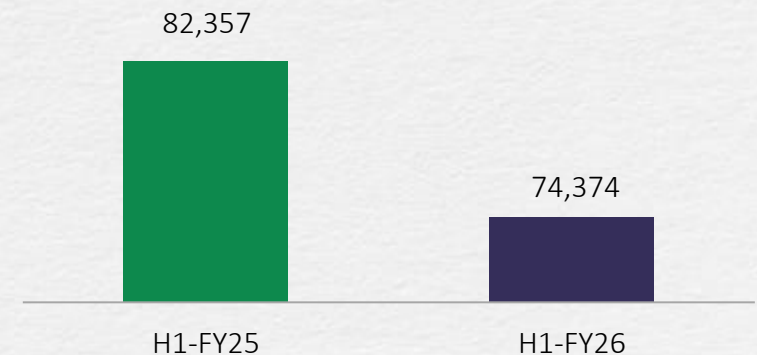
### H1-FY26 Financial Highlights

<b>INR 5,026 Mn</b> Income from Operations	<b>INR 748 Mn</b> EBITDA	<b>14.88 %</b> EBIDTA Margins
<b>INR 178 Mn</b> Net Profit	<b>3.54 %</b> PAT Margins	<b>INR 2.04 /Share</b> Diluted EPS

### Quarterly Paper Sales Volume (MT)



### Quarterly Paper Sales Volume (MT)



## Financial Highlights

- Operational Income for Q2 FY-26, stood at INR 2,797 Mn, which was higher than Q1 by INR 568 Mn, due to higher paper production and sale post the successful upgradation of PM4. In this quarter, overall production was up by 3500 tons as compared to Q2 FY25.
- EBITDA margins for Q2 stood at 12.30%, down 582 basis points QoQ, on account of:
  - A decline in NSR/ Ton by INR 3200, in line with the overall industry trend, where NSR's have been impacted by cheaper imports.
  - An increase in production cost by INR 1300/Ton, mainly driven by higher prices of both agro and wood based raw material as a result of floods in Punjab.

## Mill Expansion and Upgradation Project Update

- Significant progress has been made on the Double Displacement System (DDS) for the Wood Pulp Mill, which will result in improved quality and yield of wood pulp along with savings in operational costs.
- Completed installation of 2 MGF's (Multi Grade Filters) for filtration of Surface Water to enhance quality of input water for operations.

## Plant Updates

- Post upgradation of PM 4 achieved the highest-ever monthly production of 8,303 MT (277 TPD) in September as well as the highest ever daily production of 360 MT in July 2025 on this machine.
- HRSCC integrated into 2<sup>nd</sup> stage wet washing for enhanced wash water quality and pulp consistency.
- Under Project Nirmaan – our Industry 4.0-led, AI-based transformation project, Paper Machine 4 APC baseline study was successfully completed in Q2.
- Successfully executed European Union Deforestation Regulation (EUDR) plus Forest Stewardship Council (FSC®) compliant orders in Q2, reinforcing our commitment towards combating deforestation and promoting sustainable management of natural resources.
- New Product Development - Kappa Premium 3-CRP developed on PM-3 as base paper for coating.

## Environment & Sustainability Focus

- Achieved highest quarterly distribution of 18.21 lakh clonal saplings under the Social Farm Forestry program, taking the total number of beneficiary farmers to 17,343.

PARTICULARS (INR Mn)	Q2-FY26	Q2-FY25	Y-o-Y	Q1-FY26	Q-o-Q
Operational Income	2,797	2,789	0.3%	2,229	25.5%
Total Expenses	2,453	2,181	12.5%	1,825	34.4%
EBITDA	344	608	(43.4)%	404	(14.9)%
<i>EBITDA Margins (%)</i>	<i>12.30%</i>	<i>21.80%</i>	<i>(950) Bps</i>	<i>18.12%</i>	<i>(582) Bps</i>
Other Income	22	17	29.4%	14	57.1%
Depreciation	163	130	25.4%	152	7.2%
Finance Cost	119	94	26.6%	104	14.4%
PBT	84	401	(79.1)%	162	(48.1)%
Tax	26	102	(74.5)%	41	(36.6)%
Profit After Tax	58	299	(80.6)%	121	(52.1)%
<i>PAT Margins (%)</i>	<i>2.07%</i>	<i>10.72%</i>	<i>(865) Bps</i>	<i>5.43%</i>	<i>(336) Bps</i>
Diluted EPS (INR)	0.66	3.43	(80.8)%	1.38	(52.2)%

PARTICULARS (INR Mn)	H1-FY26	H1-FY25	Y-o-Y
Operational Income	5,026	5,596	(10.2)%
Total Expenses	4,278	4,273	0.1%
EBITDA	748	1,323	(43.5)%
<i>EBITDA Margins (%)</i>	<i>14.88%</i>	<i>23.64%</i>	<i>(876) Bps</i>
Other Income	36	26	38.5%
Depreciation	315	255	23.5%
Finance Cost	223	184	21.2%
PBT	246	910	(73.0)%
Tax	68	229	(70.3)%
Profit After Tax	178	681	(73.9)%
<i>PAT Margins (%)</i>	<i>3.54%</i>	<i>12.17%</i>	<i>(863) Bps</i>
Diluted EPS (INR)	2.04	7.80	(73.8)%

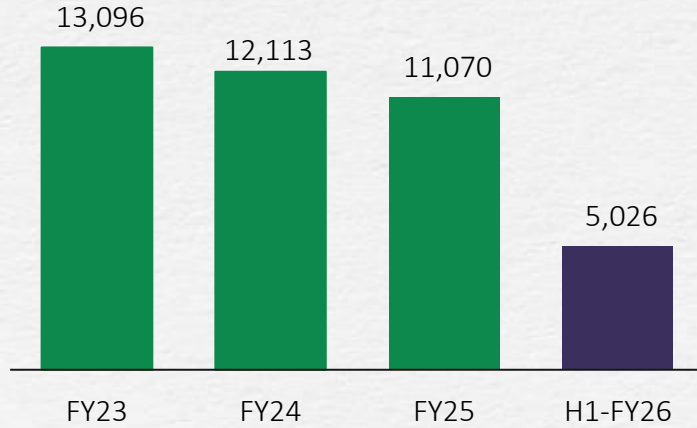
# HISTORICAL INCOME STATEMENT

PARTICULARS (INR Mn)	FY23	FY24	FY25	H1-FY26
Operational Income	13,096	12,113	11,070	5,026
Total Expenses	9,304	8,783	8,644	4,278
EBITDA	3,792	3,330	2,426	748
<i>EBITDA Margins (%)</i>	<i>28.96%</i>	<i>27.49%</i>	<i>21.92%</i>	<i>14.88%</i>
Other Income	36	56	61	36
Depreciation	454	482	540	315
Finance Cost	710	428	393	223
Exceptional Items	634	-	-	-
<b>PBT</b>	<b>2,030</b>	<b>2,476</b>	<b>1,554</b>	<b>246</b>
Tax	668	638	402	68
Profit After Tax	1,362	1,838	1,152	178
<i>PAT Margins (%)</i>	<i>10.40%</i>	<i>15.17%</i>	<i>10.41%</i>	<i>3.54%</i>
Other Comprehensive Income	(5)	(6)	(2)	-
Total Comprehensive Income	1,357	1,832	1,150	178
Diluted EPS (INR)	15.60	21.07	13.20	2.04

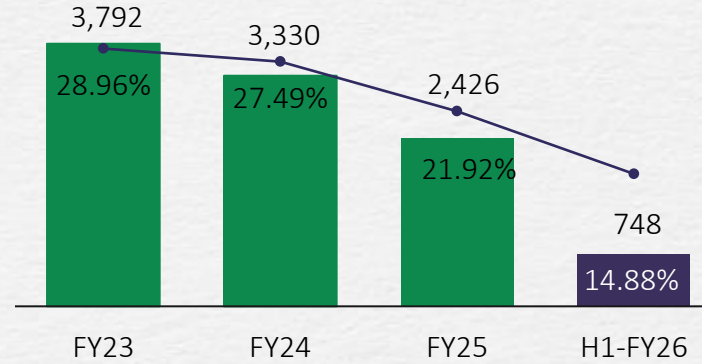
ASSETS (INR Mn)	FY24	FY25	H1-FY26
<b>Non-Current Assets</b>			
Property, plant and equipment	14,678	16,013	17,212
Capital work-in-progress	415	1,552	1,501
Investment property	74	72	72
Other intangible assets	4	101	121
Intangible assets Under development	-	11	8
Financial assets			
• Other financial assets	39	49	51
Income tax assets (net)	16	16	60
Other Non-current assets	585	601	487
<b>Total Non-Current Assets</b>	<b>15,811</b>	<b>18,415</b>	<b>19,512</b>
<b>Current Assets</b>			
Inventories	1,128	1,262	1,134
Financial assets			
• Trade receivable	342	391	320
• Cash and Cash equivalents	706	92	8
• Other bank balances	73	122	125
• Others financial assets	28	10	13
Other current assets	789	836	466
<b>Total Current Assets</b>	<b>3,066</b>	<b>2,713</b>	<b>2,066</b>
<b>Total Assets</b>	<b>18,877</b>	<b>21,128</b>	<b>21,578</b>

EQUITY & LIABILITIES (INR Mn)	FY24	FY25	H1-FY26
<b>Equity</b>			
Equity share capital	87	87	87
Other equity	11,151	12,040	11,957
<b>Total Equity</b>	<b>11,238</b>	<b>12,127</b>	<b>12,044</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial liabilities			
• Borrowings	3,070	4,027	4,481
• Other financial liabilities	247	262	273
Deferred tax liabilities (net)	1,257	1,400	1,467
Deferred income	46	43	42
<b>Total Non-Current Liabilities</b>	<b>4,620</b>	<b>5,732</b>	<b>6,263</b>
<b>Current Liabilities</b>			
Financial Liabilities			
• Borrowings	2,055	2,509	2,296
• Trade payables	569	419	508
• Other financial liabilities	233	266	399
Other current liabilities	77	55	40
Provisions	1	-	8
Deferred income	3	3	3
Current tax liabilities (net)	81	17	17
<b>Total Current Liabilities</b>	<b>3,019</b>	<b>3,269</b>	<b>3,271</b>
<b>Total Liabilities</b>	<b>7,639</b>	<b>9,001</b>	<b>9,534</b>
<b>Total Equity and Liabilities</b>	<b>18,877</b>	<b>21,128</b>	<b>21,578</b>

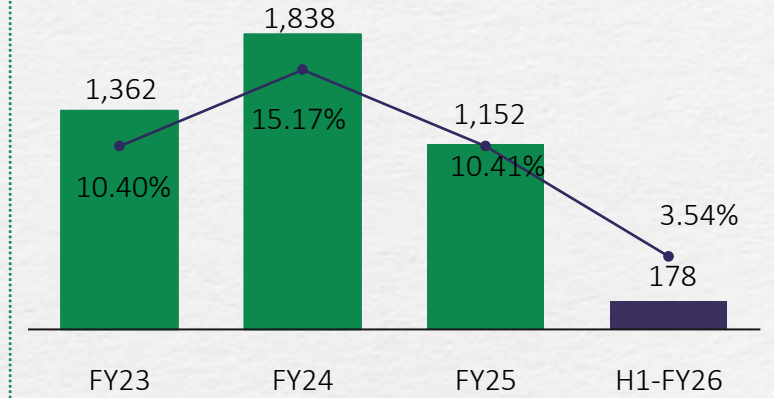
Operational Revenue (INR Mn)



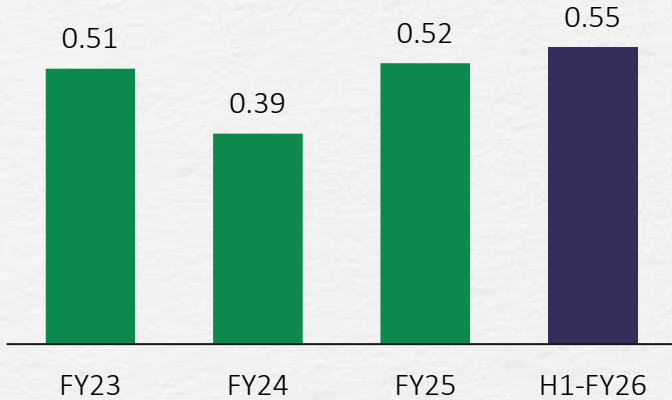
EBITDA (INR Mn) &amp; EBITDA Margin (%)



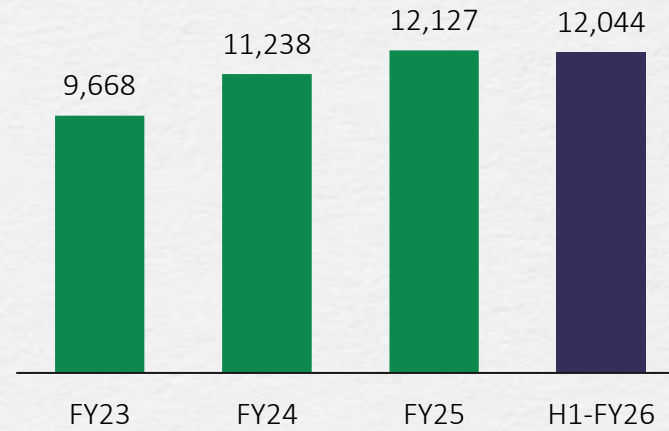
PAT (INR Mn) &amp; PAT Margins (%)



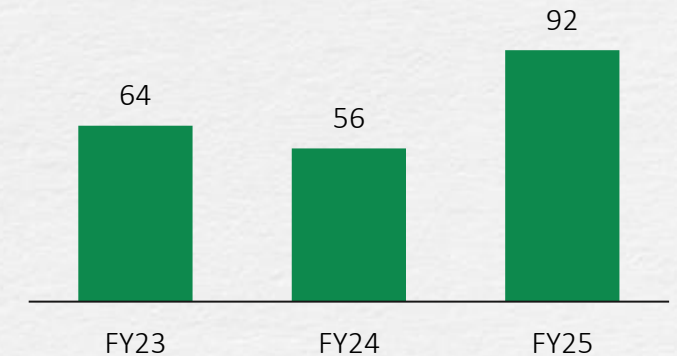
Net Debt to Equity (x)

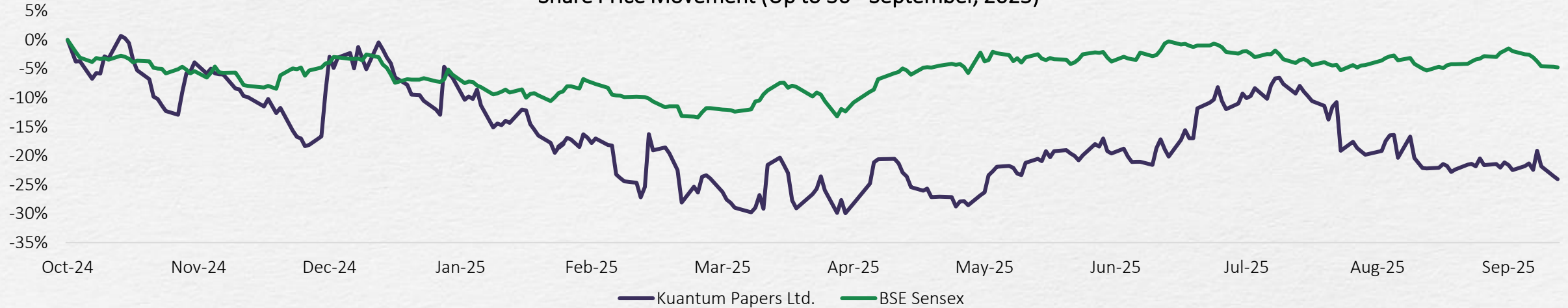


Net Worth (INR Mn)



Cash Conversion Cycle

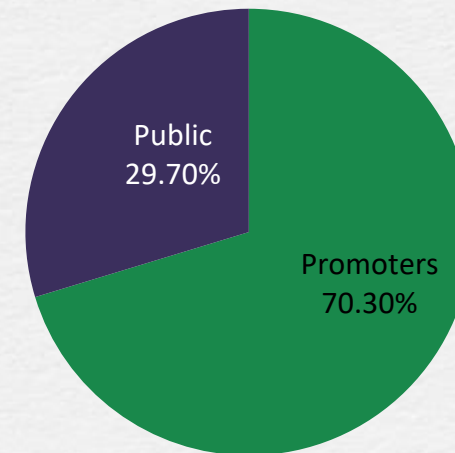


Share Price Movement (Up to 30<sup>th</sup> September, 2025)Price Data (30<sup>th</sup> September, 2025)

INR

Face Value	1.0
Market Price	108.0
52 Week H/L	149.5/97.4
Market Cap (INR Mn)	9,424.5
Equity Shares Outstanding (Mn)	87.3
1 Year Avg Trading Volume ('000)	105.2

Shareholding Pattern as on 30th September, 2025



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Thank You