



2025 Annual General Meeting of Shareholders

William McCartney, Chairman
Juan Carlos Bueno, President and CEO

May 30, 2025



Forward-looking Statements

The Private Securities Litigation Reform Act of 1995 provides a “safe harbor” for forward -looking statements.

Certain information included in this presentation contains statements that are forward -looking, such as statements relating to results of operations and financial conditions, market expectations and business development activities, as well as capital spending and financing sources.

Such forward -looking information involves important risks and uncertainties that could significantly affect anticipated results in the future and accordingly, such results may differ materially from those expressed in any forward -looking statements made by or on behalf of Mercer.

For more information regarding these risks and uncertainties, review Mercer’s filings with the United States Securities and Exchange Commission. Unless required by law, we do not assume any obligation to update forward -looking statements based on unanticipated events or changed expectations.

Agenda

Welcome: William McCartney, Chairman

Presentation: Juan Carlos Bueno, President and CEO

Business portion of the Annual General Meeting: William McCartney

- Proposal 1: Election of Directors
- Proposal 2: Non-binding Advisory Vote on Executive Compensation
- Proposal 3: Ratification of Selection of Independent Registered Public Accounting Firm

Close of the business portion of the 2025 Annual General Meeting

General Questions



Operational Execution & Financial Discipline

01

Disciplined Execution

Strengthened operational reliability and cost discipline

Reduced CAPEX and working capital to increase free cash flow and reduce leverage

02

Strategic Focus

Reducing commodity exposure through targeted portfolio decisions

Expanding higher -value offerings through renewable innovation

03

Sustainable Impact

Pulp, timber, and bioproducts replace fossil -based and carbon -heavy materials

Supporting circular, low -carbon transitions in global markets

04

Portfolio Optimization

Reviewing assets and CAPEX to sharpen returns and reduce risk

Launching \$100M cost -cutting initiative to drive margin resilience and competitiveness

Market Overview & Operational Milestones

Strong pulp pricing offset lumber softness; key mass timber and legacy milestones show strategic progress

► Resilient Pulp Pricing

- NBSK prices rose due to tighter global supply
- Lumber markets remained weak on high interest rates

► Execution at Scale

- Delivered Walmart HQ —the largest U.S. mass timber campus
- 2.4M sq ft, completed on time and on budget

► Mass Timber Performance

- Revenue and margins improved despite construction slowdown
- Order book includes both marquee and mid-sized projects reinforcing long-term growth potential

► Strategic Market Position

- ~30% of North America's installed CLT capacity
- Well-positioned for low-carbon construction demand

► Operational Legacy

- 20 years at Stendal, 30 years at Rosenthal

Capital Allocation & Efficiency

Disciplined investment and strategic divestment to sharpen operational focus



- ▶ **\$84M Invested Across Operations**
 - Focused on maintenance capital and efficiency upgrades
 - Supports cost discipline and long -term asset reliability
- ▶ **Strategic Project at Torgau**
 - Capacity expansion to expand dimensional lumber capacity
 - On track for completion in Q2 2025
- ▶ **Cariboo Divestiture**
 - Reflects shift toward core, high -return assets
 - Aligned with long -term strategy and capital efficiency goals

Financial Performance

Operational turnaround driven by EBITDA recovery and balance sheet progress

▲ Total Revenues: \$2.0B

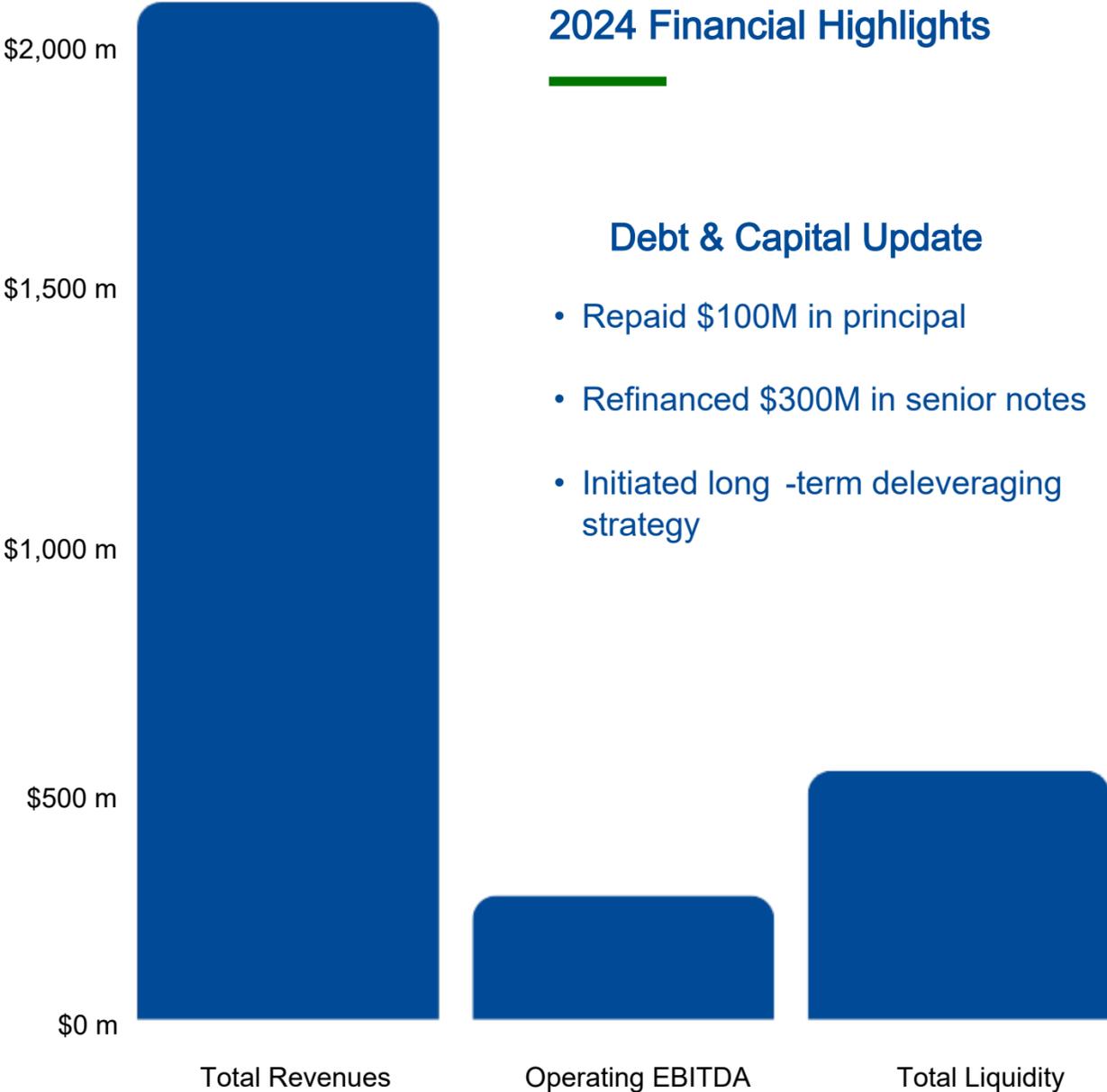
- Flat year-over-year, as higher pulp prices were offset by lower volumes

▲ Operating EBITDA: \$243.7M

- Up from \$17.5M in 2023—driven by cost discipline and pulp realizations

◎ Total Liquidity: \$489M

- Supports debt reduction and positions Mercer for reinvestment



Sustainability & Safety

Applying operational discipline to climate, efficiency, and safety

► Sustainability Progress

- Scope 1 emissions intensity down 5%; 2030 target raised from 35% to 50%
- 83% of fuel-based energy from renewables
- Friesau enhanced its energy management system to support efficiency gains

► Resource Efficiency

- Landfill waste down 24% from 2019 baseline
- Water use at pulp mills declined 8% year-over-year

► Industry Recognition

- Mercer Mass Timber received 2024 SFI President's Award

► Safety Performance

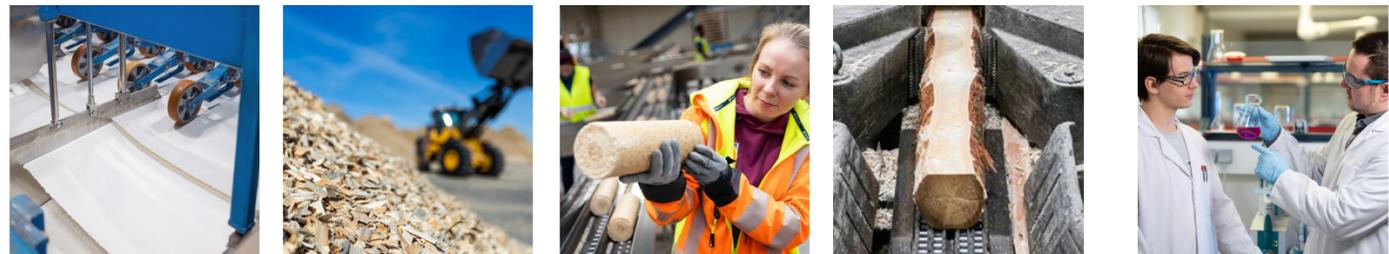
- Peace River: 12-month TRIR of 0
- Solid wood injury rates declined year-over-year

► Prevention & Leadership

- Expanded use of Safety Days, near-miss reporting, risk tools
- Improved safety leadership through clearer expectations and accountability

Market Expectations

Navigating 2025 supply constraints, demand shifts and policy uncertainty



Transforming biomass into bioproducts for a more sustainable world

- ▶ **Strong Softwood Pulp Outlook**
 - Low inventories, limited new supply
 - Favorable pricing environment for NBSK

- ▶ **Continued Pressure on Hardwood Pulp**
 - Oversupply persists from new capacity
 - Mercer benefits from softwood -dominant mix

- ▶ **Lumber Recovery Expected**
 - European stability, constrained NA supply
 - Housing fundamentals remain supportive

- ▶ **Mass Timber Growth Potential**
 - Solid public/private project demand
 - Trajectory aligned with Europe’s growth curve

- ▶ **Trade Policy: Rising Risk**
 - U.S. tariff uncertainty (Section 232)
 - Mitigation plans prepared to respond swiftly

Future Forward

Positioning Mercer for margin resilience, product innovation, and longterm competitiveness

► **Efficiency Program Launched**

- Targeting \$100M in improvements by end of 2026
- ~\$40M identified for 2025

► **Operational & Financial Discipline**

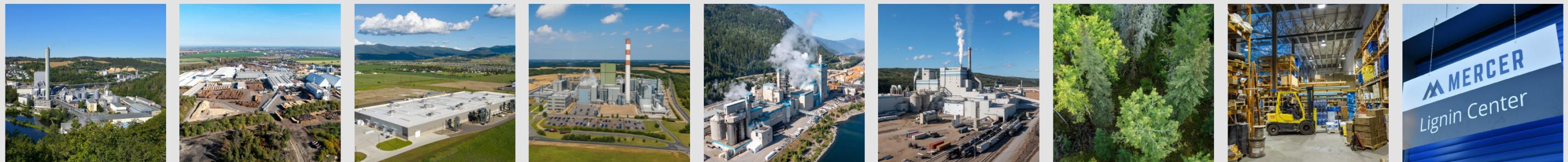
- Focus on mill reliability and cost resilience
- Prudent capital deployment and deleveraging

► **Renewable Product Development**

- Lignin pilot plant in operation
- Advancing fossil -free biochemical alternatives

► **Long -term Competitive Focus**

- Balancing execution with innovation amid shifting markets
- Adapting to evolving regulatory and customer expectations
- Advancing carbon capture through our low -carbon innovation strategy





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