Kuantum Papers

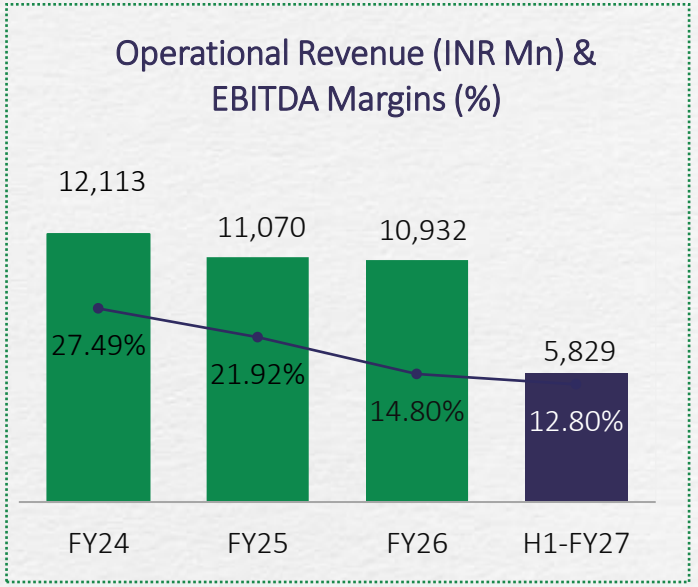


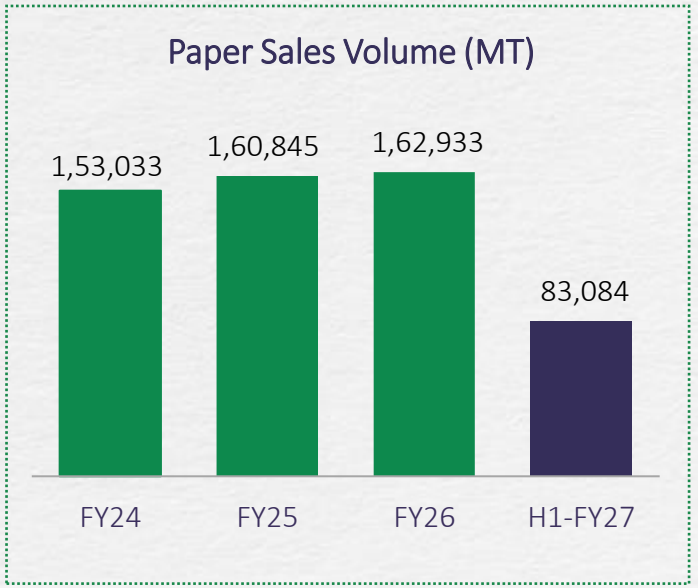
EARNINGS PRESENTATION

Q2/H1-FY27

ABOUT KUANTUM PAPERS

- 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 540 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 120+ 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 26 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 covers wood plantations of 22,000+ acres and it aims to expand it to 75,000 acres by 2030.





KEY STRENGTHS

Kuantum Papers

Pan India presence with an extensive network of 120+ 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

CURRENT MANUFACTURING FACILITIES

Kuantum Papers

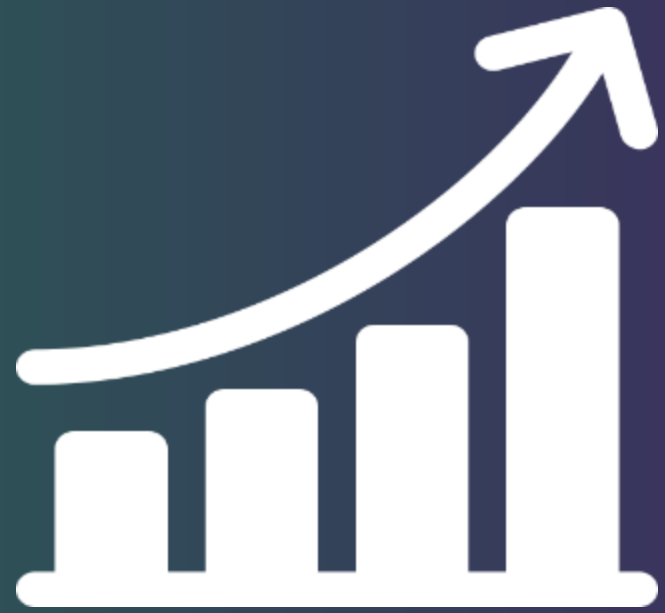
	Pulping Facilities	Paper Machines	Chemical Recovery Plant	Co-Gen Power Plant
Segment				
Capacity	**Total Capacity - 365 TPD** • Agro Based Pulp - 165 TPD • Wood Pulp - 200 TPD	**Total Approved Capacity - 540 TPD** • Machine 1 - 65 TPD • Machine 2 - 75 TPD • Machine 3 - 115 TPD • Machine 4 - 285 TPD	**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	Kuantum 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 Kuantum 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.

FUTURE GROWTH STRATEGY

Kuantum Papers

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

Q2/H1-FY27

Q2/H1-FY27 FINANCIAL HIGHLIGHTS

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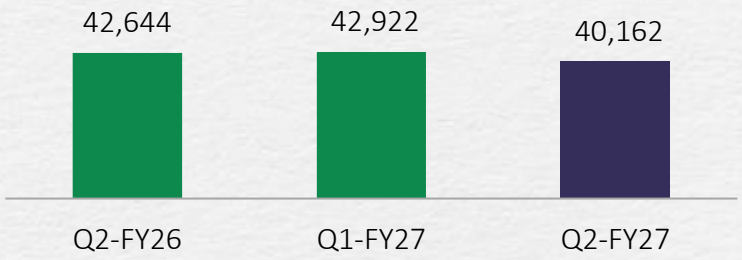
Q2-FY27 Financial Highlights

INR 2,791 Mn Income from Operations	INR 345 Mn EBITDA	12.36% EBIDTA Margins
INR 22 Mn Net Profit	0.79% PAT Margins	INR 0.26/Share Diluted EPS

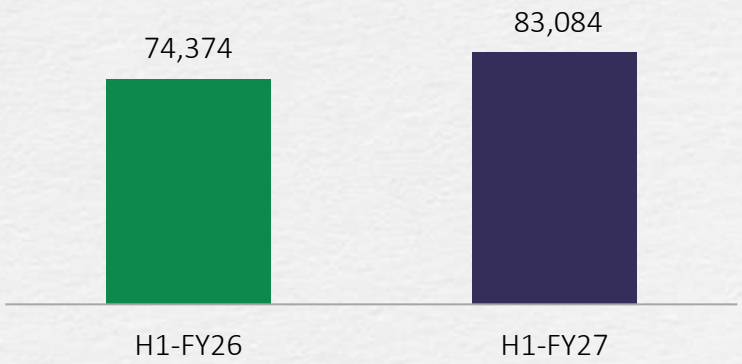
H1-FY27 Financial Highlights

INR 5,829 Mn Income from Operations	INR 746 Mn EBITDA	12.80% EBIDTA Margins
INR 85 Mn Net Profit	1.46% PAT Margins	INR 0.97/Share Diluted EPS

Quarterly Paper Sales Volume (MT)



Half-Yearly Paper Sales Volume (MT)



Q2/H1-FY27 OPERATIONAL HIGHLIGHTS

Kuantum Papers

Financial Highlights

- Operational Income for Q2-FY27 stood at INR 2,791 Mn, which was lower than Q1-FY27 by INR 247 Mn, mainly due to the planned shutdown of one of the Paper Machine lines for upgradation and modernisation, which impacted both production and sales volumes.
- EBITDA margin for Q2-FY27 was resilient at 12.36%, being lower by only 84 bps than previous quarter despite combined headwinds of lower net sales realisation on account of seasonally lean demand period and higher raw material and fuel costs amid the ongoing West Asia War.

Mill Expansion and Upgradation Project Updates

- Paper Machine 3 was successfully commissioned on 26th August in a record time of 59 days, as against the planned shut of 65 days. The rebuild includes the adoption of new technologies such as film press, I-table, table vision, web break monitoring, state-of-the-art calendar system and an automatic starch cooking module, which will result in enhanced production and improved paper quality. With this, all 4 paper machines stand successfully upgraded in line with the project plan.
- The implementation of the Displacement Digester System (DDS) for wood pulping has resulted in an improvement in pulp yield by 1.0% and a reduction in steam consumption from 1.8 MT to 0.8 MT.

Plant Updates

- Achieved the highest-ever copier paper production of 4,482 MT in Aug’26, in line with market demand for high-quality A4 Paper.
- Major overhauling of the 20 MW Turbine Generator and 130 TPH boiler was undertaken to improve efficiency, reduce energy consumption and ensure sustainable operations.
- Implemented a single-vendor chemical solution under the TCM (Total Cost Management) concept across the pulp mills, resulting in savings in both the Agro Pulp Mill and Hardwood Pulp Mill.

Q2/H1-FY27 OPERATIONAL HIGHLIGHTS

Kuantum Papers

New Product Development

- R&D completed and production protocol established for PFAS-free 40 GSM Oil & Grease Resistant (OGR) paper for food wrapping that strengthens our specialty paper portfolio.

Environment and Sustainability Focus

- Set a new benchmark by achieving the highest-ever clonal sapling production of 17.93 lakh in Q2-FY27.
- Added 2,387 acres of social farm forestry in Q2-FY27, taking the total area under plantation to 22,000+ acres.

QUARTERLY FINANCIAL PERFORMANCE

Kuantum Papers

PARTICULARS (INR Mn)	Q2-FY27	Q2-FY26	Y-o-Y	Q1-FY27	Q-o-Q
Operational Income	**2,791**	**2,797**	**(0.2)%**	**3,038**	**(8.1)%**
Total Expenses	2,446	2,453	(0.3)%	2,637	(7.2)%
EBITDA	**345**	**344**	**0.3%**	**401**	**(14.0)%**
EBITDA Margins (%)	*12.36%*	*12.30%*	*6 Bps*	*13.20%*	*(84) Bps*
Other Income	29	22	31.8%	29	0.0%
Depreciation	197	163	20.9%	177	11.3%
Finance Cost	165	119	38.7%	145	13.8%
PBT	**12**	**84**	**(85.7)%**	**108**	**(88.9)%**
Tax	(10)	26	(138.5)%	46	(121.7)%
Profit After Tax	**22**	**58**	**(62.1)%**	**62**	**(64.5)%**
PAT Margins (%)	*0.79%*	*2.07%*	*(128) Bps*	*2.05%*	*(126) Bps*
Diluted EPS (INR)	**0.26**	**0.66**	**(60.6)%**	**0.71**	**(63.4)%**

HALF YEARLY FINANCIAL PERFORMANCE

Kuantum Papers

PARTICULARS (INR Mn)	H1-FY27	H1-FY26	Y-o-Y
Operational Income	**5,829**	**5,026**	**16.0%**
Total Expenses	5,083	4,278	18.8%
EBITDA	**746**	**748**	**(0.3)%**
EBITDA Margins (%)	*12.80%*	*14.88%*	*(208) Bps*
Other Income	59	36	63.9%
Depreciation	374	315	18.7%
Finance Cost	311	223	39.5%
PBT	**120**	**246**	**(51.2)%**
Tax	35	68	(48.5)%
Profit After Tax	**85**	**178**	**(52.2)%**
PAT Margins (%)	*1.46%*	*3.54%*	*(208) Bps*
Diluted EPS (INR)	**0.97**	**2.04**	**(52.5)%**

HISTORICAL INCOME STATEMENT

Kuantum Papers

PARTICULARS (INR Mn)	FY24	FY25	FY26	H1-FY27
Operational Income	**12,113**	**11,070**	**10,932**	**5,829**
Total Expenses	8,783	8,644	9,314	5,083
EBITDA	**3,330**	**2,426**	**1,618**	**746**
EBITDA Margins (%)	*27.49%*	*21.92%*	*14.80%*	*12.80%*
Other Income	56	61	65	59
Depreciation	482	540	653	374
Finance Cost	428	393	464	311
Exceptional Items	-	-	-	-
PBT	**2,476**	**1,554**	**566**	**120**
Tax	638	402	146	35
Profit After Tax	**1,838**	**1,152**	**420**	**85**
PAT Margins (%)	*15.17%*	*10.41%*	*3.84%*	*1.46%*
Other Comprehensive Income	(6)	(2)	(2)	-
Total Comprehensive Income	**1,832**	**1,150**	**418**	**85**
Diluted EPS (INR)	**21.07**	**13.20**	**4.81**	**0.97**

BALANCE SHEET

Kuantum Papers

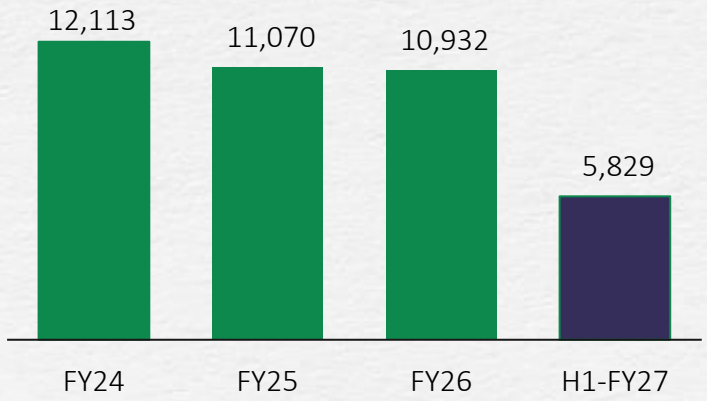
ASSETS (INR Mn)	FY25	FY26	H1-FY27
Non-Current Assets			
Property, plant and equipment	16,013	18,099	20,660
Right of use assets	-	99	169
Capital work-in-progress	1,552	2,625	1,390
Investment property	72	71	70
Other intangible assets	101	107	94
Intangible assets Under development	11	8	8
Financial assets			
• Investments	-	10	30
• Other financial assets	49	108	110
Income tax assets (net)	16	77	86
Other Non-current assets	601	229	44
Total Non-Current Assets	**18,415**	**21,433**	**22,661**
Current Assets			
Inventories	1,262	1,314	1,502
Financial assets			
• Trade receivable	391	443	298
• Cash and Cash equivalents	92	409	608
• Other bank balances	122	76	152
• Others financial assets	10	8	24
Other current assets	836	306	350
Total Current Assets	**2,713**	**2,556**	**2,934**
Total Assets	**21,128**	**23,989**	**25,595**

EQUITY & LIABILITIES (INR Mn)	FY25	FY26	H1-FY27
Equity			
Equity share capital	87	87	87
Other equity	12,040	12,196	12,063
Total Equity	**12,127**	**12,283**	**12,150**
Liabilities			
Non-Current Liabilities			
Financial liabilities			
• Borrowings	4,027	5,897	7,087
• Lease liabilities	-	89	158
• Other financial liabilities	262	274	271
Deferred tax liabilities (net)	1,400	1,545	1,580
Deferred income	43	41	40
Total Non-Current Liabilities	**5,732**	**7,846**	**9,136**
Current Liabilities			
Financial Liabilities			
• Borrowings	2,509	2,701	2,529
• Lease liabilities	-	10	12
• Trade payables	419	640	1,059
• Other financial liabilities	266	471	658
Other current liabilities	55	35	43
Provisions	-	-	5
Deferred income	3	3	3
Current tax liabilities (net)	17	-	-
Total Current Liabilities	**3,269**	**3,860**	**4,309**
Total Liabilities	**9,001**	**11,706**	**13,445**
Total Equity and Liabilities	**21,128**	**23,989**	**25,595**

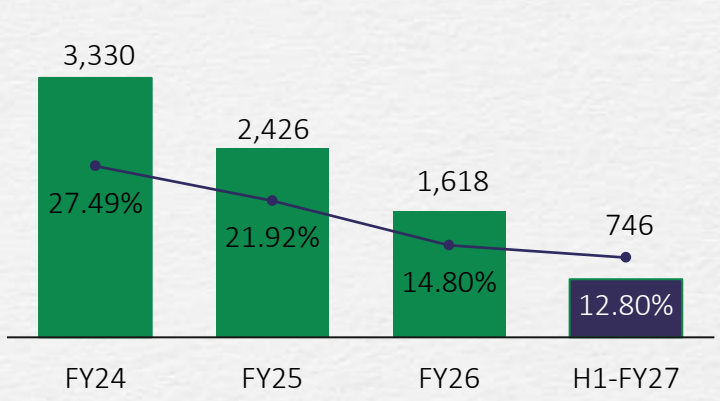
FINANCIAL HIGHLIGHTS

Kuantum Papers

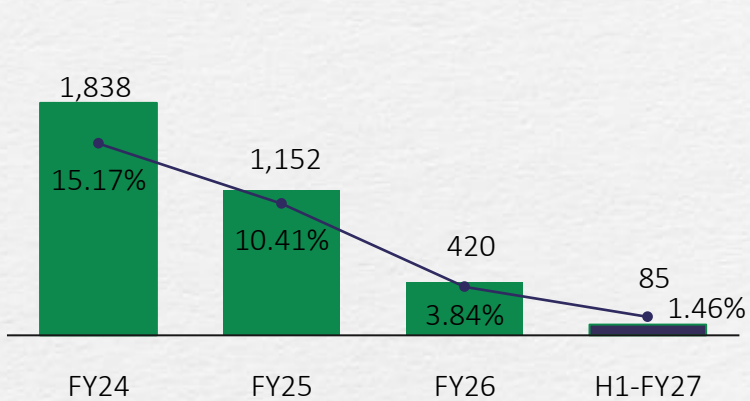
Operational Revenue (INR Mn)



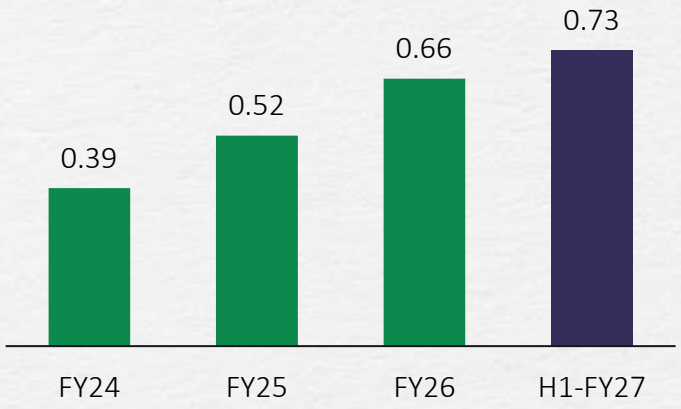
EBITDA (INR Mn) & EBITDA Margin (%)



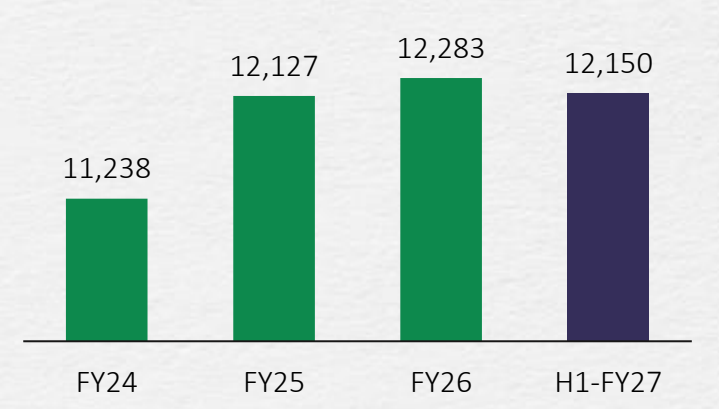
PAT (INR Mn) & PAT Margins (%)



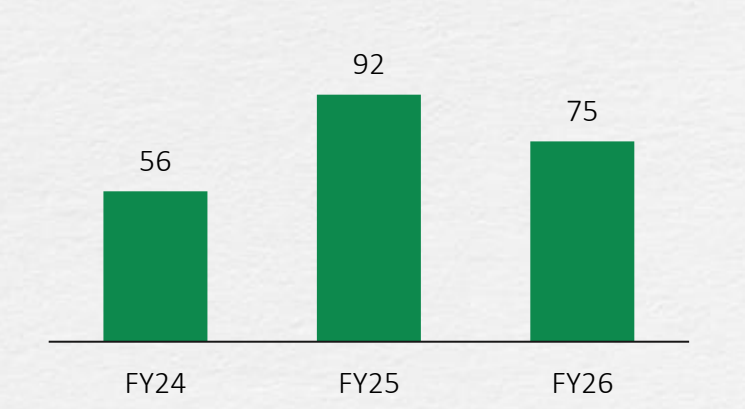
Net Debt to Equity (x)



Net Worth (INR Mn)

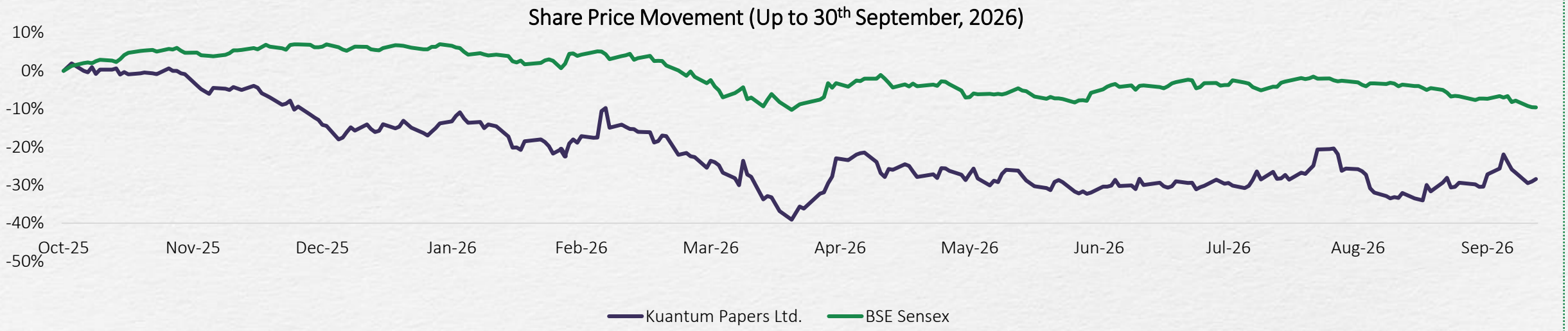


Cash Conversion Cycle

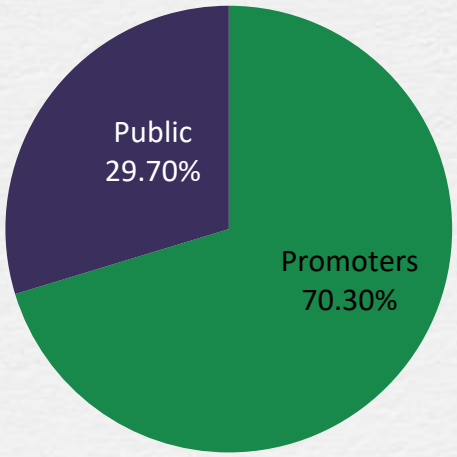


CAPITAL MARKET DATA

Kuantum Papers



Price Data (30th September, 2026)	INR
Face Value	1.0
Market Price	77.7
52 Week H/L	114.0/65.5
Market Cap (INR Mn)	6,776.9
Equity Shares Outstanding (Mn)	87.3
1 Year Avg Trading Volume ('000)	89.7



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Thank You