



KP Tissue Inc.

INVESTING FOR THE LONG TERM

**CIBC 20th Annual Eastern Institutional
Investor Conference**

Thursday, September 23, 2021



Forward-Looking and Cautionary Statements

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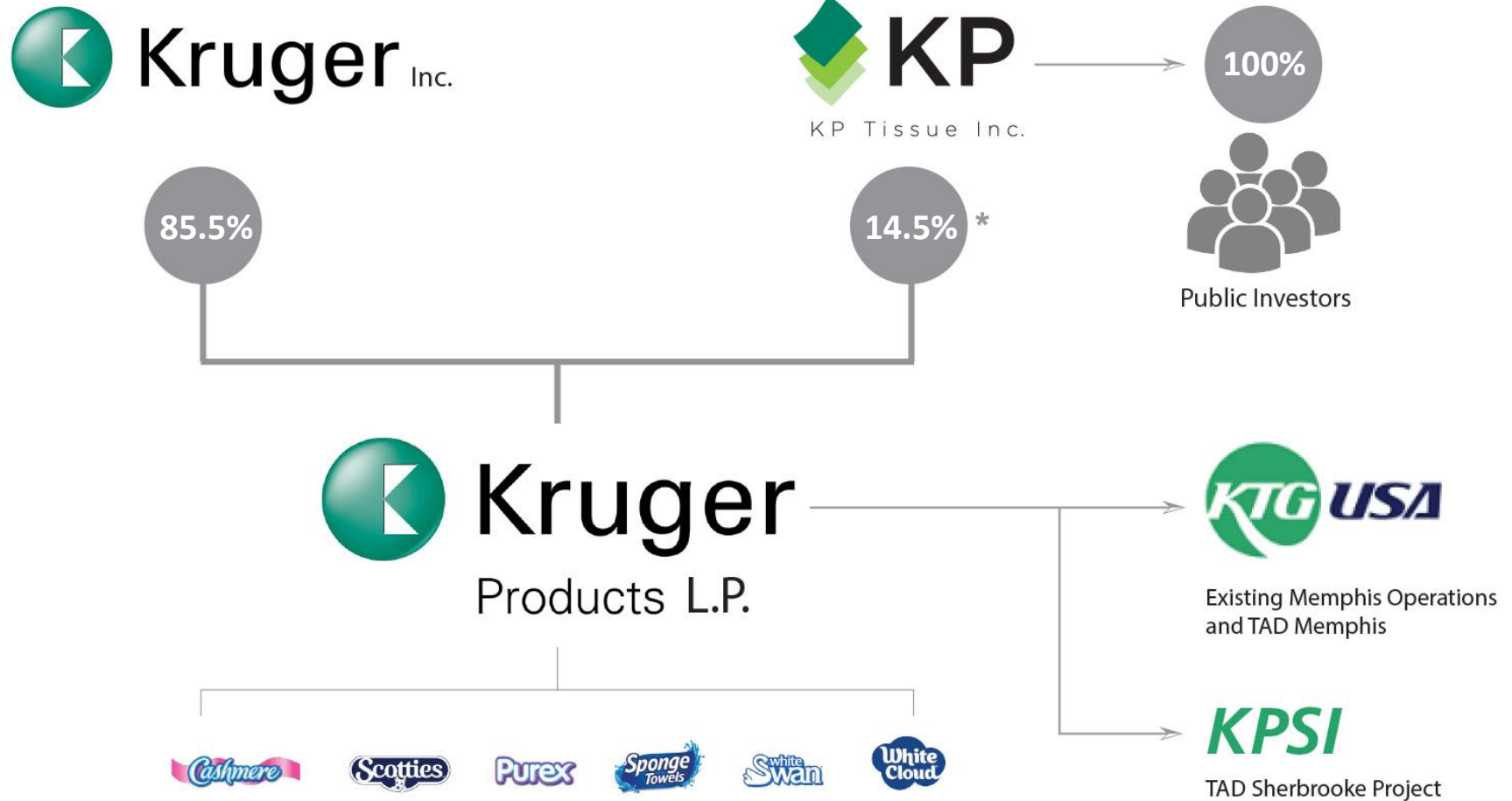
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Unless otherwise stated, references in this presentation to market shares or KPT’s market leadership are based on Nielsen dollar market share data and management estimates. Please refer to the Company’s MD&A for the complete Forward-looking and cautionary statements.

Corporate Structure



*As of August 12, 2021 (14.6% as of June 30, 2021).

Our Vision

OUR VISION IS TO BE THE MOST
TRUSTED AND BEST LOVED TISSUE
COMPANY IN NORTH AMERICA.



Making everyday life more comfortable.

Drive Strong Revenue, Profit and Shareholder Value

5

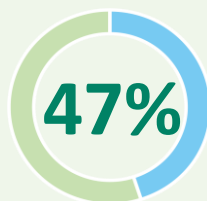
Underlying Strategies

- 
- Build Our Consumer Muscle**
 - Expand Our Business Footprint**
 - End-to-End Supply Chain Excellence**
 - Drive Sustainability**
 - Winning Team & Culture**

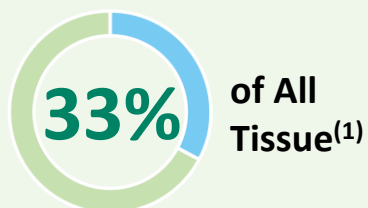
Kruger Products Overview

Canada's Leading Tissue Company

#1 Branded Tissue Company in Canada



of All Branded Volume⁽¹⁾



of All Tissue⁽¹⁾

7th Largest in North America

2020 Sales

\$1.5 B

Employees

~2,700

Large North American Manufacturing Footprint

9

Production Facilities

14

Paper Machines

80

Converting Lines

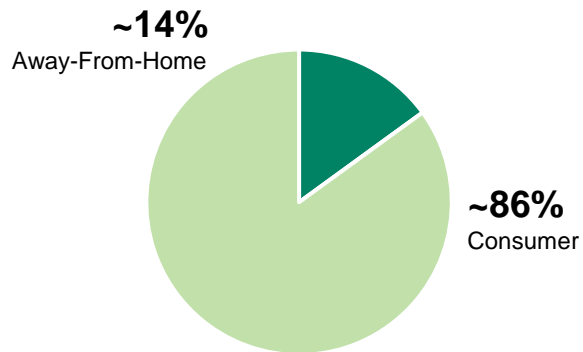
CAPABILITIES

in Structured,
Conventional and
Recycled Paper

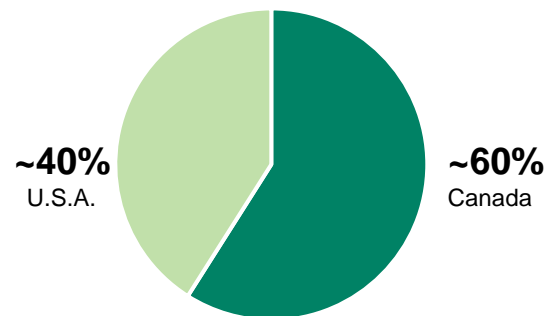
(1) Nielsen Market, Last 52 weeks ending May 22nd, 2021. Numbers were rounded.

Diversified Portfolio Across Canada & U.S.

Segment Split⁽¹⁾



Geographic Split⁽¹⁾

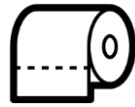


	Bathroom Tissue	Facial Tissue	Paper Towel	Napkin
Branded	✓	✓	✓	✓
Away-From-Home	✓	✓	✓	✓
Private Label	✓	✓	✓	✓



(1) The segment and geographic split are based on FY2020

Canada's Leading Tissue Company



	Bathroom Tissue	Facial Tissue	Paper Towel
Kruger	#1 36.1%	#1 34.0%	#2 22.6%
IRVING	18.2%	18.9%	13.1%
P&G	10.7%	0.5%	34.7%
Kimberly-Clark	1.3%	17.1%	0.9%

Source: Nielsen; dollar market share for the 52-week period ended June 19, 2021

TRADEMARK

Continued focus on investing and building our brands

- Continued to gain share for 52-week period
- Incremental marketing investment for full year 2021
- “Unapologetically Human” campaign continues to gain traction winning several awards including a Bronze Lions at the International Cannes Advertising Festival
- SpongeTowels Ultra Pro™ ahead of launch plan on revenue and share
- “Kruger Big Assist” a big success with consumers and hockey associations across Canada
- Strong “Made in Canada” promotion to help support local products
- New media campaigns for SpongeTowels™ and Scotties®
- Increased focus on digital, social and e-commerce activation

UNAPOLOGETICALLY HUMAN

1 lion
3 shortlists

BROKEN HEART
LOVE AFFAIR



Kruger
Products



NEW

OUR STRONGEST,
MOST ABSORBENT
Paper Towel.*



Strong
and Durable



Clean
Finish

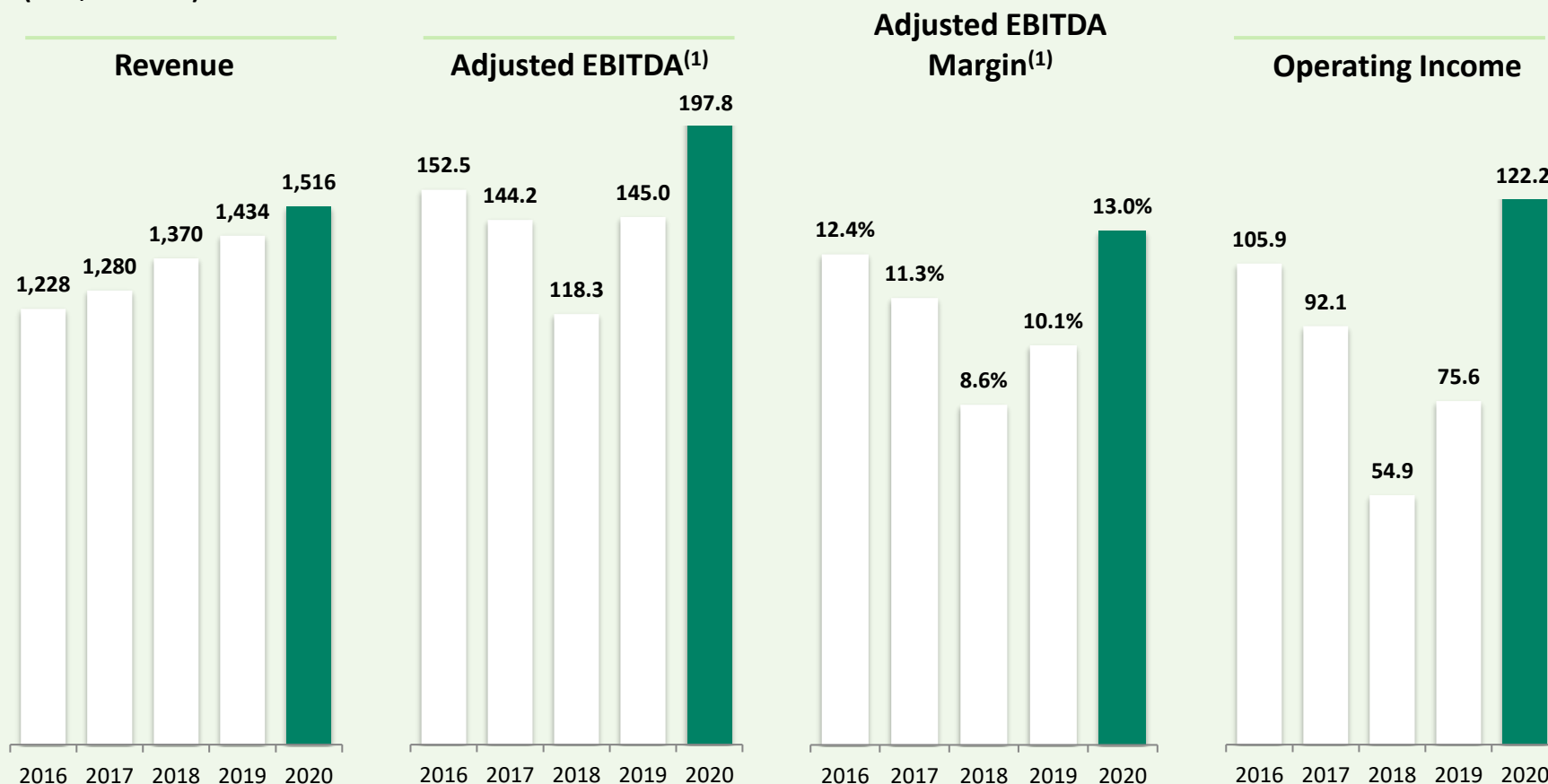


Sponge-Like
Absorbency



Financial Performance Trend

(in C\$ millions)

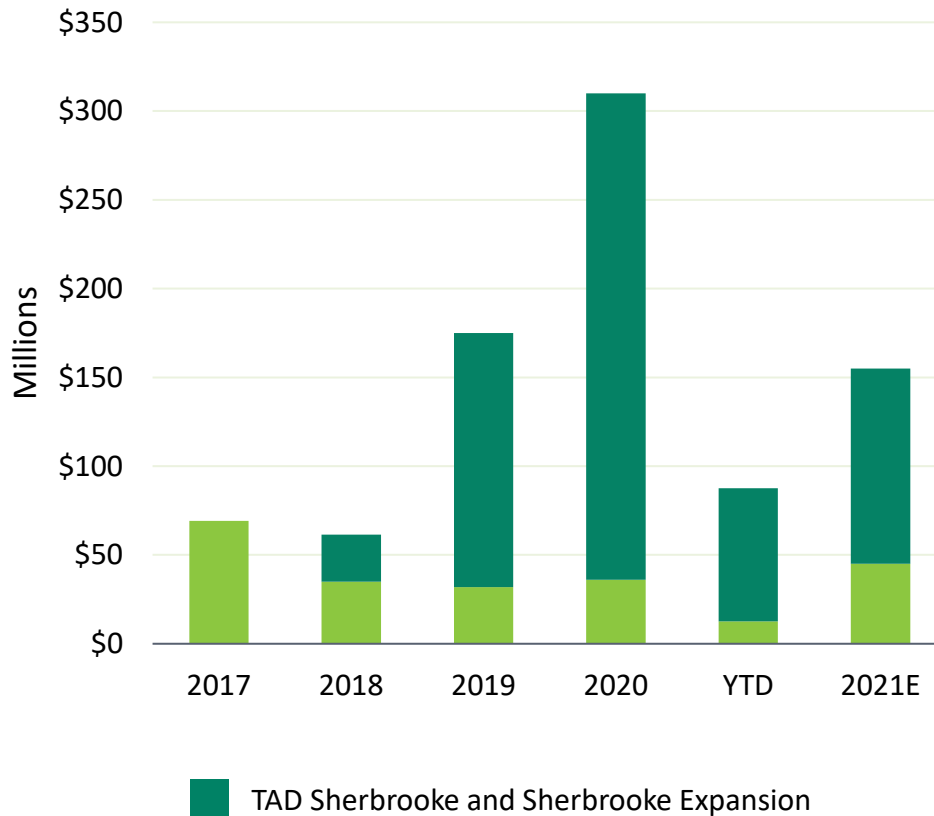


(1) Non-GAAP measure – see MD&A for the definition and reconciliation of the most comparable GAAP measure

(2) Effective January 1, 2019, KPLP adopted IFRS 16 Leases, the new accounting standard covering lease accounting, using the full retrospective approach. Under this approach, Fiscal 2018 have been restated to reflect the adoption of IFRS 16.

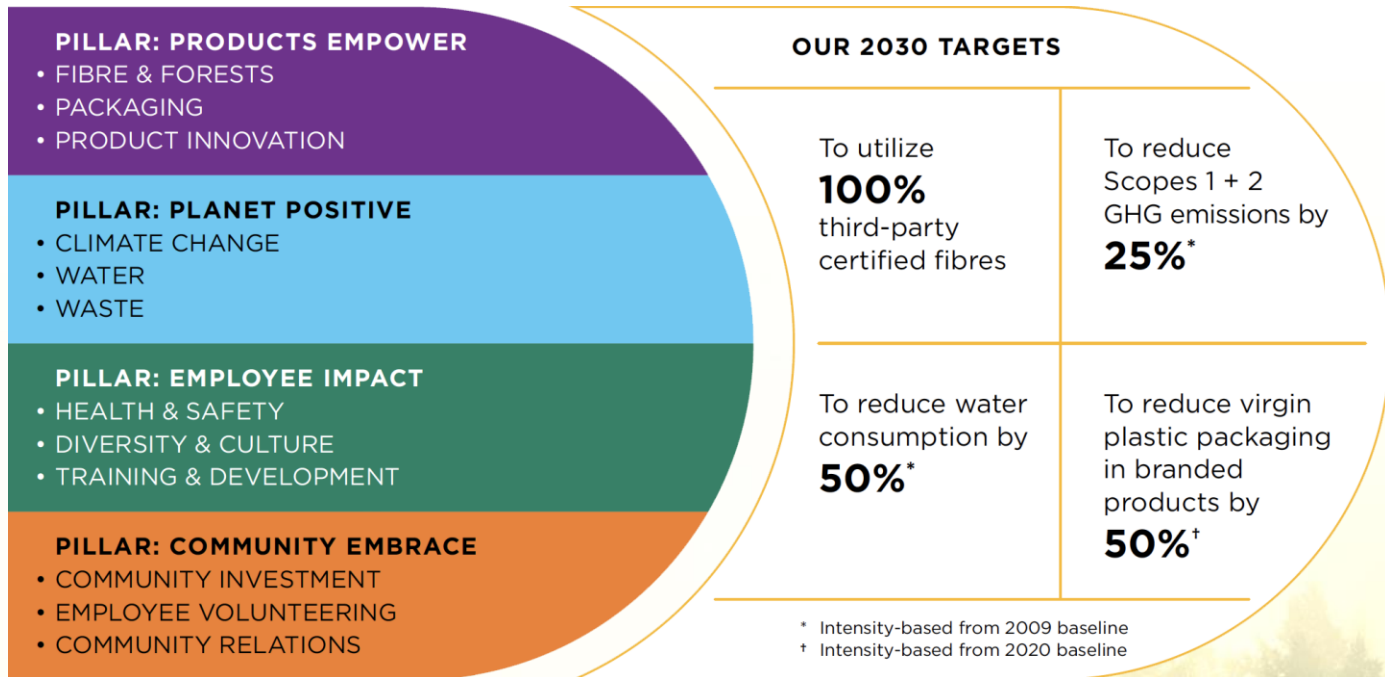
Continue to Invest in our Network to Build Capacity

CAPEX



Start-up	Project	Investment
2017	Crabtree/PM8	\$55M
2021	TAD Sherbrooke	\$575M
2022	Artificial Intelligence Project	\$25M
2022	New facial line Memphis	USD\$22M
2024	Sherbrooke Expansion	\$240M

Reimagine 2030 – The Next 10 Years of Sustainable Development



Reinvesting in the business to build a strong future



Our focus going forward will be on:

- Investing in our brands and innovation to build market share leadership in Canada while expanding White Cloud brand in the U.S.
- Pricing in place to counter exceptional rise in costs
- TAD Sherbrooke facility exceeding ramp-up curve and manufacturing new SpongeTowels Ultra Pro™
- OpEx program, Memphis FT expansion and Sherbrooke Expansion Project will increase capacity and optimize cost structure for the future
- Away-from-Home prepared for a recovery in end-user markets
- New long-term sustainability plan will spearhead transformative growth and sustainable innovation
- Developing our organizational capability and culture to drive growth for the future

Investment Highlights



- ✓ #1 tissue company in Canada
- ✓ Strong customer relationships with compelling retail proposition
- ✓ Steady tissue demand in-line with population growth
- ✓ Growing US platform with premium private label and White Cloud™ brand
- ✓ Recovery of AFH segment
- ✓ Attractive dividend yield
- ✓ Strong management team with demonstrated track record