***NEWS RELEASE***
***For immediate release***

**KRUGER PRODUCTS ANNOUNCES PROPOSED SENIOR UNSECURED NOTES FINANCING**

NOT FOR DISTRIBUTION TO NEWSWIRE SERVICES IN U.S. OR FOR DISSEMINATION IN U.S.

**MISSISSAUGA (ON), November 26, 2025** – KP Tissue Inc. (KPT) (TSX: KPT) announced today that Kruger Products Inc. ("KPI") intends, subject to market and other conditions, to offer CDN $165 million principal amount of Senior Unsecured Notes (the "Notes") by way of private placement (the "Offering"). Interest on the Notes will accrue from the issue date and will be payable semi-annually. The Notes will be guaranteed by each of KPI's existing and future restricted subsidiaries, being the same guarantors as under KPI's syndicated credit agreement.

In connection with the Offering, Kruger Products SB Inc. ("KPSB") would become a restricted subsidiary under KPI's senior credit facility, the indenture governing the Notes and the indentures governing KPI's outstanding notes, which KPI believes will immediately improve the credit profile of the restricted group. KPI intends to use the net proceeds of the Offering to fund the repayment in full of the borrowings outstanding under KPSB's senior credit facilities and for general corporate purposes. KPI has obtained all required third party consents for the contemplated Offering.

The offer and sale of the Notes will not be registered under the *United States Securities Act of 1933*, as amended (the "Securities Act"), or applicable state securities laws, and the Notes may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and applicable state securities laws. The Notes will not be qualified for sale to the public under applicable Canadian securities laws and, accordingly, any offer and sale of the Notes in Canada will be made on a basis exempt from the prospectus requirements of such securities laws.

This news release does not constitute an offer to sell or purchase, or a solicitation of an offer to sell or purchase, the Notes. No offer, solicitation, purchase or sale will be made in any jurisdiction in which such offer, solicitation, purchase or sale would be unlawful.

**About KP Tissue Inc.**
KPT was created to acquire, and its business is limited to holding, a limited equity interest in KPI, which is accounted for as an investment on the equity basis. KPT currently holds a 12.1% interest in KPI. For more information visit www.kptissueinc.com.

**About Kruger Products Inc.**
KPI is Canada's leading manufacturer of quality tissue products for household, industrial and commercial use. KPI serves the Canadian consumer market with such well-known brands as Cashmere®, Purex®, SpongeTowels®, Scotties®, White Swan® and Bonterra®. In the U.S., KPI manufactures the White Cloud® brand, as well as many private label products. The Away-From-Home division manufactures and distributes high-quality, cost-effective product solutions to a wide range of commercial and public entities. KPI has approximately 3,000 employees and operates ten FSC® COC-certified (FSC® C-104904) production facilities in North America. For more information visit http://www.krugerproducts.ca.

**Forward Looking Information**
Certain information included herein is forward looking, within the meaning of applicable Canadian securities laws. Such information is typically identified by words such as "anticipate", "believe", "could", "estimate", "expect", "plan", "intend", "forecast", "future", "guidance", "may", "predict", "project", "should", "strategy", "target", "will" or similar expressions suggesting future outcomes. Forward looking information in this news release includes, but is not limited to, the proposed terms of the Notes, the completion, timing and size of the Offering and the anticipated use of proceeds of the Offering. KPT believes the expectations reflected in such forward looking information are reasonable, but no assurance can be given that these expectations will prove to be correct, and such information should not be unduly relied upon.

Forward looking information is not a guarantee of future performance. By its very nature, forward looking information involves inherent assumptions, risks and uncertainties, both general and specific, and risks that predictions, forecasts, projections and other forward looking information will not be achieved. These risks include, but are not limited to, availability of capital and financing and general economic, market and business conditions and other risks which are discussed in the "Risk Factors" section of the KPT Annual Information Form dated March 5, 2025 available on SEDAR+ at www.sedarplus.ca. Should one or more of these risks and uncertainties materialize, or should assumptions described above prove incorrect, KPT's actual performance and results in future periods may differ materially from any projections of future performance or results expressed in or implied by such forward looking information. We caution readers not to place undue reliance on such information as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations and anticipations, estimates and intentions expressed in such forward looking information.

Forward looking information contained in this news release is provided for the purpose of providing information about management's goals, plans and range of expectations for the future and may not be appropriate for other purposes. Any forward looking information is made as of the date hereof and, except as required by law, KPT does not undertake any obligation to publicly update or revise such information to reflect new information, subsequent or otherwise.


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