



**PRESS RELEASE**  
For immediate release

## **Kruger Products successfully starts up LDC Tissue Plant in Sherbrooke**

**Sherbrooke, Québec, October 21, 2024** – KP Tissue Inc. (TSX: KPT) and Kruger Products Inc., Canada’s leading tissue products manufacturer, are pleased to announce the completion of the construction of a new plant on a site adjacent to the existing Sherbrooke TAD facility and the successful start-up of their new double-width light dry crepe (LDC) tissue machine with a capacity of 60,000 metric tons. The \$377.5 million expansion project also included the installation of two converting lines: a facial tissue line in the new Sherbrooke LDC plant, which started up in February 2024, and a bathroom tissue line in the existing Sherbrooke TAD plant, which started up in February 2023. The project was supported by Investissement Québec, agent for the Government of Quebec, who provided \$165 million in loans.

“With this new Kruger Products plant, we have a fine example of technological innovation that is modernizing our Quebec pulp and paper industry. We are proud to have invested \$165 million in this important project, which will improve the performance of a key sector of our economy, while creating quality jobs in the Estrie Region,” said Christine Fréchette, Minister of the Economy, Innovation and Energy, and Minister responsible for Regional Economic Development.

“After years of hard work and dedication, the construction of our Sherbrooke LDC plant is now complete and fulfills our vision of making Sherbrooke a major hub for tissue product manufacturing. It also plays a key role in building our brands in Canada and expanding our business by offering premium-quality tissue products to customers across North America,” said Dino Bianco, CEO of Kruger Products. “This is an incredible achievement for everyone involved. I would like to thank and congratulate the entire team who worked on this expansion project. Additionally, I would like to welcome the 141 new employees who have joined us!”

At maturity, the Sherbrooke site will be able to produce more than 130,000 metric tons of high-quality tissue products like Cashmere UltraLuxe®, Scotties® Ultra Soft and SpongeTowels Ultra Pro® for Canada and White Cloud® for the U.S. This additional capacity will allow Kruger Products to expand its product offering and grow its market share in North America.

Details of the official dedication ceremony, scheduled for next spring, will be announced at a later date.

### **About Kruger Products Inc. (Kruger Products)**

Kruger Products is Canada's leading manufacturer of quality tissue products for household, industrial and commercial use. Kruger Products serves the Canadian consumer market with such well-known brands as Cashmere®, Purex®, SpongeTowels®, Scotties®, White Swan® and Bonterra®. In the U.S., Kruger Products manufactures the White Cloud® brand, as well as many private label products. Kruger Products has approximately 2,800 employees and operates ten FSC® COC-certified (FSC® C-104904) production facilities in North America. For more information visit [www.krugerproducts.ca](http://www.krugerproducts.ca).

### **About KP Tissue Inc. (KPT)**

KPT was created to acquire, and its business is limited to holding, a limited equity interest in Kruger Products, which is accounted for as an investment on the equity basis. KPT currently holds a 12.56% interest in Kruger Products. For more information visit [www.kptissueinc.com](http://www.kptissueinc.com).

### **Forward Looking Statements**

Forward-looking statements in this press release include, but are not limited to, statements regarding the projected increase in production capacity of the Sherbrooke site and new LDC paper machine, growth in market share and market demand for tissue products. The forward-looking statements are based on certain key expectations and assumptions made by KPT or Kruger Products. Although KPT and Kruger Products believe that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking statements since no assurance can be given that such expectations and assumptions will prove to be correct.

Many factors could cause Kruger Products' actual results, level of activity, performance or achievements or future events or developments (which could in turn affect the economic benefits derived from KPT's economic interest in Kruger Products), to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, those factors which are discussed in the "Risk Factors – Risks Related to Kruger Products' Business" section of the KPT Annual Information Form dated March 7, 2024, available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

The forward-looking information contained herein is made as of the date of this press release and KPT undertakes no obligation to publicly update such forward-looking information to reflect new information, subsequent or otherwise, unless required by applicable securities laws.

### **INFORMATION**

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