



KP Tissue Inc.

SUSTAINED GROWTH

ACROSS OUR NETWORK

ANNUAL MEETING OF SHAREHOLDERS

June 23, 2025



FORWARD-LOOKING STATEMENTS

Certain statements in this presentation about KPT's and Kruger Products' current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements. Forward-looking statements in this presentation include, but are not limited to, statements regarding the projected capacity of the Sherbrooke Expansion Project, the anticipated benefits of the Sherbrooke Expansion Project; Kruger Products' expansion efforts in U.S. premium private label; and Kruger Products' future business strategy and the anticipated benefits of its business strategy. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements. 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, the following factors, which are discussed in greater detail in the "Risk Factors – Risks Related to Kruger Products Business" section of the KPT Annual Information Form dated March 5, 2025 available on SEDAR+ at www.sedarplus.ca: Kruger Inc.'s influence over Kruger Products; Kruger Products' reliance on Kruger Inc.; consequences of an event of insolvency relating to Kruger Inc.; risks associated with the ownership of the TAD Sherbrooke Project; risk associated with the operation of the TAD Sherbrooke Project; operational risks; significant increases in input costs; reduction in supply of fibre; increased pricing pressure and intense competition; Kruger Products' inability to innovate effectively; adverse economic conditions; dependence on key retail trade customers; damage to the reputation of Kruger Products or Kruger Products' brands; Kruger Products' sales being less than anticipated; Kruger Products' failure to implement its business and operating strategies; Kruger Products' obligation to make regular capital expenditures; Kruger Products entering into unsuccessful acquisitions; Kruger Products' dependence on key personnel; Kruger Products' inability to retain its existing customers or obtain new customers; Kruger Products' loss of key suppliers; Kruger Products' failure to adequately protect its intellectual property rights; Kruger Products' reliance on third party intellectual property licenses; adverse litigation and other claims affecting Kruger Products; material expenditures due to comprehensive environmental regulation affecting Kruger Products' cash flow; Kruger Products' pension obligations are significant and can be materially higher than predicted if Kruger Products management's underlying assumptions are incorrect; labour disputes adversely affecting Kruger Products' cost structure and Kruger Products' ability to run its plants; exchange rate and U.S. competitors; Kruger Products' inability to service all of its indebtedness; exposure to potential consumer product liability; covenant compliance; interest rate and refinancing risk; information technology; cyber-security; insurance; internal control; trade-related; tax.

Readers should not place undue reliance on forward-looking statements made herein. The forward-looking information contained herein is expressly qualified in its entirety by this cautionary statement. The forward-looking information contained herein is made as of the date of this presentation and KPT and Kruger Products undertake no obligation to publicly update such forward-looking information to reflect new information, subsequent or otherwise, unless required by applicable securities laws.



AGENDA

- Opening Remarks and Introduction
 - For technical issues contact: tsxtvgminfo@tmx.com
- Call Meeting to Order, Appoint Secretary and Scrutineer
- Formal Business of Meeting
- Notice of Meeting, Quorum
- Presentation of the 2024 Financial Statements and Auditors' Report
- Election of Directors
- Re-appointment of Auditors
- Termination of Formal Business and Adjournment of Meeting
- Concluding Remarks and Management Presentation
- Question Period (Shareholder Q&A)



DINO BIANCO

CHIEF EXECUTIVE OFFICER



OUR VISION

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

OUR MISSION

MAKING EVERYDAY LIFE
MORE COMFORTABLE.

5 UNDERLYING STRATEGIES

Drive Strong Revenue, Profit and Shareholder Value in a Sustainable Manner

1



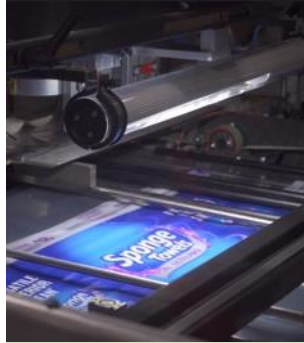
**Consumer As Our
Compass**

2



**Expand Our
Business Footprint**

3



**End-to-End Supply
Chain Excellence**

4



**Deliver
Sustainability**

5



**Winning Team &
Culture**

Double-double ply
strength.



MADE BY CANADIANS FOR CANADIANS

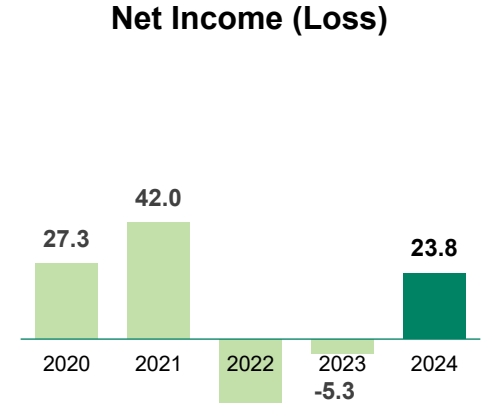
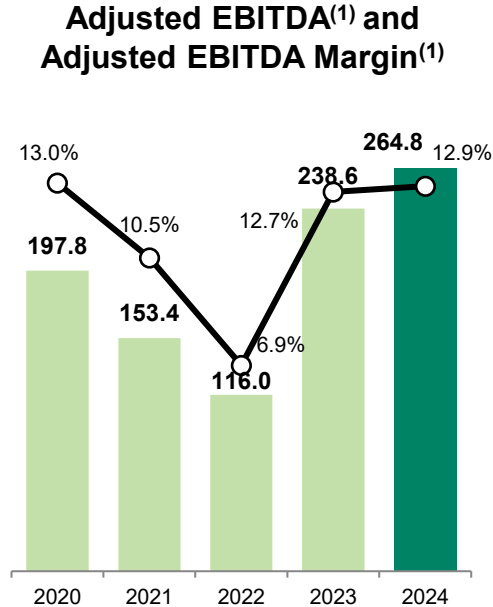
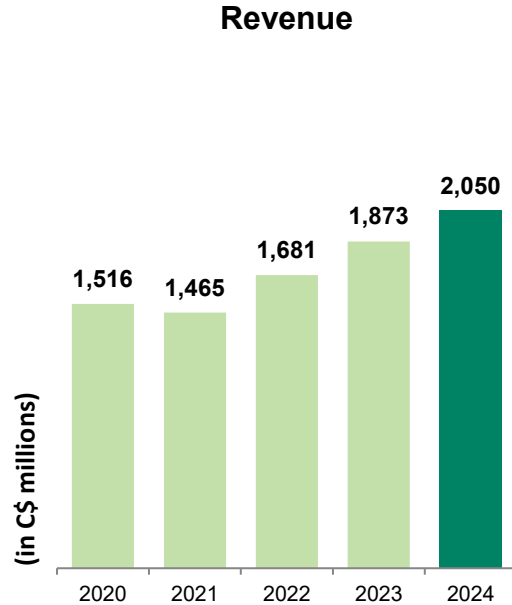
CORPORATE HIGHLIGHTS 2024

- Reported record revenue of \$2.05B and strong Adjusted EBITDA ⁽¹⁾ of \$264.8M
- Constructed new manufacturing facility in Sherbrooke, including start-up of LDC paper machine and facial tissue converting line
- Expanded Made in Canada positioning
- Continued distribution drive behind facial tissue business
- Rebranded Away-From-Home segment to *Kruger PRO*



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

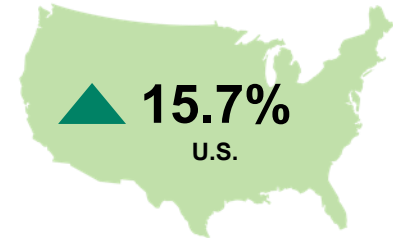
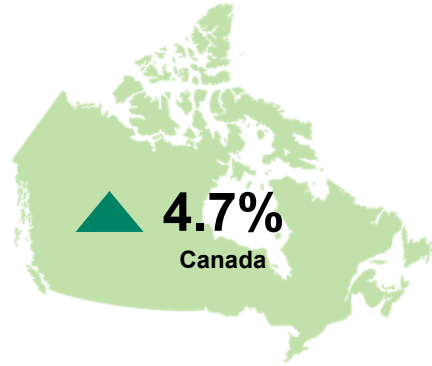
STRONG HISTORICAL TRACK RECORD



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

REVENUE BREAKDOWN FOR 2024

By Geography



By Segment






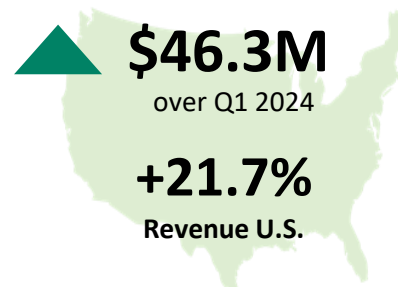
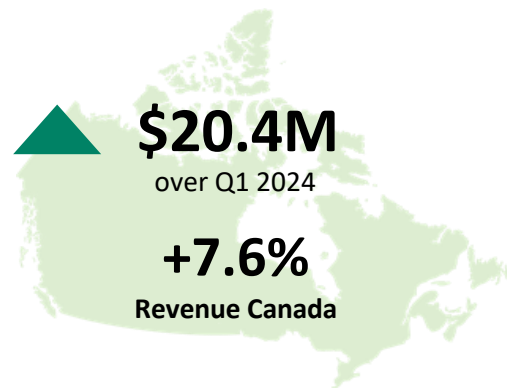
▲ 10.1%
Consumer

▲ 6.2%
AFH

▲ 9.4%
Total Revenue

Q1 2025 HIGHLIGHTS

Revenue	Adjusted EBITDA ⁽¹⁾	Net Income
\$546.1M  13.9% over Q1 2024	\$75.8M  12.9% over Q1 2024	\$15.4M  \$6.4M over Q1 2024



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

MARKET LEADERSHIP

Relatively stable share year-over-year





BRAND SUPPORT

- Continued focus on Made In Canada positioning across all trademark brands in Q1 2025
- Investments behind brand-specific campaigns for Bonterra, Scotties and SpongeTowels, both TV and digital to drive top-of-mind awareness
- Launch of Bonterra “Driving Good Together” contest in partnership with Volkswagen and new electric ID. Buzz microbus
- Fifth year of Kruger Big Assist program making hockey more accessible to Canadian families
- In-market activations with Toronto Maple Leafs, Montreal Canadiens and NHL



AFH SEGMENT

- Volume increased year-over-year in Q1 2025 and decreased sequentially due to seasonality
- Although orders remained strong, customer communication focused on potential tariff impact
- Profitability decreased year-over-year due to external purchased products and paper
- Successful start-up of Sherbrooke paper machine to satisfy paper requirements and improve margins going forward
- Launched Cashmere and Scotties brands for commercial market in June





OPERATIONS

- Production rates exceeded forecasts in Q1 2025
- North American demand remains strong
- New LDC paper machine and facial converting assets surpassing start-up expectations
- TAD paper machine and converting output remains strong year-over-year
- Production increases expected for rest of the year as new assets reach maturity curve





TRADE ENVIRONMENT

- Impact of tariff announcements not significant in Q1 2025
- Impact on business amounted to approximately \$3 million
- Closely monitoring impact of potential tariffs
- Developed contingency plans to mitigate any financial risk

Cleans messes
from A to Zed,
not Zee.



MADE BY CANADIANS FOR CANADIANS

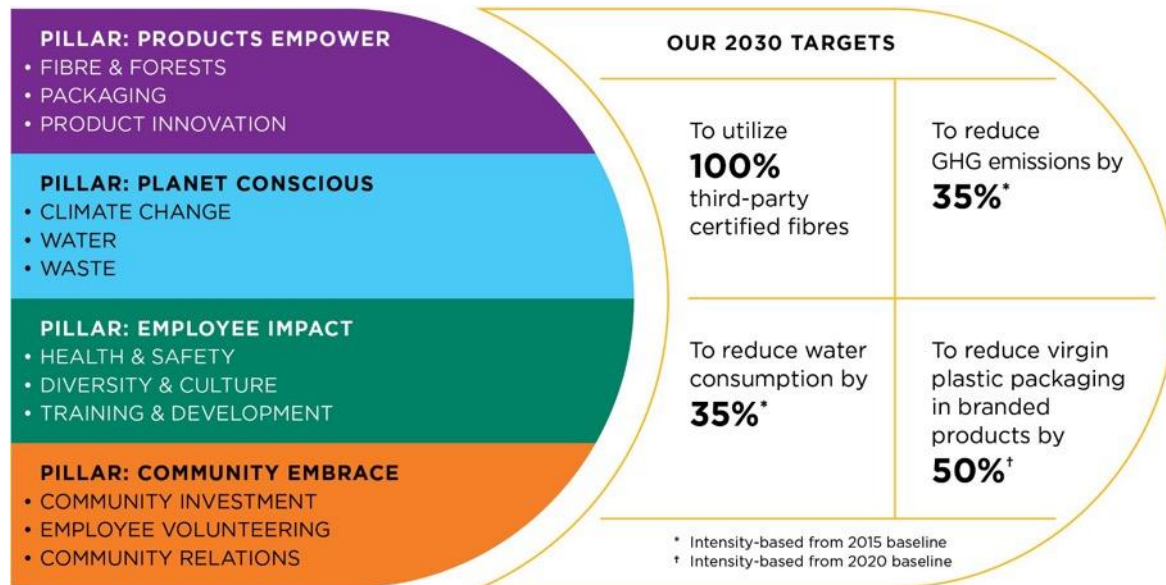
BALANCE SHEET

(Million CAD\$, unless otherwise noted)	Q1 2025	Q4 2024	Q1 2024
Cash	141.8	119.5	117.1
Current Portion of Long-term Debt	61.0	54.2	41.1
Long-term Debt	1,186.7	1,180.5	1,105.0
Net Debt	1,105.9	1,115.2	1,029.0
LTM Adjusted EBITDA ¹	273.6	264.8	255.7
Net Debt/LTM Adjusted EBITDA¹	4.0x	4.2x	4.0x

- Net debt decreased by \$9.3 million on a sequential basis
- Leverage ratio down slightly to 4.0x on lower net debt and higher LTM Adjusted EBITDA

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

SUSTAINABILITY FOCUS



AWARDS 2024



Platinum member

Canada's Best Managed
Companies for 7th consecutive
year, Platinum Member



Corporate Knights' Best 50
Corporate Citizens in Canada
for 7th consecutive year



Greater Toronto Area
Top Employer for
12th consecutive year



Ranked #1 Consumer Packaged
Goods Supplier by Canadian
retailers for 5th consecutive year



Winner of Strategy's
Brands of the Year 2024



FSC® Leadership Award:
Bonterra® household paper
products.



SUSTAINED GROWTH ACROSS NETWORK

- Expecting continued strong sales growth in 2025
- Monitoring trade environment, while leveraging Made in Canada positioning
- Managing margins amid changing cost base
- Investing in brands to drive long-term share
- Sherbrooke LDC paper machine to significantly reduce reliance on purchased paper
- AFH profitability to benefit from internal paper, while implementing rebranding
- Developing organizational capability to strengthen adaptability and resiliency





Q&A

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THANK YOU

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