



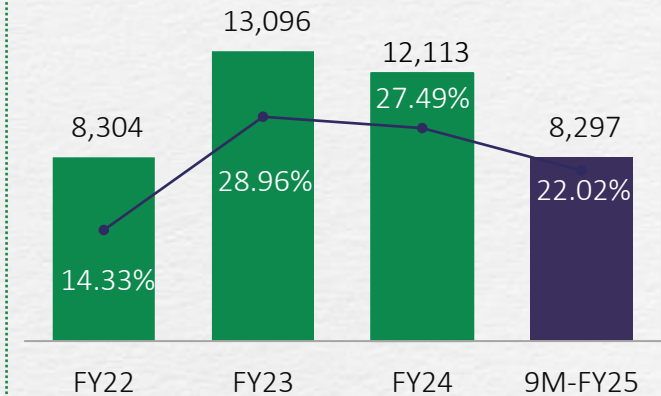
EARNINGS PRESENTATION

Q3/9M-FY25

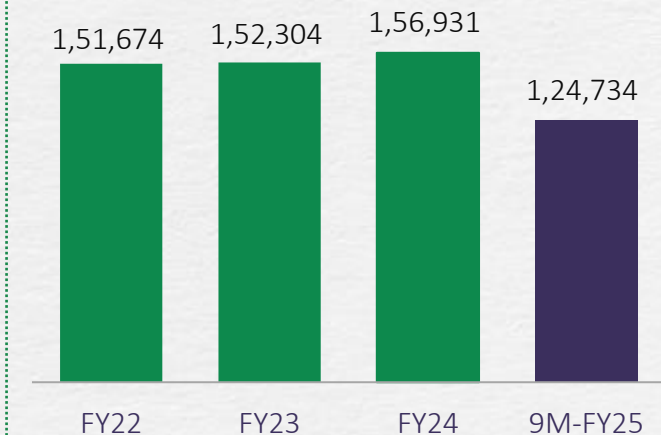


- Kuantum Papers Ltd, a leading agro and wood-based paper manufacturer started its commercial operations in 1980 in an economically backward village of Hoshiarpur, Punjab.
- They started their production with 30 TPD and with continuous process upgrades and backward integration projects are now currently 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, creamwove and value added specialty products like thermal paper, bond paper, parchment paper, azurelaid paper, cartridge paper, coloured paper, ledger paper, stiffner 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 22 countries.
- Its Marquee clients include University of Cambridge, McGraw Hill, Calmin Kokuyo (Mumbai), Thomson, Sultan Chand, Taxmann, Lotus Global, Oxford University Press, Macmillan Education amongst others.
- The company's Social Farm Forestry Program includes wood plantations of around 11,095 acres and it aims to expand it to 50,700 acres by 2028-29.

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



Sales Volume (MT)



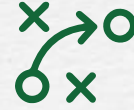
KEY STRENGTHS



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



Future source of wood raw material: Social farm forestry programme with a vision to reach 1 crore clonal saplings per annum



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 - 380 TPD

- Agro based pulp - 200 TPD
- Wood pulp - 180 TPD

Total Capacity - 450 TPD

- Machine 1 - 25 TPD
- Machine 2 - 50 TPD
- Machine 3 - 115 TPD
- Machine 4 - 260 TPD

Total Capacity - 700 Solids TPD

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

Turbines: Total 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



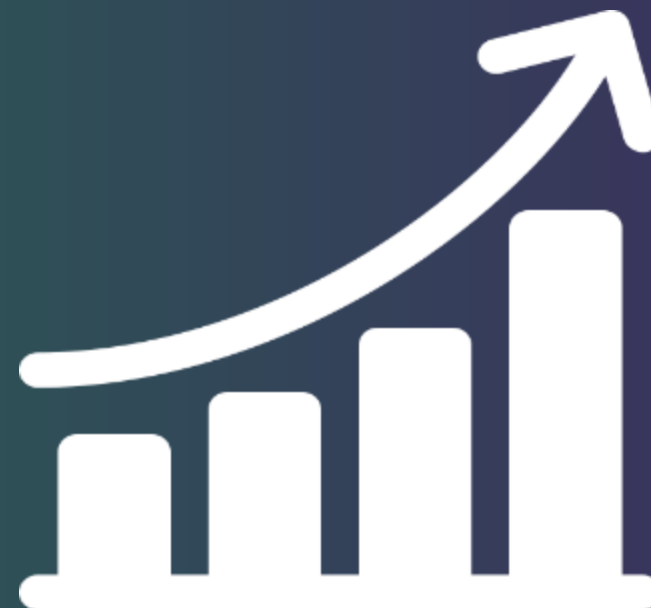
Leveraging single use plastic ban by developing a portfolio of specialty products for a sustainable future



Setting up Specialty/ Tissue paper machine 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

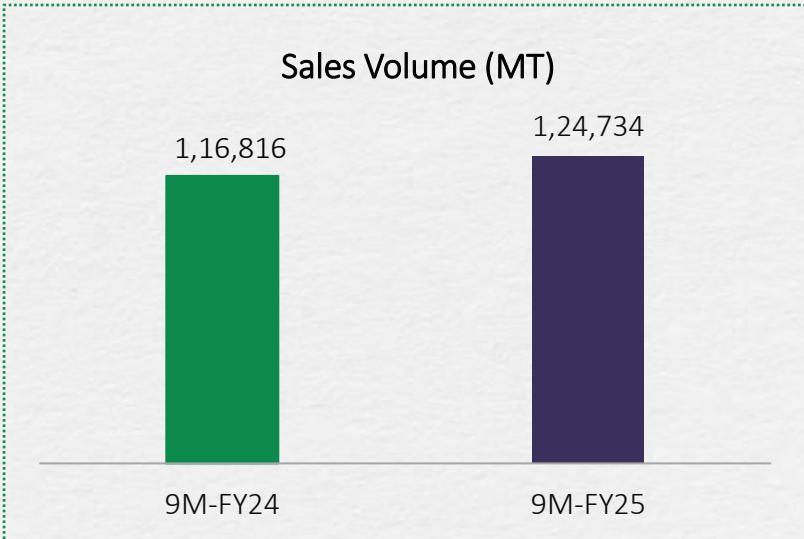
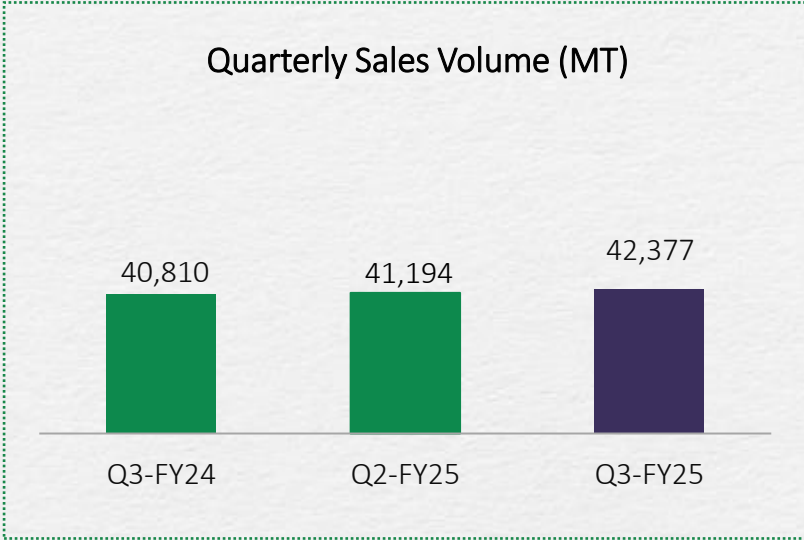
Q3/9M-FY25

Q3-FY25 Financial Highlights

<p>INR 2,701 Mn Income from Operations</p>	<p>INR 504 Mn EBITDA</p>	<p>18.66% EBIDTA Margins</p>
<p>INR 210 Mn Net Profit</p>	<p>7.77% PAT Margins</p>	<p>INR 2.40/Share Diluted EPS</p>

9M-FY25 Financial Highlights

<p>INR 8,297 Mn Income from Operations</p>	<p>INR 1,827 Mn EBITDA</p>	<p>22.02% EBIDTA Margins</p>
<p>INR 891 Mn Net Profit</p>	<p>10.74% PAT Margins</p>	<p>INR 10.21/Share Diluted EPS</p>





Q3-FY25 OPERATIONAL HIGHLIGHTS



- Despite pressures on NSR due to muted demand in the domestic market and pressure from imports, the Company was able to maintain a good EBITDA Margin of 18.7 % for Q3 FY25 and at 22% for the 9 months ending Dec'24. The benefit of lower cost of Agro Pulp, better product mix and reduction in power and fuel costs helped offset the decline in NSR.
- A mill wide Cost Optimization Plan across 11 verticals was launched in Nov'24 under which the savings envisaged are INR 400 Mn on an annualized basis. This also includes savings of INR 155 Mn from Project Nirmaan (AI Project).
- Twin Roll Press (TRPE) commissioning completed for both Agro and Wood Pulp Streets, leading to reduction in chemical consumption, effluent load and also savings in freshwater consumption by 1,800m³/day.
- New Variant of the product Kquantum Korra (made using 90%+ Agro furnish) with high smoothness developed at PM-1
- The Mill Expansion Project with an outlay of INR 7,350 Mn continues to be on track with some critical supplies and installations already completed.

PARTICULARS (INR MN)	Q3-FY25	Q3-FY24	Y-o-Y	Q2-FY25	Q-o-Q
Operational Income	2,701	3,015	(10.4)%	2,789	(3.2)%
Total Expenses	2,197	2,221	(1.1)%	2,181	0.7%
EBITDA	504	794	(36.5)%	608	(17.1)%
<i>EBITDA Margins (%)</i>	<i>18.66%</i>	<i>26.33%</i>	<i>(767) Bps</i>	<i>21.80%</i>	<i>(314) Bps</i>
Other Income	21	7	NA	17	23.5%
Depreciation	138	123	12.2%	130	6.2%
Finance Cost	105	113	(7.1)%	94	11.7%
PBT	282	565	(50.1)%	401	(29.7)%
Tax	72	143	(49.7)%	102	(29.4)%
Profit After Tax	210	422	(50.2)%	299	(29.8)%
<i>PAT Margins (%)</i>	<i>7.77%</i>	<i>14.00%</i>	<i>(623) Bps</i>	<i>10.72%</i>	<i>(295) Bps</i>
Diluted EPS (INR)	2.40	4.83	(50.3)%	3.43	(30.0)%

PARTICULARS (INR MN)	9M-FY25	9M-FY24	Y-o-Y
Operational Income	8,297	9,124	(9.1)%
Total Expenses	6,470	6,430	0.6%
EBITDA	1,827	2,694	(32.2)%
<i>EBITDA Margins (%)</i>	<i>22.02%</i>	<i>29.53%</i>	<i>(751) Bps</i>
Other Income	47	26	80.8%
Depreciation	393	360	9.2%
Finance Cost	289	348	(17.0)%
PBT	1,192	2,012	(40.8)%
Tax	301	513	(41.3)%
Profit After Tax	891	1,499	(40.6)%
<i>PAT Margins (%)</i>	<i>10.74%</i>	<i>16.43%</i>	<i>(569) Bps</i>
Diluted EPS (INR)	10.21	17.18	(40.6)%

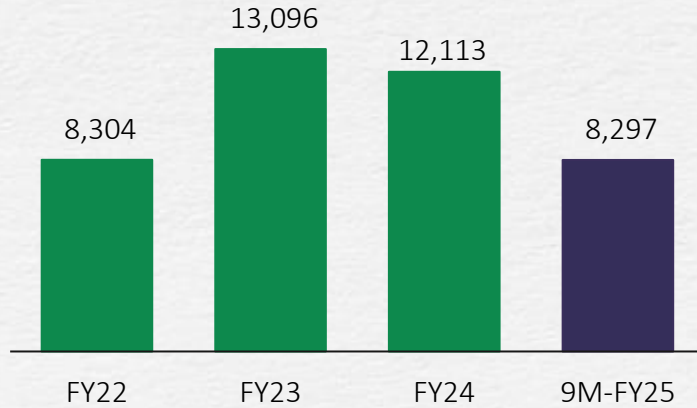
HISTORICAL INCOME STATEMENT

PARTICULARS (INR MN)	FY22	FY23	FY24	9M-FY25
Operational Income	8,304	13,096	12,113	8,297
Total Expenses	7,114	9,304	8,783	6,470
EBITDA	1,190	3,792	3,330	1,827
<i>EBITDA Margins (%)</i>	<i>14.33%</i>	<i>28.96%</i>	<i>27.49%</i>	<i>22.02%</i>
Other Income	38	36	56	47
Depreciation	462	454	482	393
Finance Cost	689	710	428	289
Exceptional Items	-	634	-	-
PBT	77	2,030	2,476	1,192
Tax	(57)	668	638	301
Profit After Tax	134	1,362	1,838	891
<i>PAT Margins (%)</i>	<i>1.61%</i>	<i>10.40%</i>	<i>15.17%</i>	<i>10.74%</i>
Other Comprehensive Income	(2)	(5)	(6)	-
Total Comprehensive Income	132	1,357	1,832	891
Diluted EPS (INR)	1.54	15.60	21.07	10.21

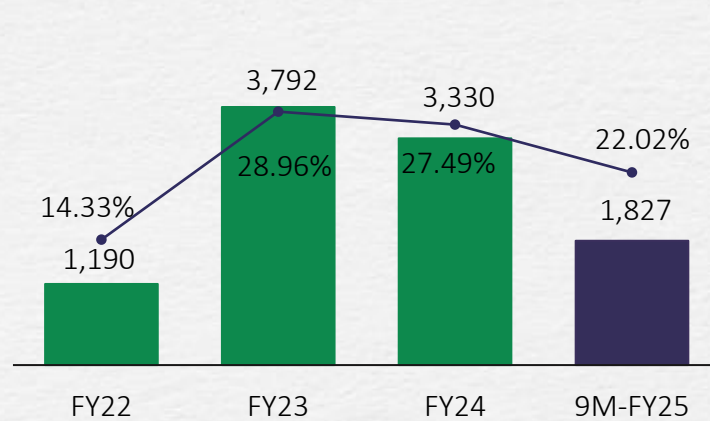
ASSETS (INR MN)	FY23	FY24	H1-FY25
Non-Current Assets			
Property, plant and equipment	14,068	14,678	15,252
Capital work-in-progress	306	419	756
Investment property	75	74	73
Other intangible assets	-	-	48
Financial assets			
• Other financial assets	39	39	49
Income tax assets (net)	16	16	16
Other Non-current assets	259	585	666
Total Non-Current Assets	14,763	15,811	16,860
Current Assets			
Inventories	901	1,128	1,079
Financial assets			
• Trade receivable	287	342	303
• Cash and Cash equivalents	15	706	5
• Other bank balances	157	73	83
• Others financial assets	16	28	22
Other current assets	756	789	838
Total Current Assets	2,132	3,066	2,330
Total Assets	16,895	18,877	19,190

EQUITY & LIABILITIES (INR MN)	FY23	FY24	H1-FY25
Equity			
Equity share capital	87	87	87
Other equity	9,581	11,151	11,570
Total Equity	9,668	11,238	11,657
Liabilities			
Non-Current Liabilities			
Financial liabilities			
• Borrowings	3,678	3,070	2,607
• Other financial liabilities	228	247	686
Provisions	13	-	-
Deferred tax liabilities (net)	1172	1,257	1,320
Deferred income	49	46	44
Total Non-Current Liabilities	5,140	4,620	4,657
Current Liabilities			
Financial Liabilities			
• Borrowings	1,450	2,055	2,300
• Trade payables	258	569	365
• Other financial liabilities	198	233	110
Other current liabilities	84	77	36
Provisions	3	1	9
Deferred income	3	3	3
Current tax liabilities (net)	91	81	53
Total Current Liabilities	2,087	3,019	2,876
Total Liabilities	7,227	7,639	7,533
Total Equity and Liabilities	16,895	18,877	19,190

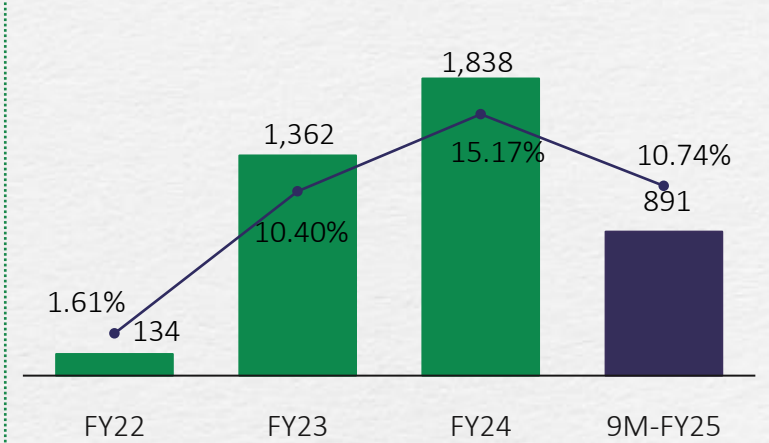
Operational Revenue (INR Mn)



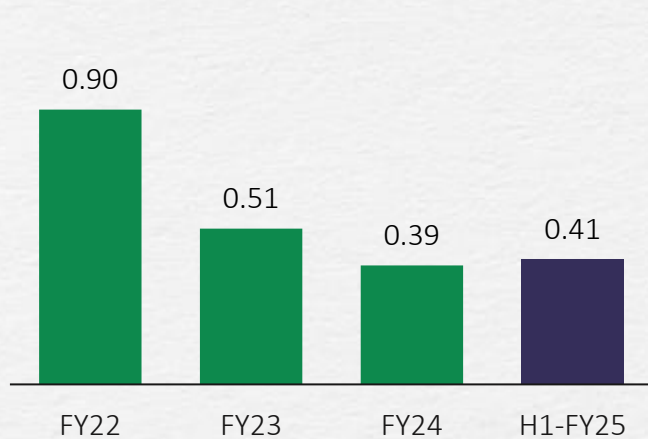
EBITDA (INR Mn) & EBITDA Margin (%)



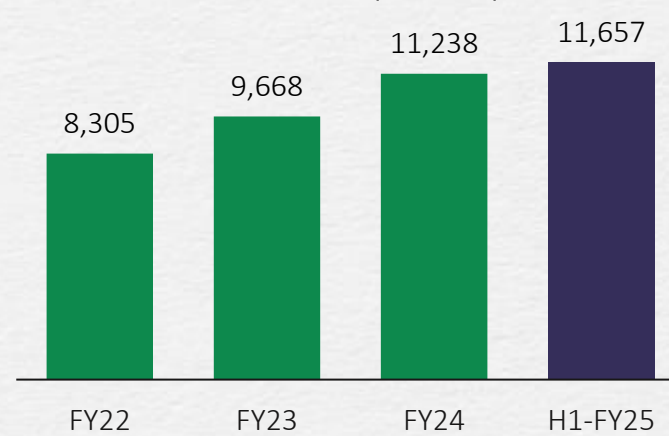
PAT (INR Mn) & PAT Margins (%)



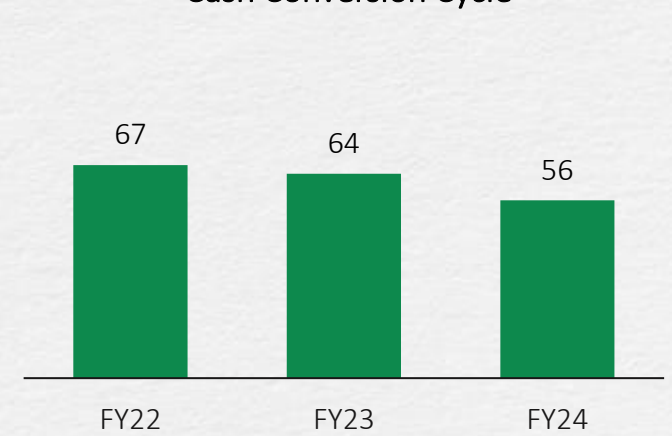
Net Debt to Equity

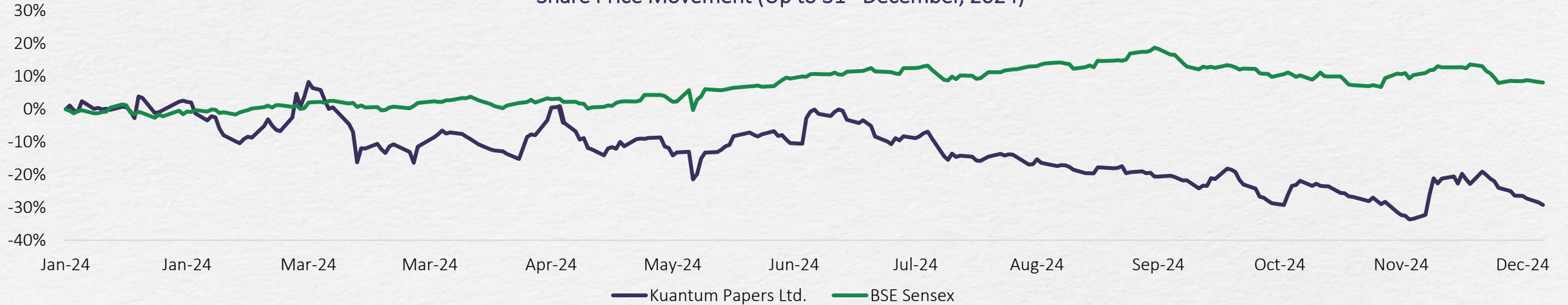


Net Worth (INR Mn)



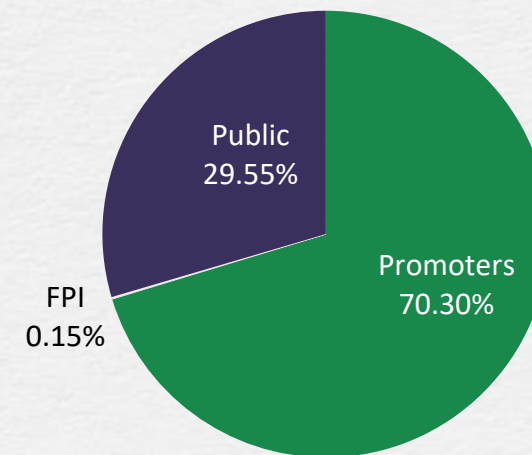
Cash Conversion Cycle



Share Price Movement (Up to 31st December, 2024)Price Data (31st December, 2024)

INR

Face Value	1.0
Market Price	123.8
52 Week H/L	193.0 / 113.6
Market Cap (Mn)	10,803.2
Equity Shares Outstanding (Mn)	87.3
1 Year Avg Trading Volume ('000)	184.6

Shareholding Pattern as on 31st December, 2024

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Thank You