



Exceptional people creating
bioproducts for a more
sustainable world



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

Our tolerance of pollution and carbon emissions is rapidly diminishing

Sustainably sourced biomaterials, including wood fiber and derivatives are part of the solution. However, supply is not boundless, and only the most efficient and innovative producers and products will be capable of meeting demand

Our 4-element strategy for adding value



**Sustainable Products,
Processes, People**



**World-class Assets
and Innovation**



**Growth and
Diversification**



**Prudent, but Agile,
Capital Management**

A Growing Spectrum of Sustainable Bioproducts

Construction Lumber



Lumber produced from sustainably harvested and certified forests

Friesau:
~550 MMfbm

Torgau:
~410 MMfbm

Mass Timber



Innovative, low-carbon alternatives to traditional construction materials such as concrete and steel

140,000 m³ CLT equivalent

Shipping Pallets



Pallet production from non-lumber grade wood diversifies product mix and maximizes wood use

Torgau is the world's largest EPAL pallet producer

Kraft Pulp



NBSK + NBHK from sustainably managed forests used to produce tissue, recyclable graphic paper and packaging alternatives to plastic

2,265,000 ADMT NBSK + NBHK

Biomass Fuel



Wood residuals used to produce pellets, a bio-based heating replacement for fossil fuels

150,000 tonnes

Renewable Electricity



Highly efficient bio-refineries produce surplus renewable electricity and green bio-fuel energy as an alternative to fossil fuels

431.5 MW ⁽¹⁾

Bio-based Extractives



Full utilization of wood extractives produces tall oil and turpentine to displace fossil fuels

2021 Revenue \$7.3 million ⁽²⁾

Primary Wood Products

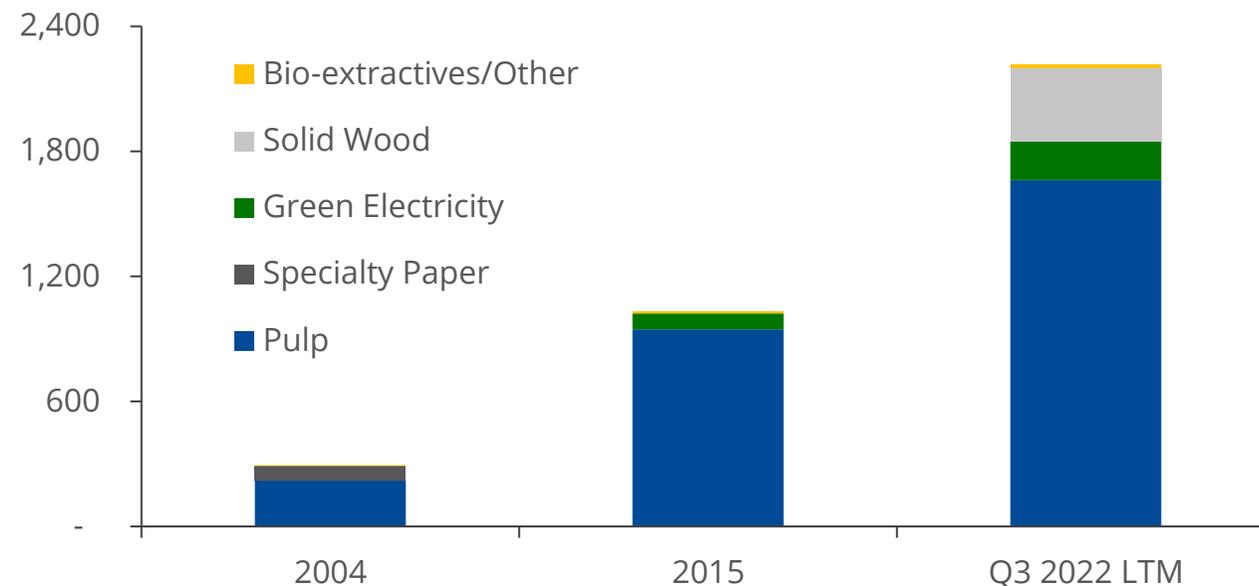
Fiber and Biomaterials

1) Includes Mercer Torgau
2) Excludes Santanol revenue

Building a Platform for Growth



Consolidated Revenue (\$ millions) ⁽¹⁾⁽²⁾



Holzindustrie Torgau Acquisition Completed September 30, 2022

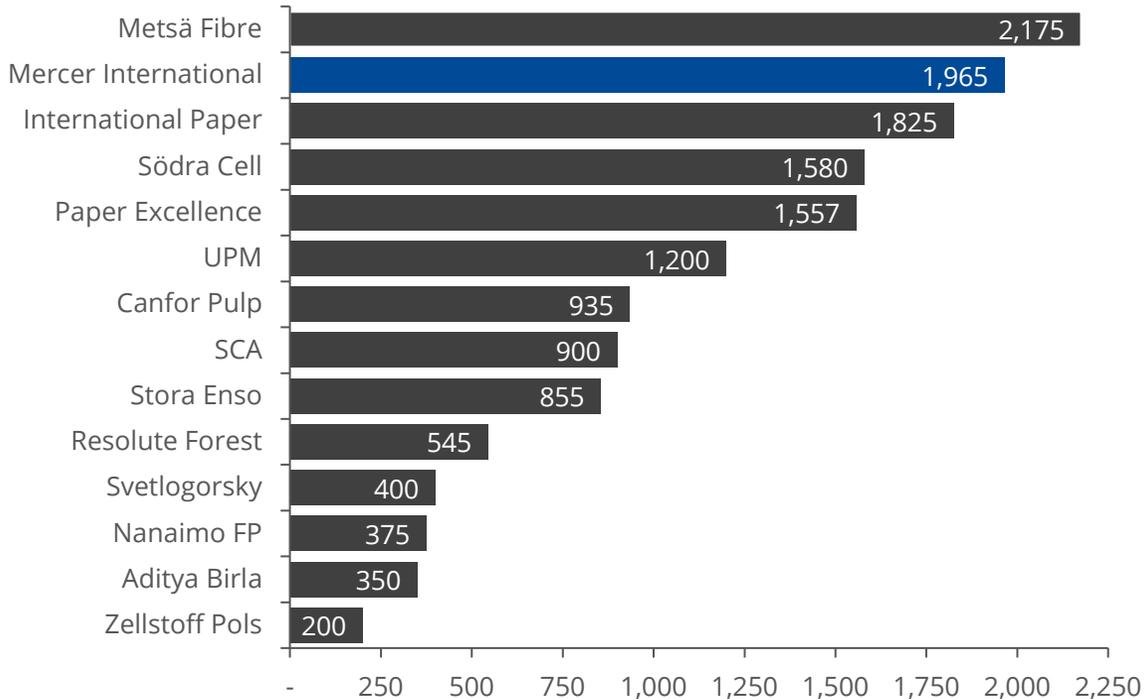
- Grows sawn timber capacity by ~75% to 960 MMfbm and electricity generation by ~15MW
- Diversifies product mix with introduction of pallets and biofuels. Torgau is the world’s largest producer of EPAL pallets
- Integrated operations will provide \$16 million of synergies to existing German operations

1) Q3 2022 LTM excludes energy sales from 50% owned Cariboo mill
 2) Wood products includes wood residual sales and sales from Mercer Mass Timber

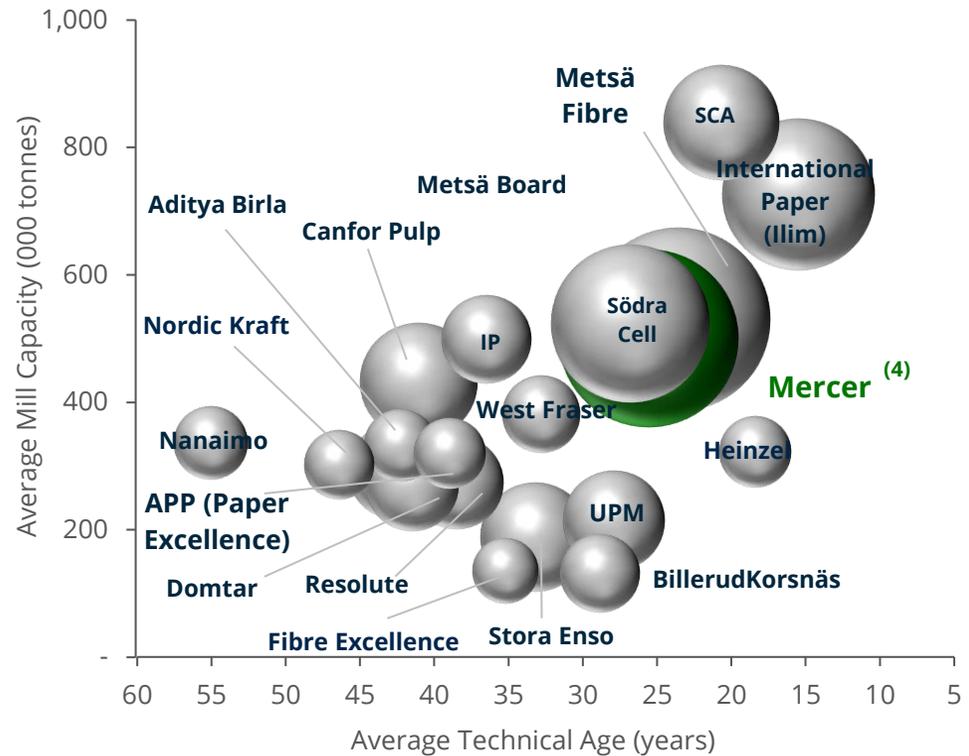
World-class Assets and Innovation

- One of the largest producers of market NBSK in the world
- Efficient distribution channels to major pulp consuming markets of Asia, Europe, and North America
- Operating among the most modern NBSK mills in the world
- Low cost, energy self-sufficient, net exporters of green electricity

Top NBSK Market Pulp Producers by Annual Capacity (000's Tonnes) ⁽¹⁾



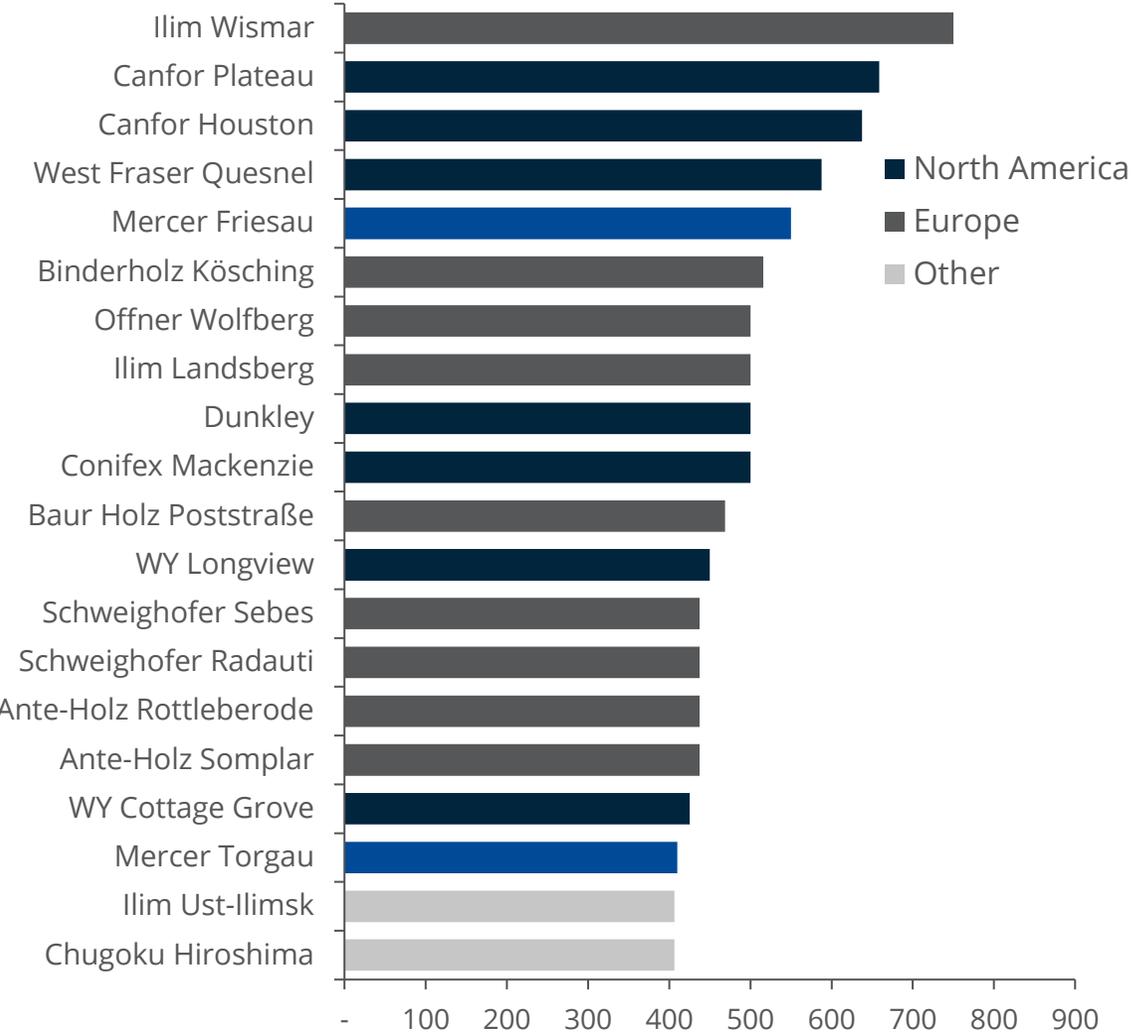
NBSK Producer Competitiveness ⁽²⁾⁽³⁾



1) Capacity for non-Mercer mills sourced from Brian McClay as at October 2022
 2) Source: Fisher Solve™ Next © 2021 Fisher International, Inc.. Mercer includes Peace River, excludes 50% interest in Cariboo. SCA, Metsa Fibre reflect completion of ramp-up of Östrand and Äänekoski
 3) NBSK market pulp only
 4) Includes 475,000 tonnes for Peace River mill as it is a swing mill capable of producing 100% NBSK

World-class Assets and Innovation

Top 20 Softwood Sawmills (MMfbm) ⁽¹⁾⁽²⁾



Large, Flexible, Competitive Sawmills

- Unique flexibility to produce metric and US dimension grades, green, rough and kiln-dried for all major world markets
- Diverse product mix of sustainable products, including pallets and biofuels, maximizes wood value
- Competitive shipping channels to Europe, US East and Gulf coasts, and Japan

1) Source: Sawmill capacities as per www.sawmilldatabase.com
 2) Converted from m³ to board feet at a rate of 1.6 m³ per board feet

World-class Assets and Innovation

Mercer Mass Timber (MMT)

The near-new state-of-the-art 253,000 sq. ft. **cross-laminated timber (CLT) facility** in Spokane, WA, is equipped with extensive automation technologies including one of the largest CLT presses in the world



Design Precision: High-precision manufacturing for specific end-use applications with little to no job site waste – MMT can manufacture more than 140,000 m³ of CLT per year – more than 1/4 of total North American capacity



Prefabrication and Assembly: Rapid assembly and construction improves efficiency and results in lower capital costs, including reduced demand for skilled workers, and faster occupancy



Eco-Living: Construction timber made of sustainably sourced renewable wood, not only sequesters carbon, but also at a lower carbon intensity than steel and concrete alternatives



Concrete of the future: Code-compliant construction materials for residential, commercial, and industrial buildings. 5x lighter than concrete – lower foundation costs, easier transportation to site, and rapid prefabricated assembly

World-class Assets and Innovation

Bioenergy & Biomaterials

The world is transitioning away from a dependence on fossil fuel-based products towards the incorporation of the infinite possibilities offered by bio-based products

We believe that long-term, sustainable wood resources will have an important role to play in this evolution



Sustainable, Green Energy: All our pulp mills and sawmills produce enough sustainable, green energy to not only heat and power our operations but to provide excess electricity to utilities looking to move away from fossil fuel-based energy



Bioelectricity: At Mercer, our process produces approximately 890 GWh of surplus power each year – enough to power 83,700 U.S. homes without fossil fuels

Eco-Alternatives: We operate tall oil facilities at our Stendal and Rosenthal mills in Germany and produce pellets at our Torgau mill and sell to customers who utilize these 100% renewable resources as an alternative to petroleum-based fuels



Turpentine: Sustainable extractive from our kraft mill processes is indispensable as a raw material for the chemical industry

Sandalwood Oil: 2,500 ha of sustainable, ethical, and reliable Australian grown Indian Santalum Album oil plantations and a processing facility

Cellulose Filaments: Through our joint-venture company, Performance BioFilaments; reinforcement agent or rheology modifier

Prudent, Agile Capital Structure

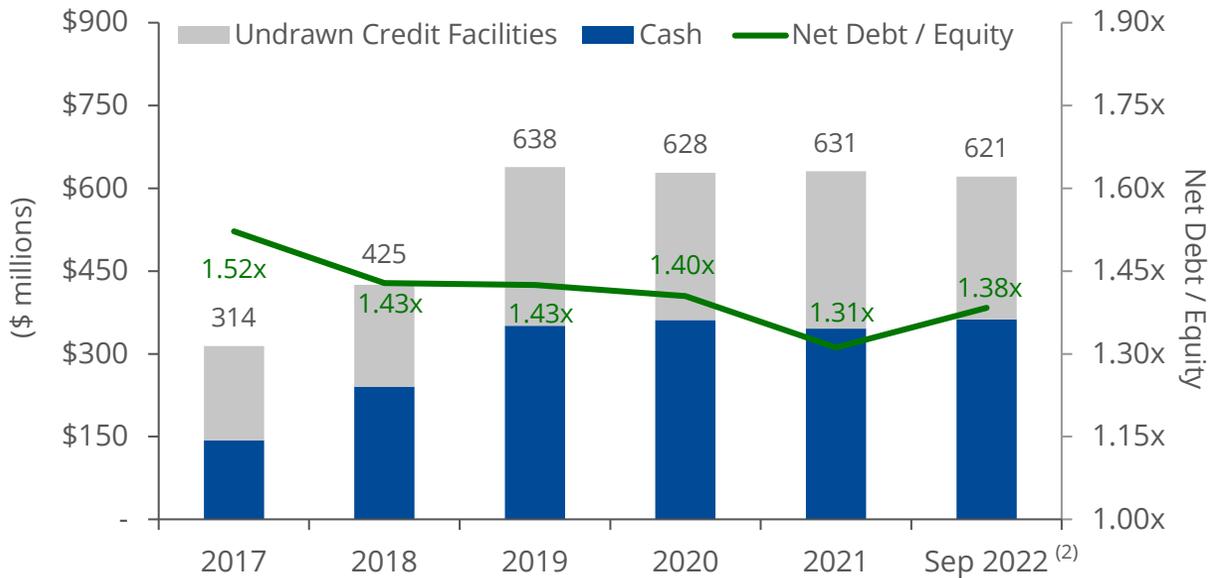
Liquidity is managed to face global economic conditions:

- 2016-2018: Tighter liquidity during stronger economic conditions and expansion period for Mercer
- 2019-2022 Higher liquidity to protect against global economic weakness and to allow Mercer to advance key strategic initiatives such as capex and acquisitions uninterrupted

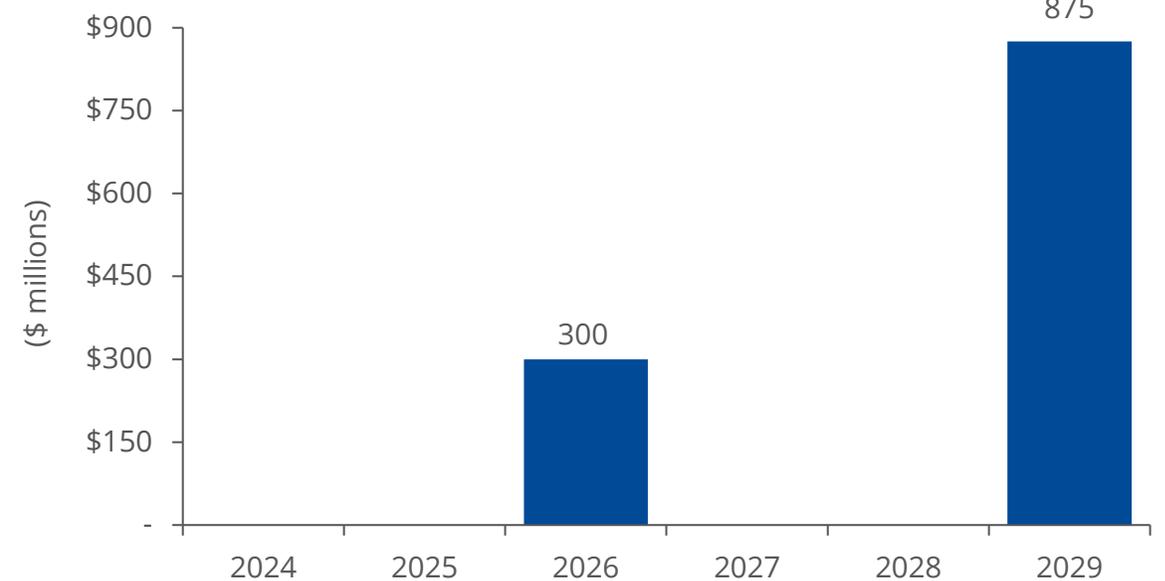
Debt composition is optimized when opportunistic:

- Weighted average maturity of senior debt is 2028
- Weighted average coupon of 5.22%; a reduction of 1.44% and 1.50% since December 31, 2020, December 31, 2017, respectively
- Current debt rating of B+ (S&P); Ba3 (Moody's)

Liquidity ⁽¹⁾



Senior Debt Composition



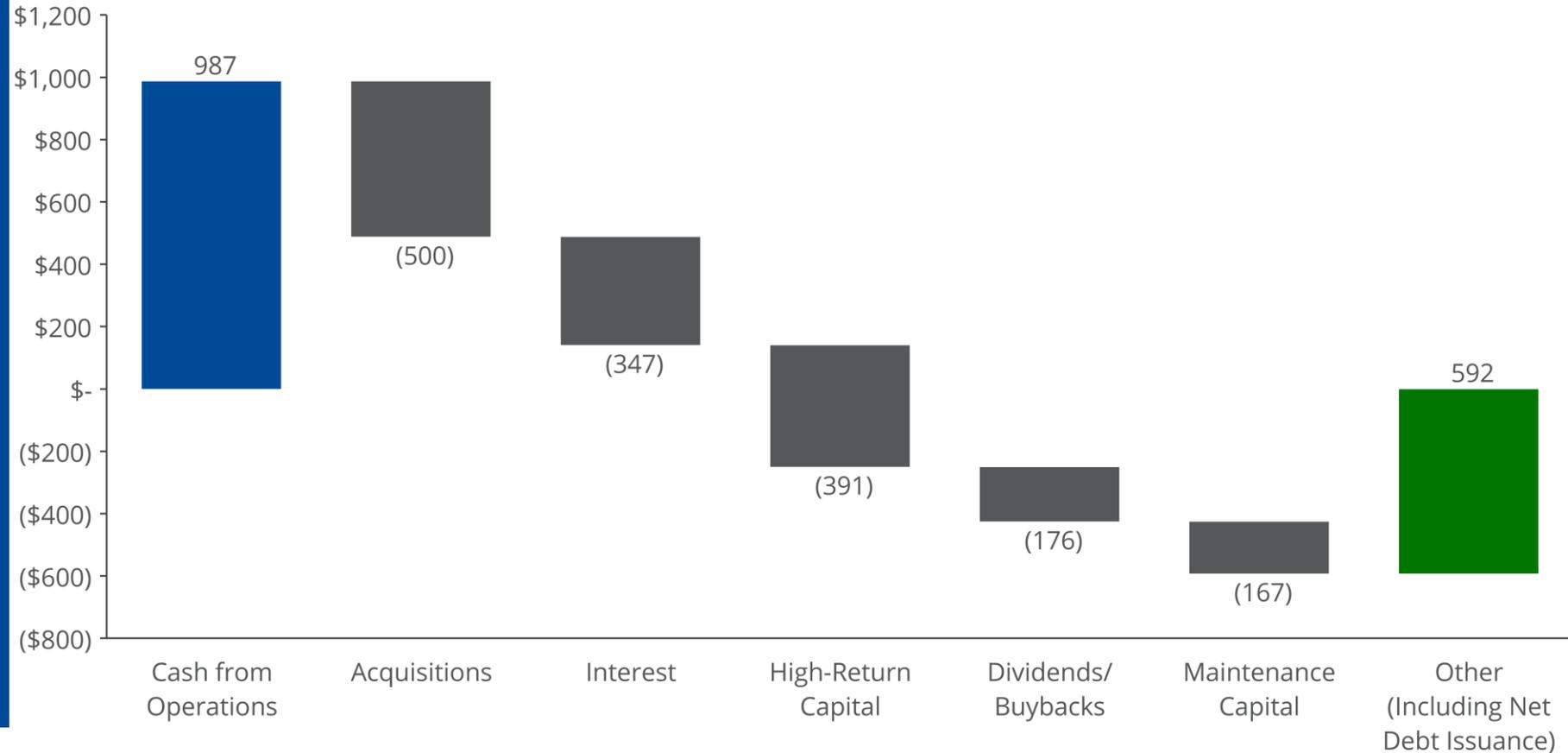
1) Liquidity calculated as total cash and cash equivalents and combined availability under revolving credit facilities

2) Cash includes a \$75.0 million term deposit, purchased on April 4, 2022, which matures on October 4, 2022

Balanced Capital Allocation

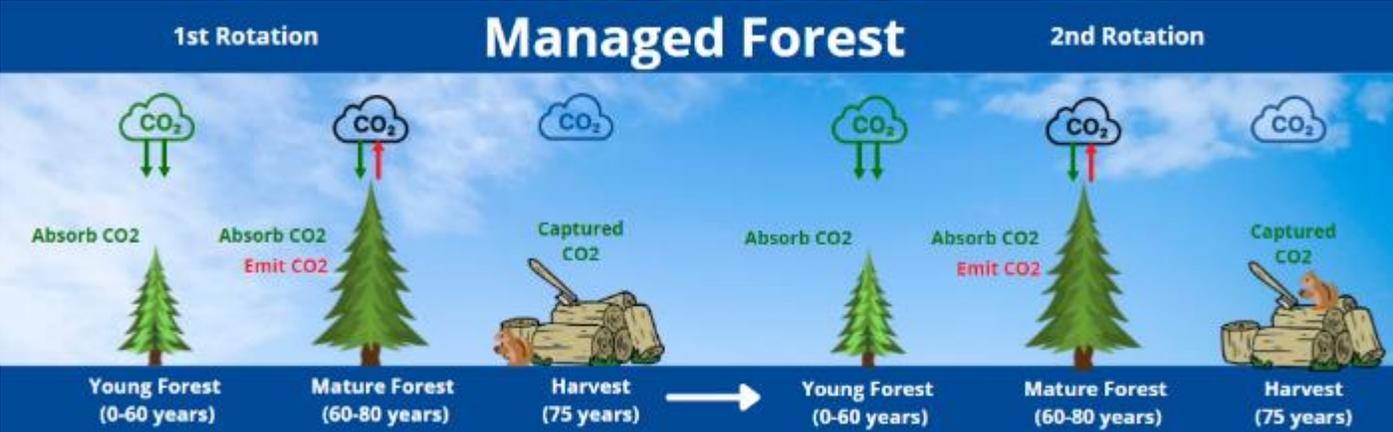
- Maintenance of Business ⁽¹⁾ capital expenditures to maintain modern, efficient and reliable mills
- Growing the Company through acquisitions and high-return capital expenditures
- Commitment to returning capital to shareholders through a material dividend
- Accumulation of, or reduction to, cash in response to economic conditions at the time

**Cumulative Capital Allocation
2016-2021 (in \$millions)**



1) Maintenance of Business is a term broadly referencing the base capital required to continuously use facilities and equipment, in their designed capacity and efficiency, for their intended purpose

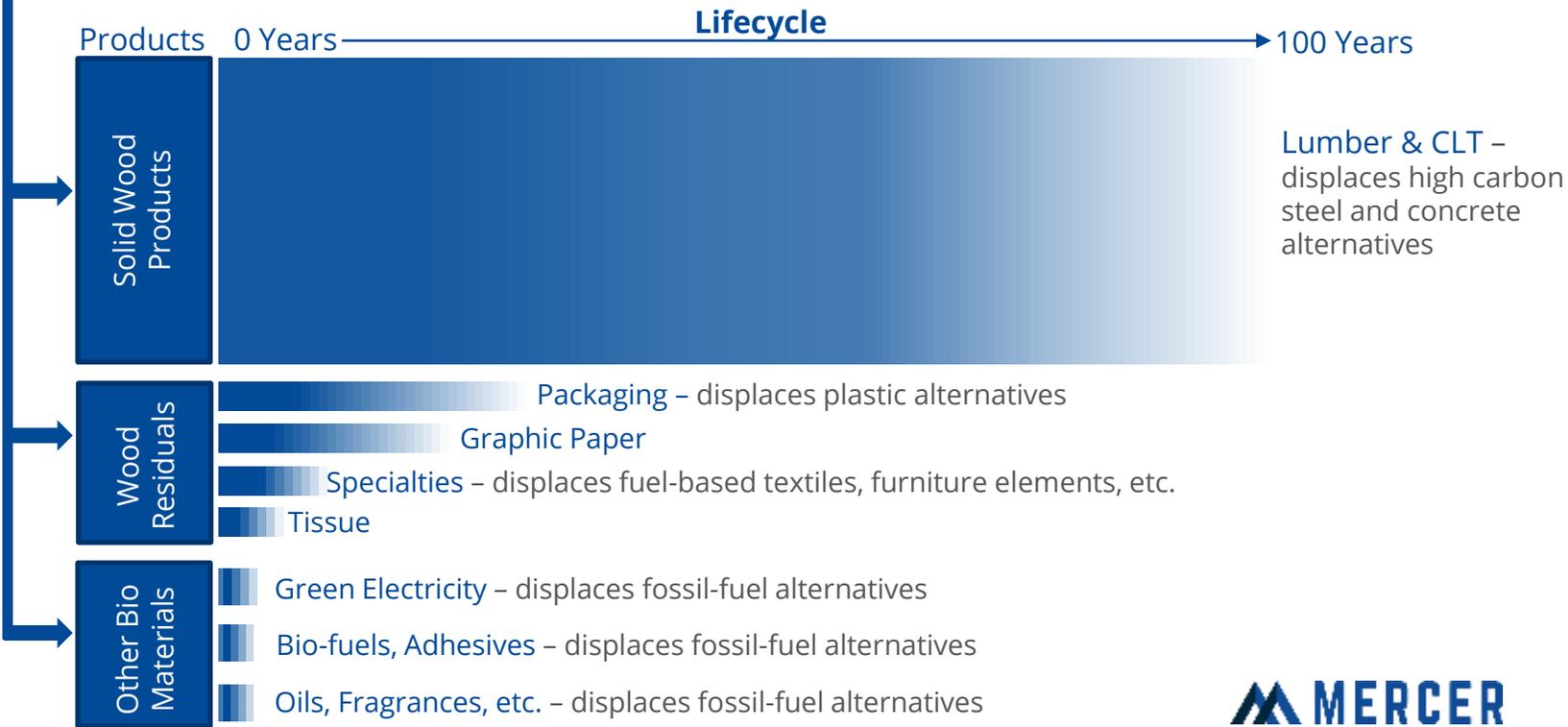
Carbon Considerations



VS

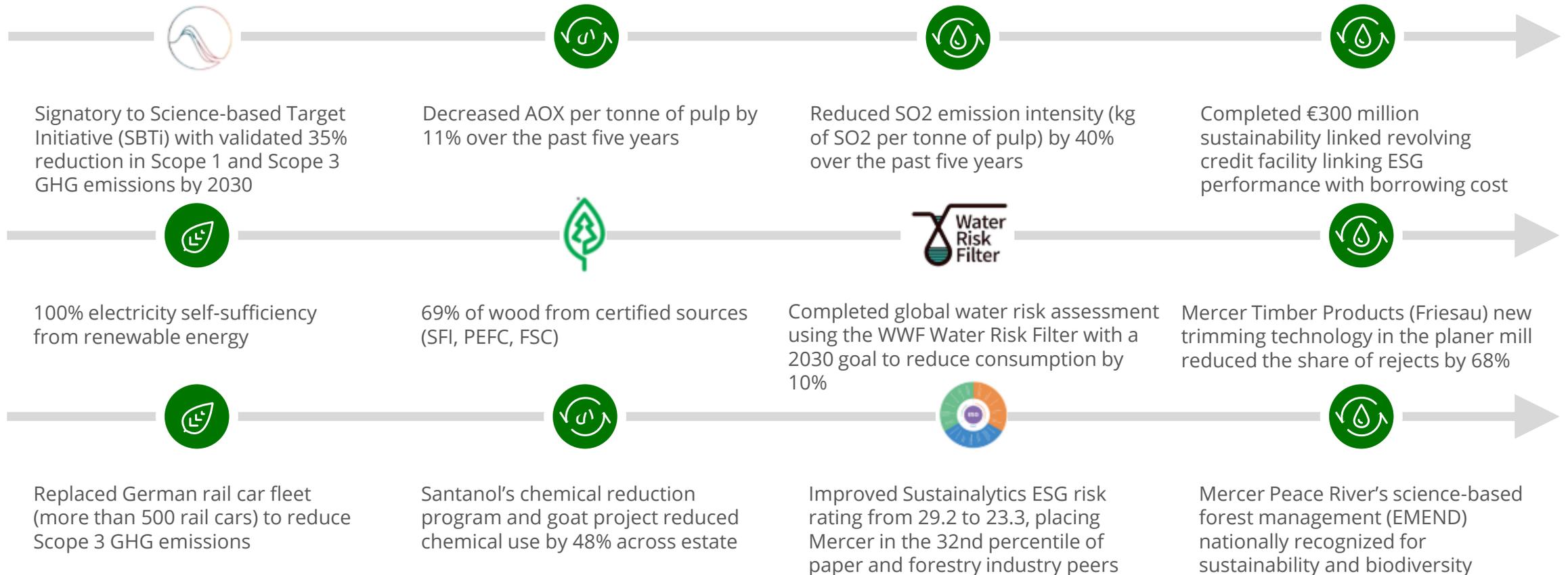


- Sustainably Managed Forests:**
- Protect against catastrophic carbon emissions (fire, insects, etc.)
 - Sequester carbon in wood products
 - Displace carbon-emitting alternatives



Environmental Responsibility

**Modern assets and innovation makes our processes sustainable.
A continuous improvement culture keeps us advancing.**



Social Responsibility

Embracing social responsibility means consciously upholding our commitments. That's the Mercer way.



Partnered with Business for Social Responsibility (BSR) to develop positive workplace, community, and global impact actions



Signatory to Canadian Council of Aboriginal Business and UNDRIP



High-potential global candidates participating in SGMI Institute of Management St. Gallen leadership training



Global DE&I council workgroups building governance structure, literacy and bias awareness



1/3 of Mercer's top 100 management positions held by women



90% of key leaders completed unconscious bias training



19% of 2021 new hires were women – a 6% increase from 2020 and 1/3 of BOD are women



Progressive Aboriginal Relations (PAR) program of the Canadian Council for Aboriginal Business (CCAB) certification



Indigenous Traditional Land Use (TLU) partnership project to digitally map landmarks, sites, and values



2021 CEO of the Year Safest Workforce



Mercer Peace River voted Alberta's Top 70 Employers 2021; FPAC 3x Awards of Excellence recipients 2021



Published Mercer 2021 "Fit for Future" Sustainability Report ⁽¹⁾

1) Mercer 2021 Sustainability Report: <https://online.fliphtml5.com/iixhm/brzh/>

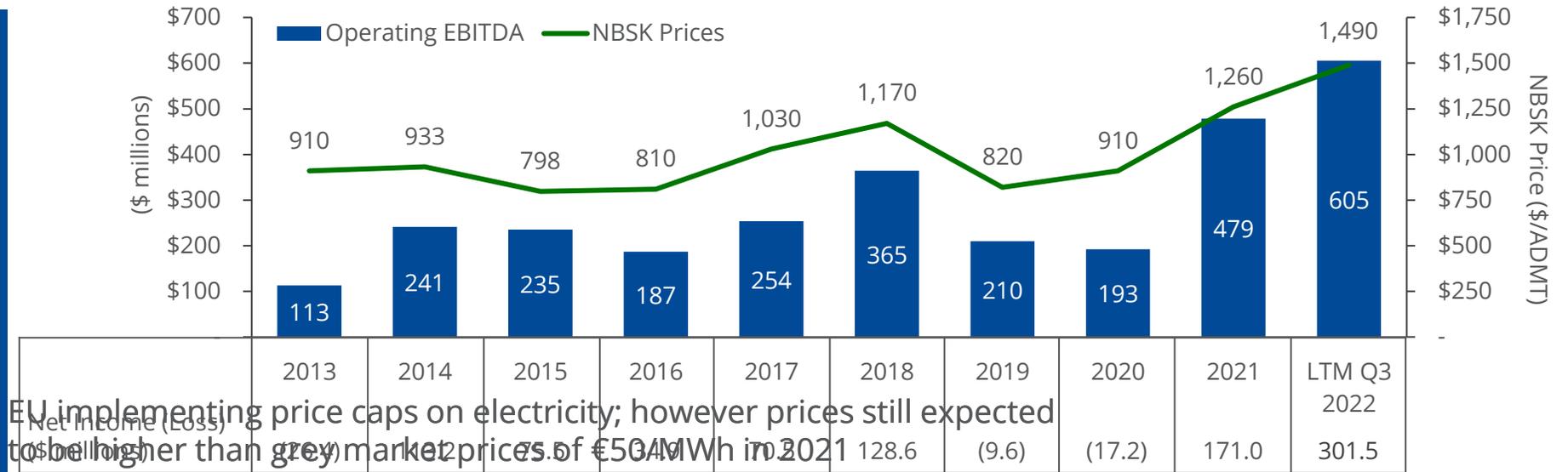
Financial Performance

Operating EBITDA ⁽¹⁾⁽²⁾ was historically influenced by global NBSK pricing, however green electricity and solid wood products are a growing source of EBITDA:

- Green electricity revenues of \$98 million in 2021, \$190 million LTM
- Solid wood products contributed \$122 million in 2021, \$121 million LTM ⁽⁷⁾

Introduction of the solid wood business has diversified EBITDA and moderated margins

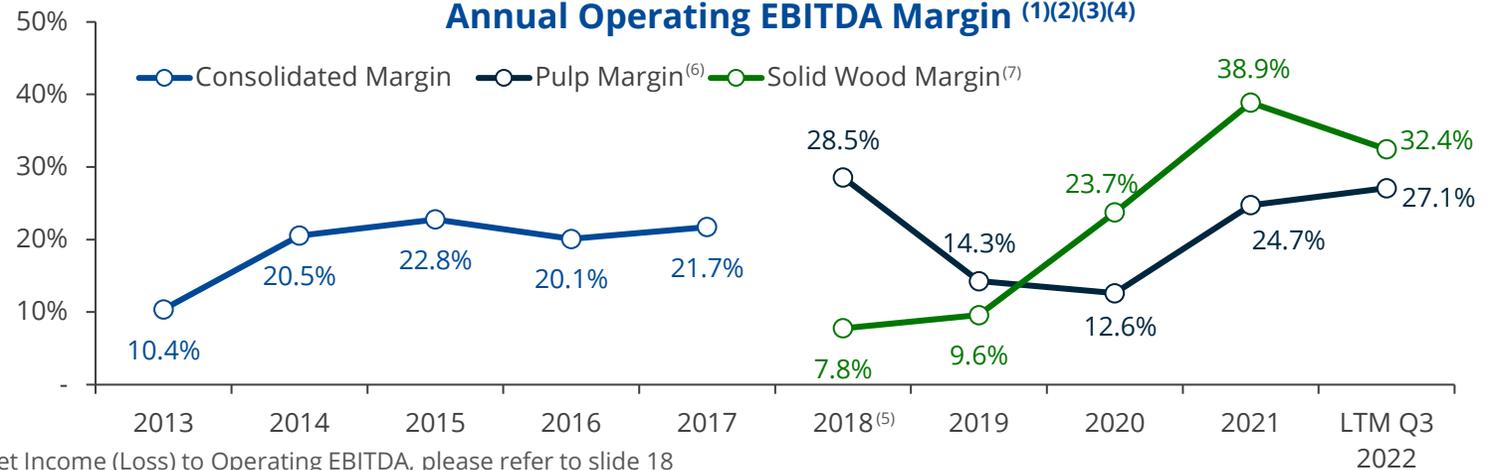
Annual Operating EBITDA ⁽¹⁾⁽²⁾



EU implementing price caps on electricity; however prices still expected to be higher than grey market prices of €50/MWh in 2021

Year	Net Income (Loss) (\$ millions)
2013	128.6
2014	(9.6)
2015	(17.2)
2016	171.0
2017	301.5

Annual Operating EBITDA Margin ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾



Note: Some numbers may not add due to rounding

- 1) Operating EBITDA is a non-GAAP measure. For a Reconciliation of Net Income (Loss) to Operating EBITDA, please refer to slide 18
- 2) Operating EBITDA Margin is defined as Operating EBITDA divided by revenue
- 3) Our reporting currency was the euro until October 1, 2013. Prior figures converted to USD at average FX rates in effect during the period
- 4) Excludes unrealized MPR synergies and energy sales from 50% owned Cariboo mill, recorded as an equity investment
- 5) Includes MPR results since acquisition on December 10, 2018
- 6) Excludes corporate segment
- 7) Includes Mercer Mass Timber

Current Market Conditions

Pulp: Near-Term		Pulp: Mid-Term	
No material greenfield near-term NBSK capacity additions		Steady demand growth, principally from the increasing middle class of emerging economies, will support demand for graphics papers, packaging, hygiene, and specialty paper products	
New hardwood capacity from South America is targeted to textiles or matching demand growth		New environmental policies in Asia are limiting the availability and quality of recycled fiber	
Recent closure of high-cost NBSK mills (APP) and more frequent unplanned maintenance		Growing demand for wood fibers for textiles as an alternative for higher environmental impact cotton and polyesters	
Shipping constraints limiting some pulp producers to local markets and extreme transportation bottlenecks - particularly in Western Canada		Growing demand for wood fiber-based packaging solutions to displace highly polluting plastic products	
Lumber & Mass Timber Products: Near-Term		Lumber & Mass Timber Products: Mid-Term	
Rising interest rate environment slowing housing construction		Modest mortgage rates, historically low and old housing inventory, highest demographic of 30-35 year olds in US history	
Extreme transportation bottlenecks, particularly in Western Canada; rising construction costs		Falling lumber supply from Canada due to annual cut reductions due to insect infestations, forest fires, and old growth protection measures	
Cross-laminated timber demand growth exceeding 30% CAGR		Demand for low-carbon building solutions displacing concrete and steel construction	
Green Energy: Near-Term		Green Energy: Mid-Term	
Regional shortages of natural gas have spiked electricity prices in central Europe in recent months due to conflict in Ukraine; benefitting net producers like Mercer		Western economies are winding down fossil fuel and nuclear-based electricity generation in favor of solar and bio-fuel derived power like that from Mercer	
EU implementing price caps on electricity; however prices still expected to be higher than grey market prices of €50/MWh in 2021		Electrification of economies will continue to drive electricity demand growth	

Investment Highlights

**Compelling
Carbon-forward
Products**

**Sustainable,
Long-term
Growth**



Management committed to growth in spaces where we have core competencies



Prudent and agile balance sheet discipline, commitment to the dividend



Commitment to sustainability in our products, operations, and communities



Attractive long-term fundamentals in key markets

Reconciling Net Income (Loss) to EBITDA

Consolidated (US\$ millions)	2017	2018 ⁽¹⁾⁽²⁾	2019 ⁽²⁾	2020 ⁽²⁾	2021 ⁽²⁾	Q3 2022 LTM ⁽²⁾
Net Income (Loss) Attributable to Common Shareholders	70.5	128.6	(9.6)	(17.2)	171.0	301.5
Add: Income Tax Provision	33.5	48.7	19.2	6.1	89.6	133.4
Add: Interest Expense	54.8	51.5	75.8	80.7	70.0	69.7
Add: Loss on Extinguishment of Debt	10.7	21.5	4.8	-	30.4	-
Add: Other Expense (Income)	(0.9)	17.6	(6.1)	(5.9)	(14.4)	(29.6)
Operating Income	168.6	267.9	84.0	63.7	346.6	475.1
Add: Depreciation and Amortization	85.3	96.7	126.4	128.9	132.2	130.3
Operating EBITDA	253.8	364.6	210.4	192.7	478.8	605.3
Segmented (US\$ millions)	Pulp + Corporate		Solid Wood			
	Q3 2021	Q3 2022	Q3 2021	Q3 2022		
Operating Income	95.8	105.8	17.9	2.9		
Add: Depreciation and Amortization	30.3	28.4	4.0	3.7		
Operating EBITDA	126.1	134.2	21.9	6.6		

Note: See next slide for additional disclosures

Note: The above reconciles net income (loss) to EBITDA. Some numbers may not add due to rounding

1) Includes MPR results since acquisition on December 10, 2018

2) Excludes unrealized MPR synergies and energy sales from 50% owned Cariboo mill, recorded as an equity investment

Reconciling Net Income (Loss) to EBITDA

Note: For other reconciliations of Net Income (Loss) to Operating EBITDA in periods not shown, please refer to that period's respective Form 10-Q or 10-K, which can be found on our website (www.mercerint.com)

Operating EBITDA is defined as operating income (loss) plus depreciation and amortization and non-recurring capital asset impairment charges. Operating EBITDA Margin is defined as Operating EBITDA divided by revenue. Management uses Operating EBITDA and Operating EBITDA Margin as benchmark measurements of its own operating results, and as benchmarks relative to its competitors. Management considers these measures to be a meaningful supplement to operating income (loss) as a performance measure primarily because depreciation expense and non-recurring capital asset impairment charges are not an actual cash cost, and depreciation expense varies widely from company to company in a manner that management considers largely independent of the underlying cost efficiency of their operating facilities. In addition, we believe Operating EBITDA and Operating EBITDA Margin is commonly used by securities analysts, investors and other interested parties to evaluate our financial performance.

Operating EBITDA does not reflect the impact of a number of items that affect our net income (loss) attributable to common shareholders, including financing costs and the effect of derivative instruments. Operating EBITDA is not a measure of financial performance under the accounting principles generally accepted in the United States of America ("GAAP"), and should not be considered as an alternative to net income (loss) or income (loss) from operations as a measure of performance, nor as an alternative to net cash from operating activities as a measure of liquidity.

Operating EBITDA and Operating EBITDA Margin have significant limitations as analytical tools, and should not be considered in isolation, or as a substitute for analysis of our results as reported under GAAP. Operating EBITDA should only be considered as a supplemental performance measure and should not be considered as a measure of liquidity or cash available to us to invest in the growth of our business. Because all companies do not calculate Operating EBITDA in the same manner, Operating EBITDA and Operating EBITDA Margin as calculated by us may differ from Operating EBITDA or EBITDA and Operating EBITDA Margin, or EBITDA Margin as calculated by other companies. We compensate for these limitations by using Operating EBITDA and Operating EBITDA Margin as supplemental measures of our performance and by relying primarily on our GAAP financial statements.

A person wearing a blue shirt is pointing at a tablet computer. The tablet screen displays a data visualization consisting of a bar chart and a line graph. The background is a bright, out-of-focus office setting with a window. A semi-transparent blue overlay covers the left side of the image, containing the title and logo.

Appendix: Market Attributes



Sustainable. By Design.

Global Wood Fiber Market

The global demand for wood fiber is principally met by the recycling of packaging and graphics paper

Today, **NBSK makes up 4.0% of global fiber** demand ⁽¹⁾; it has become a highly specialized niche product used for strength and bonding attributes. It is principally produced in northern regions: Canada, Scandinavia, and Russia

Hardwood is principally sought for its softness and opacity and is dominated by South American and Asian Eucalyptus plantation producers

Today, NBSK is particularly sought for tissue and specialties paper grades and to a diminishing extent for graphics and packaging



*Image sourced from Wood Resources International

1) Source: Hawkins Wright (August 2021).

Global Wood Fiber Market (1)

Total global wood fiber consumption – 374 million tonnes

Recovered paper – 54%

Virgin pulp – 46%

Total virgin pulp market – 171 million tonnes

Integrated pulp – 60%

Market pulp – 40%

Total market pulp market – 68 million tonnes

UBK,
Mech
10%

Hardwood – 52%
36M tonnes

Radiata,
SBSK – 15%
10M tonnes

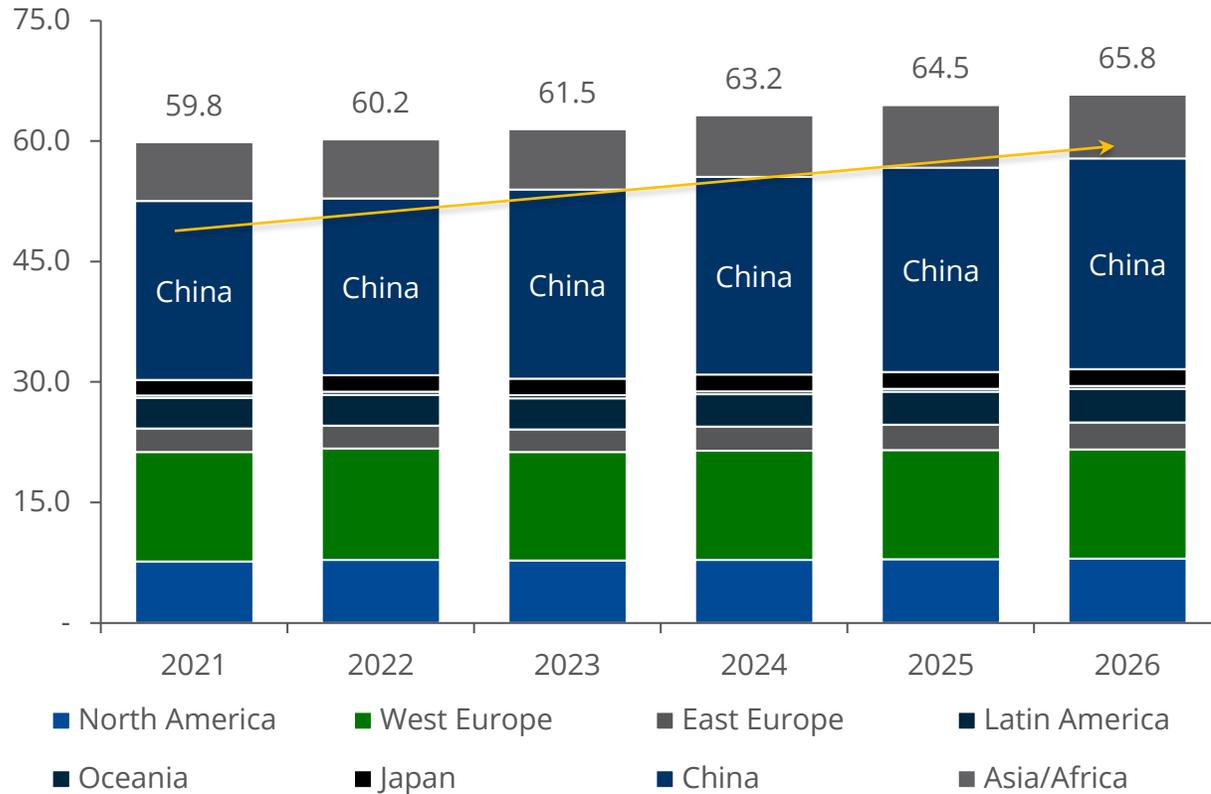
NBSK – 23%
16M tonnes



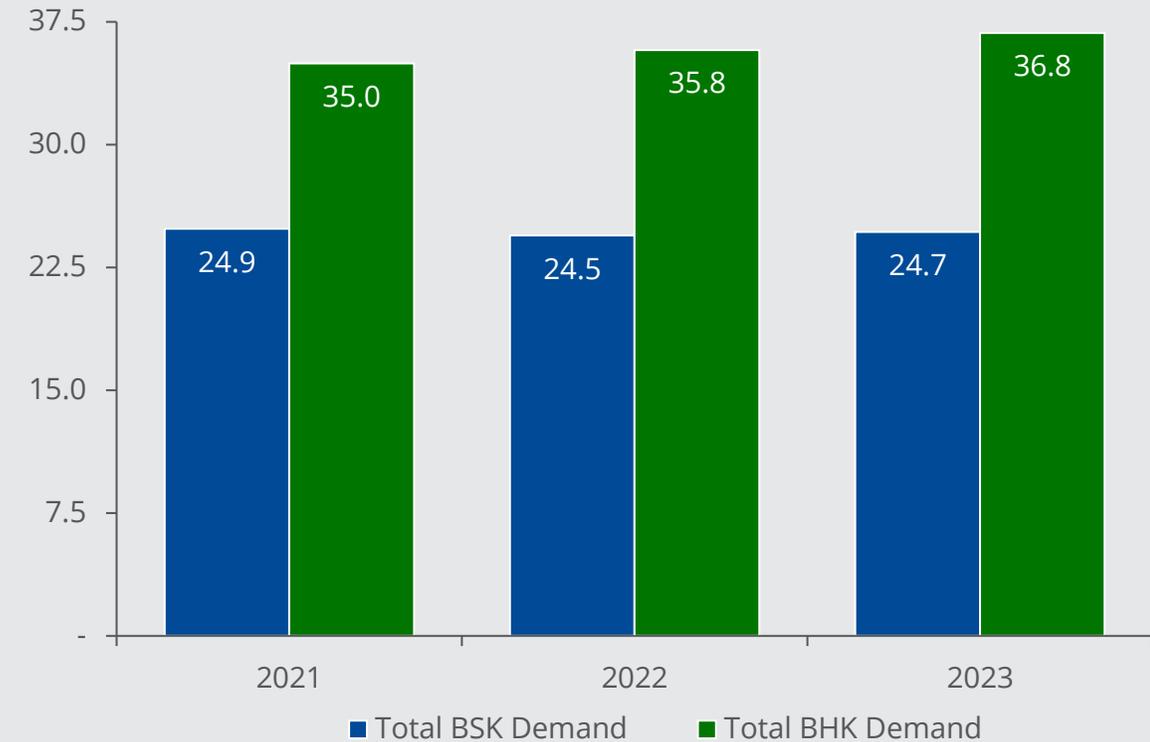
1) Source: Hawkins Wright (August 2021) for 2020E

Global Bleached Kraft Pulp Market (1)

Global Bleached Kraft Pulp Demand (millions of tonnes)



Global Bleached Kraft Pulp Demand (millions of tonnes)



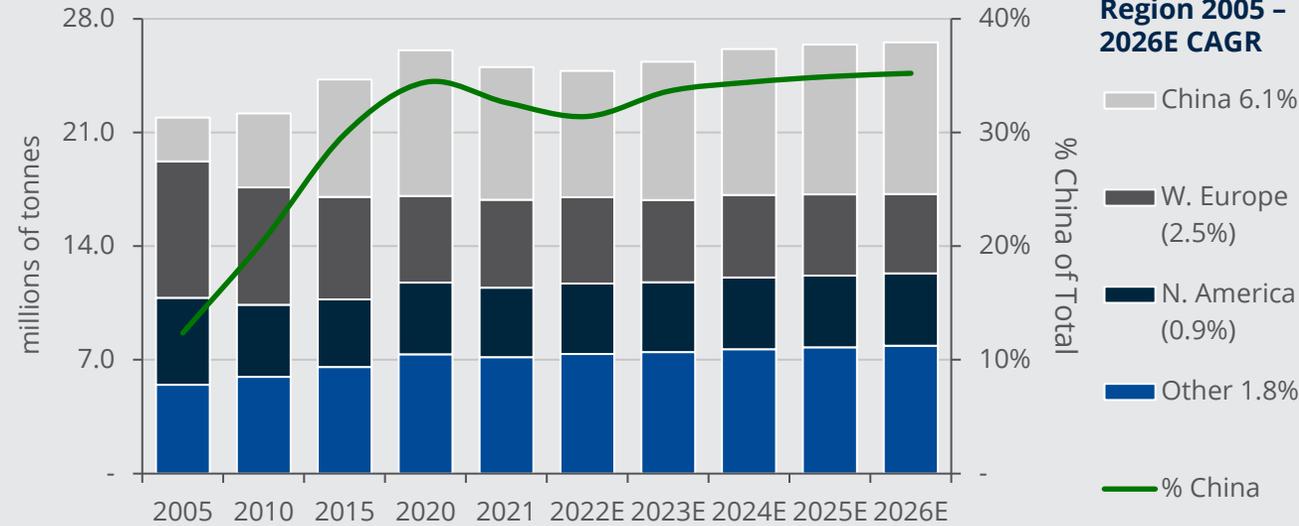
1) Source: Hawkins Wright – Outlook for Market Pulp (August 2022)

NBSK Demand Drivers

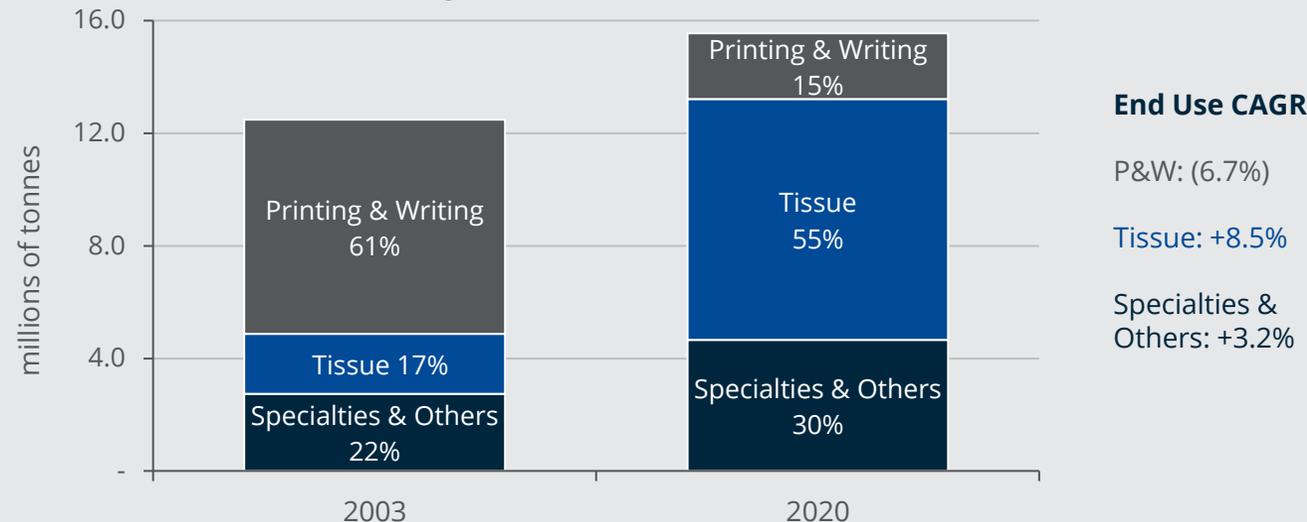
NBSK Demand Changes

- Increased NBSK demand for tissue and specialty products continues to rise globally
- In developing countries, demand for NBSK across all end uses is growing
- Increasing income levels, rapid urbanization of populations and rising living standards are creating strong demand for fiber of all grades
- Demand for NBSK in printing and writing grades has fallen in the developed economies of North America and Western Europe due to the digitalization of print media; this impact was particularly pronounced during the pandemic
- Despite declines in developed countries for printing and writing grades, the global compounded annual growth rate of BSK demand was ~0.5% between 2015 and 2021, or an average of ~125 thousand tonnes per year ⁽¹⁾

Global BSK Demand by Region ⁽¹⁾



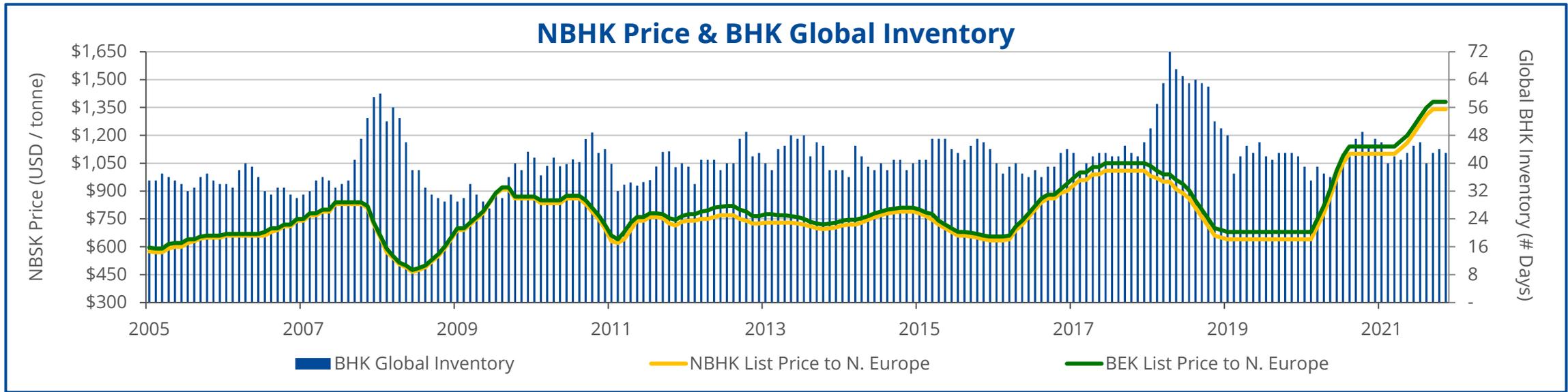
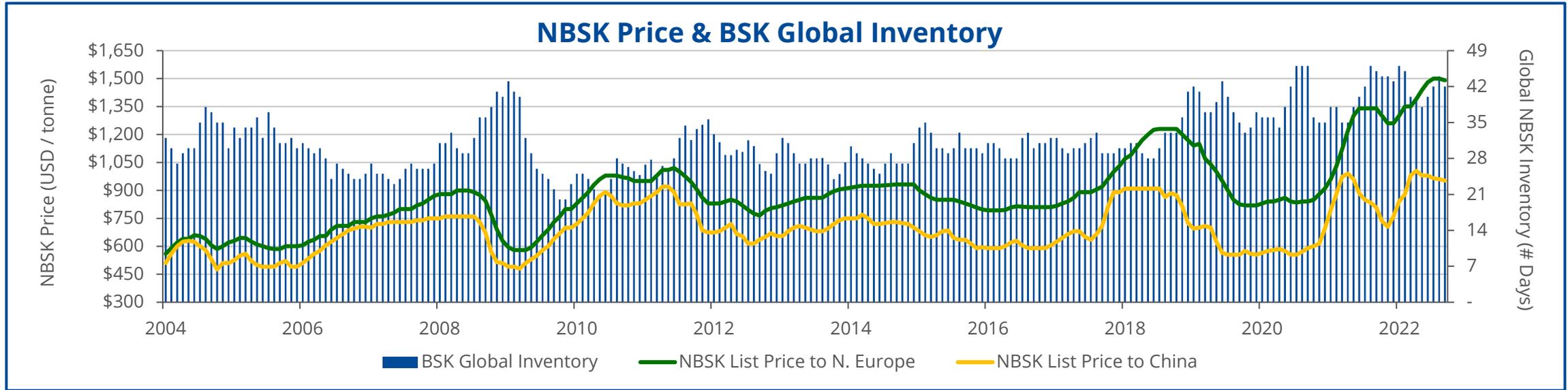
NBSK Demand by End Use ⁽¹⁾⁽²⁾



1) Source: PPPC (September 2022, November 2021, September 2020, February 2016, April 2006) for BSK Demand

2) Source: Brian McClay (January 2022) for current NBSK End Uses; PPPC (November 2021) for 2020 Demand Forecast

Historical Market Conditions

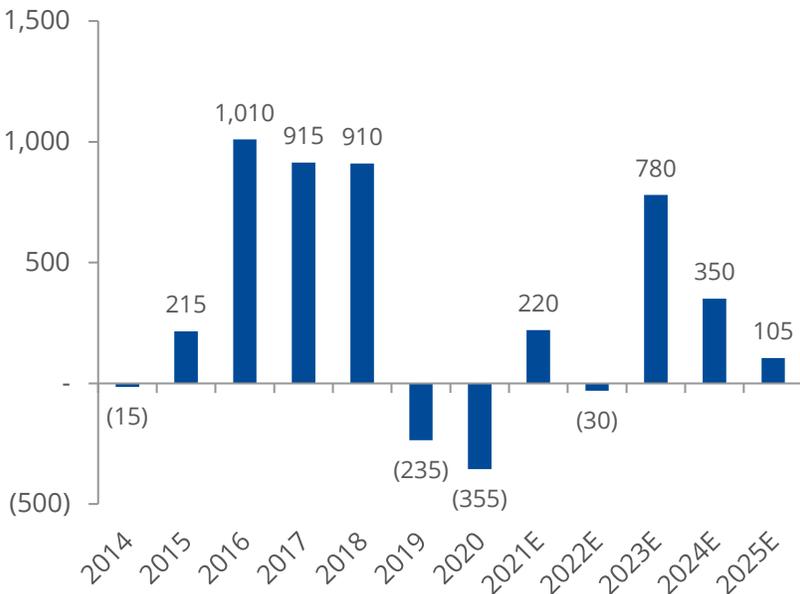


Pulp Capacity Changes

NBSK

- After a period of considerable capacity expansion in Scandinavia from 2016-2018, forecasted new capacity minimal until 2023

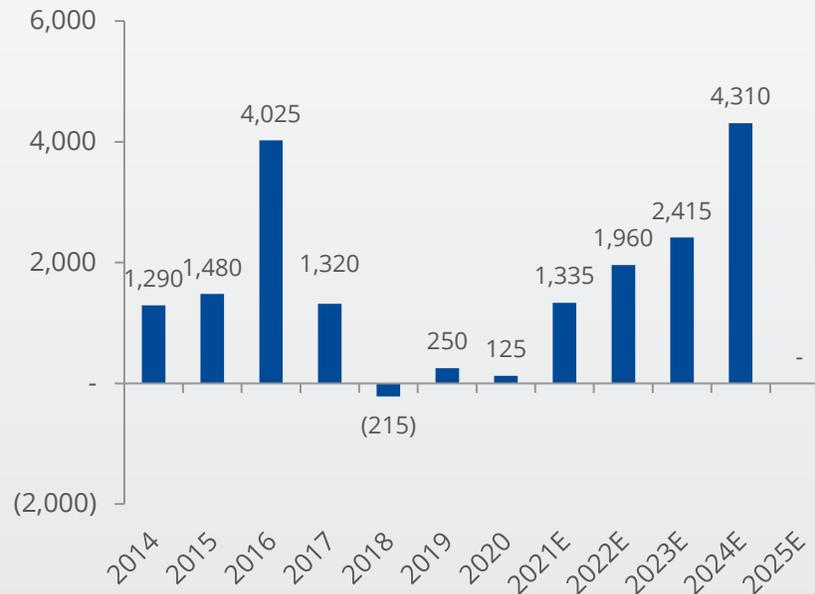
NBSK Market Pulp Net Capacity Changes (000's tonnes) ⁽¹⁾



Hardwood

- Eucalyptus capacity is set to grow over 6 million tonnes in the next few years

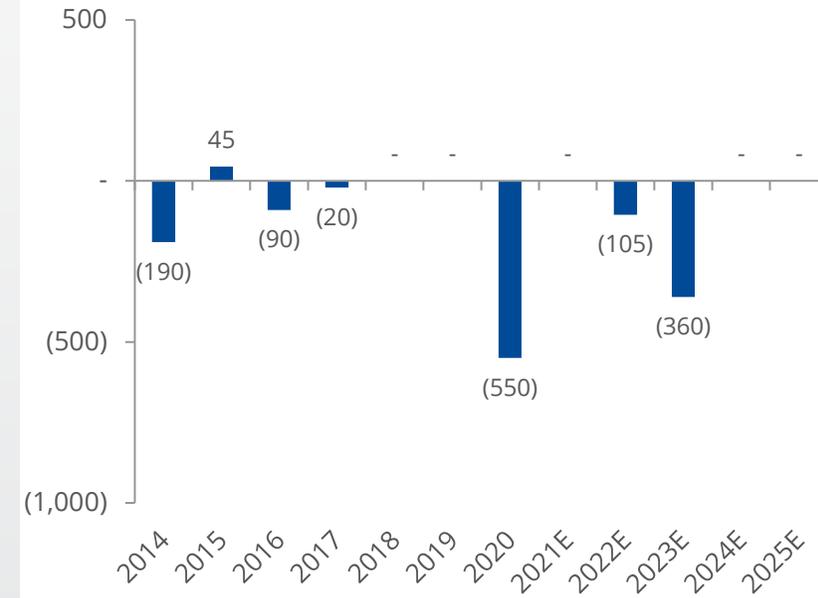
Hardwood Market Pulp Net Capacity Changes (000's tonnes) ⁽¹⁾



SBSK, Fluff, Radiata

- Continuation of a trend by some producers to exit these softwood grades in favor of dissolving pulp or hardwood

SBSK/Fluff/Radiata Market Pulp Net Capacity Changes (000's tonnes) ⁽¹⁾

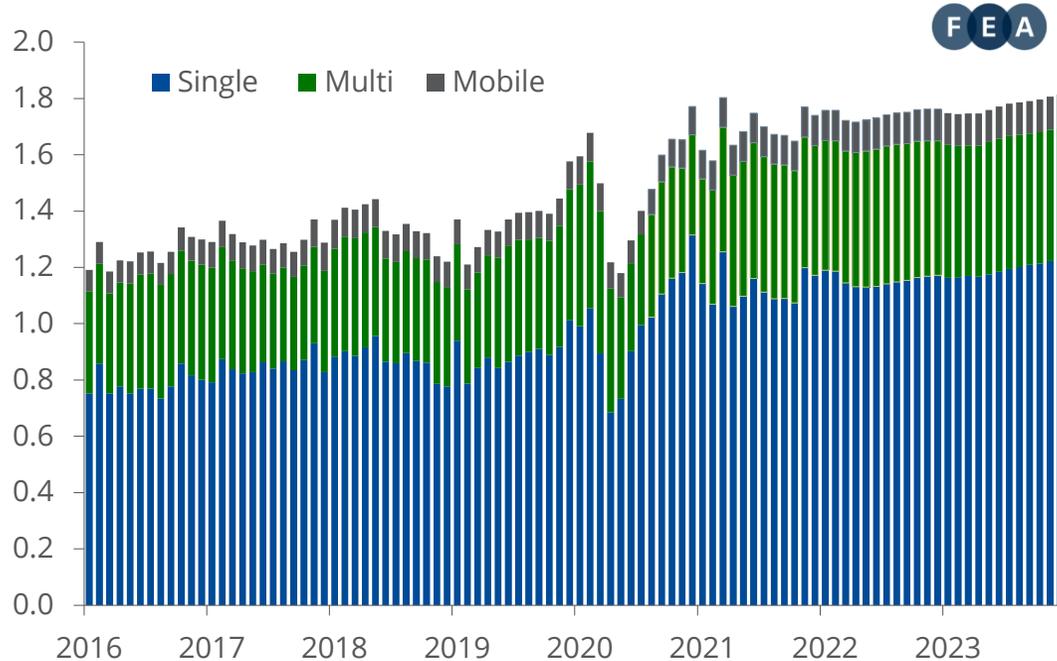


1) Source: PPPC (September 2022)

US Lumber Market – Demand Drivers (1)

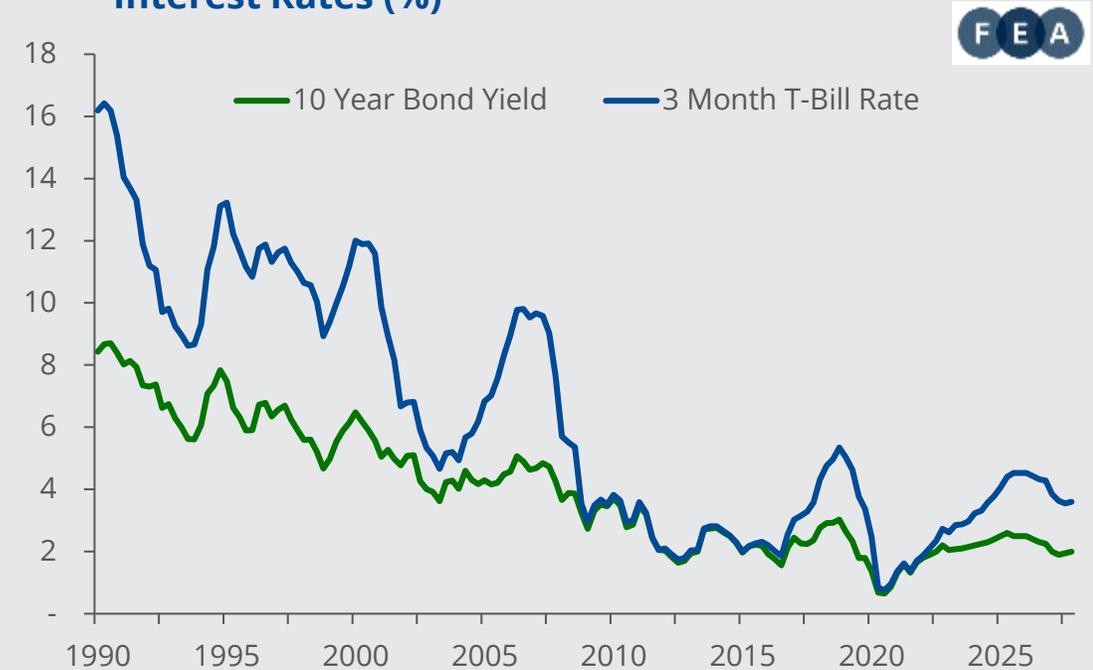
- Housing starts are rising and still well below the historical average prior to the financial crisis

US Housing Starts (million units)



- Interest (mortgage) rates, while currently rising, remain modest by historical comparison

Interest Rates (%)



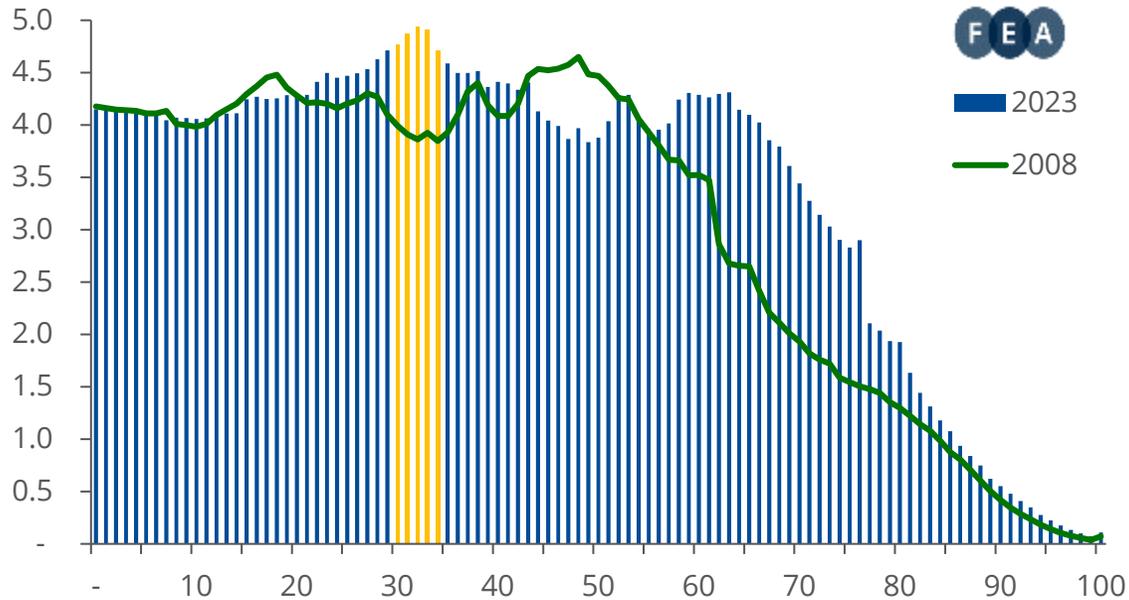
1) Source: Forest Economic Advisors

US Lumber Market – Demand Drivers (1)

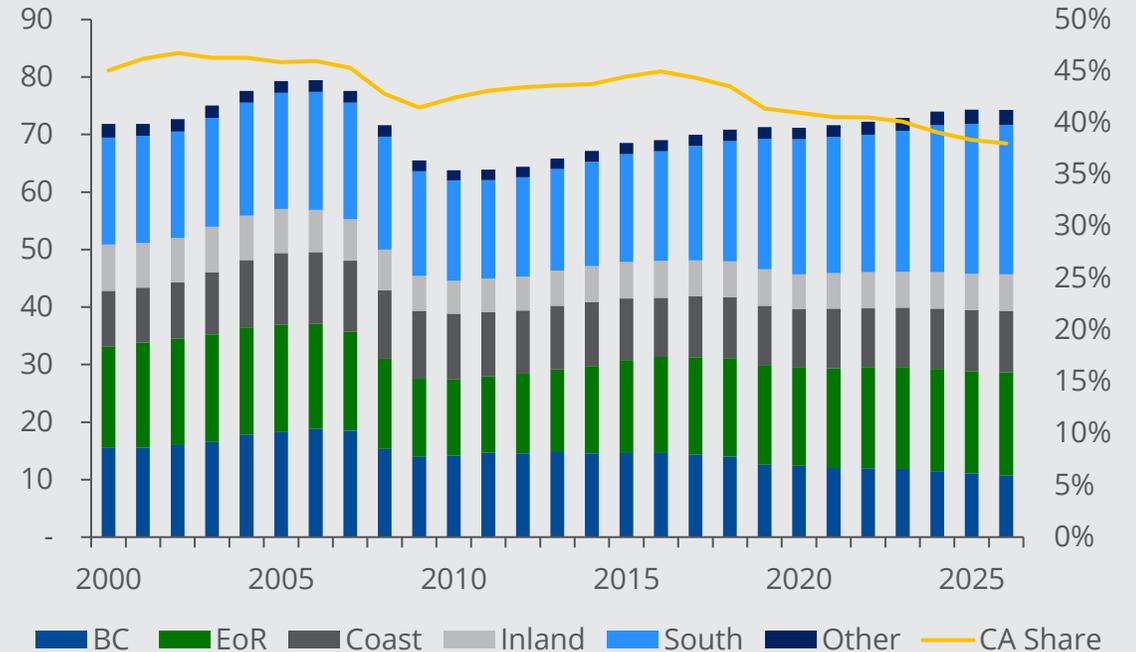
- The prime first-time home ownership demographic (30-35 year olds) is currently its highest in a generation

- Production capacity is growing but is experiencing restrictions; particularly from Canada where allowable cut levels are falling

US Population by Age (in millions)



North American Lumber Capacity (BBF)



1) Source: Forest Economic Advisors

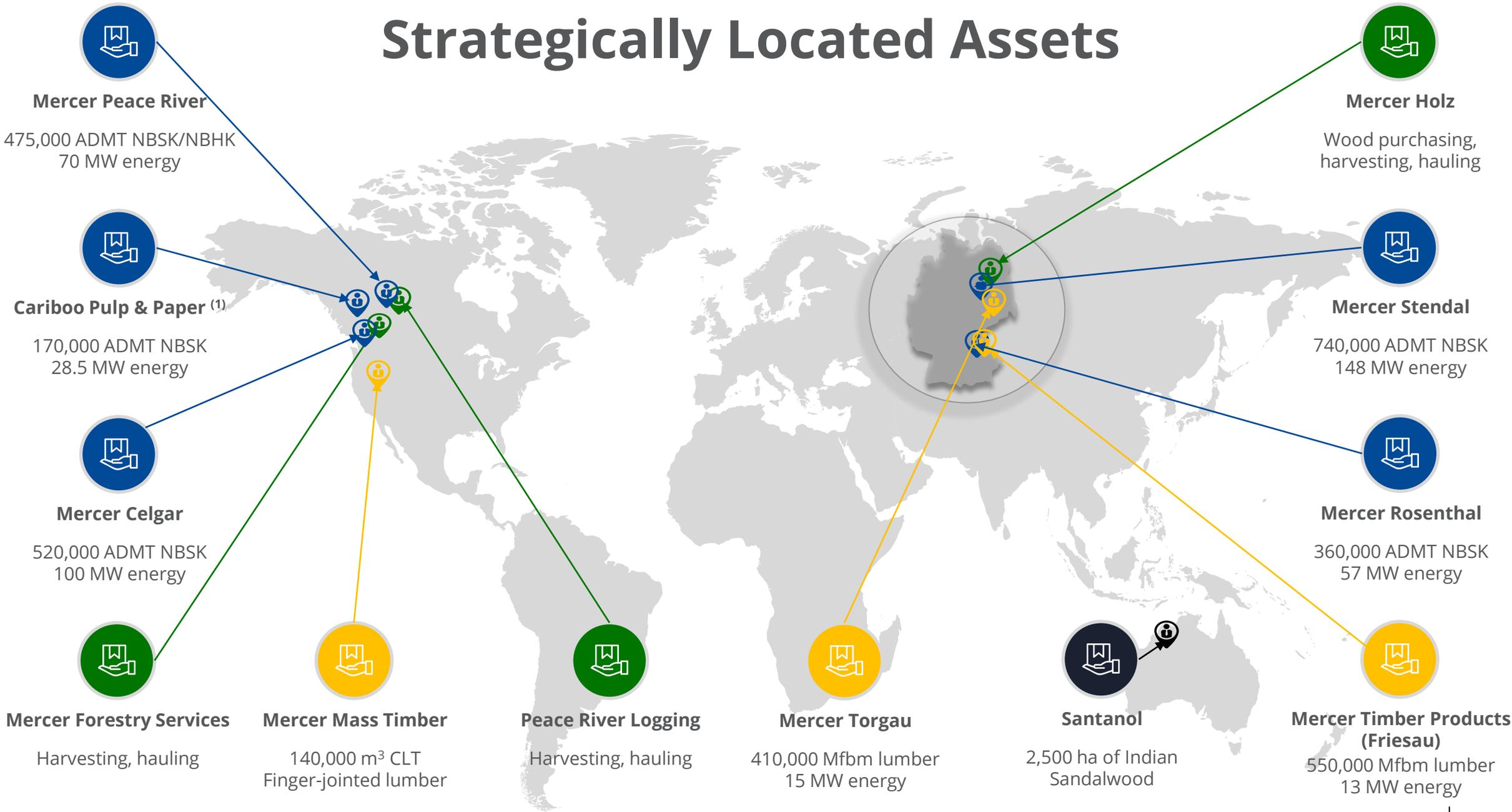
The background image shows a complex industrial facility with various machines, pipes, and walkways. A semi-transparent blue rectangular overlay is positioned in the center of the image, containing the title and logo. The machinery includes large rollers, conveyor belts, and structural frames. A blue circular component on the right has the word 'Valmet' written on it. The overall scene is brightly lit, suggesting an indoor industrial environment.

Appendix: Operations Overview



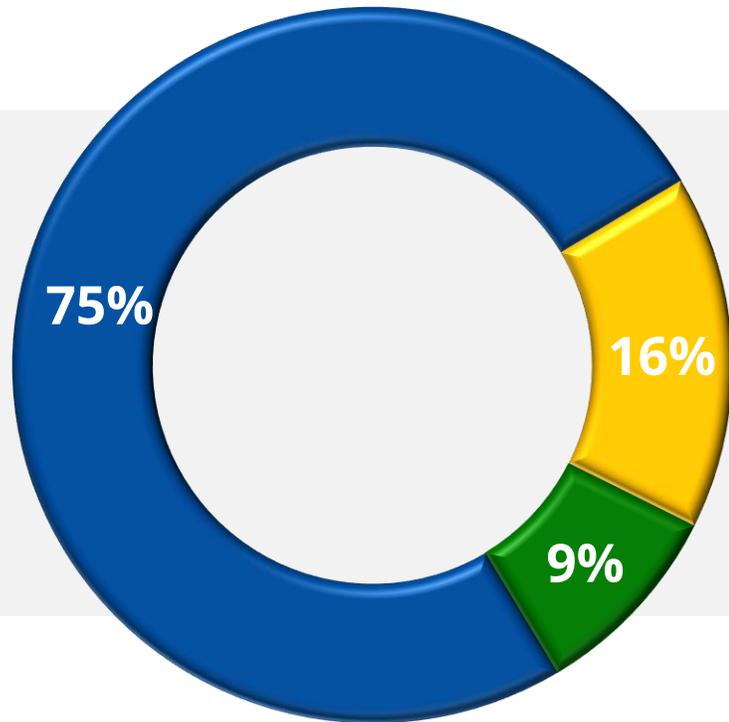
Sustainable. By Design.

Strategically Located Assets



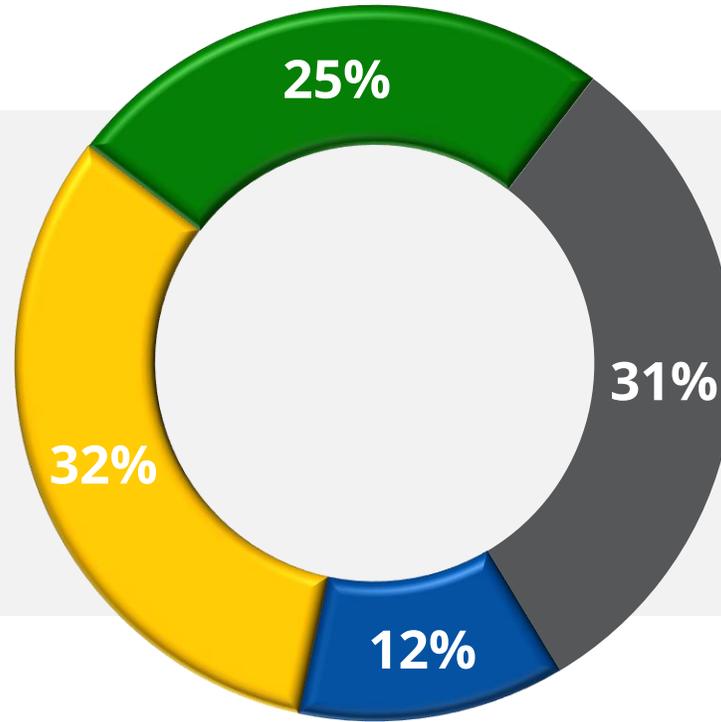
1) Reflects Mercer's 50% share of operations

Product Sales Mix (1)(2)



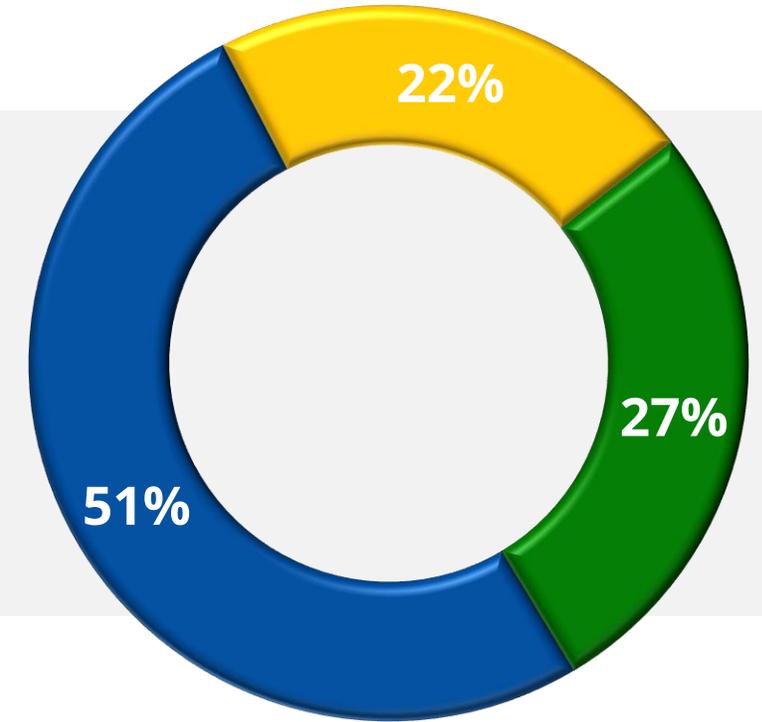
Products

● Pulp ● Lumber ● Energy / Bio-extractives



Pulp Segment

● US ● Germany ● China ● Other



Solid Wood Segment (3)

● US ● Germany ● Other

1) Q3 2022 LTM by revenue
 2) Excludes energy sales from 50% owned Cariboo mill
 3) Includes wood residual sales and CLT

Mercer Rosenthal

- **Location:** Blankenstein, Germany (~300 km south of Berlin)
- **Pulp production capacity:** 360,000 tonnes per year NBSK
- **Electricity generating capacity:** 57 MW
- **Certification:** ISO 9001, 14001, and 50001
- **2021 green electricity sales:** \$5.4 million
- **2021 bio-extractives sales:** \$0.1 million

Key Features:

- Built in 1999 – modern and efficient
- Strategically located in central Europe, allowing customers to operate using a just-in-time inventory process, lowering their costs, and making Rosenthal a preferred supplier
- Close proximity to stable fiber supply and nearby sawmills
- One of the largest biomass power plants in Germany
- In 2021, the mill sold 76,690 MWh of green electricity
- Regularly setting new pulp and energy production records
- 6,000 tonne per year tall oil plant became operational in Q4 2014



Mercer
Rosenthal

Mercer Stendal

- **Location:** Stendal, Germany (~130 km west of Berlin)
- **Pulp production capacity:** 740,000 tonnes per year NBSK
- **Electricity generating capacity:** 148 MW
- **Certification:** ISO 9001, 14001, and 50001
- **2021 green electricity sales:** \$65.4 million
- **2021 bio-extractives sales:** \$7.1 million

Key Features:

- Completed in 2004, it's one of the newest and largest pulp mills in the world
- Project Blue Mill was completed in Q4 2013 and, among other things, increased the mill's annual pulp production capacity by 30,000 tonnes and electricity generation by 109,000 MWh
- In September 2014, we completed the acquisition of the minority interest and other rights in the Stendal mill
- One of the largest biomass power plants in Germany
- In 2021, exported 464,695 MWh of green electricity
- Regularly setting new performance records
- 2021 expansion project increased mill capacity to 740,000 tonnes



Mercer Celgar



- **Location:** Castlegar, BC, Canada (~600 km east of Vancouver)
- **Pulp production capacity:** 520,000 tonnes per year NBSK
- **Electricity generating capacity:** 100 MW
- **Certification:** ISO 9001 and 14001
- **2021 green electricity sales:** \$4.8 million
- **2021 bio-extractives sales:** \$0.06 million

Key Features:

- Modern and efficient
- Efficiency logistics to major markets
- Green Energy Project was completed in September 2010
- One of the largest biomass power plants in Canada
- In 2021, the mill sold 81,521 MWh of green electricity
- Continues to demonstrate significant upside potential

Mercer Peace River

- **Location:** Peace River, Alberta (~500 km northwest of Edmonton)
- **Pulp production capacity:** 475,000 tonnes per year NBSK/NBHK
- **Electricity generating capacity:** 70 MW
- **Certification:** ISO 9001 and ISO 14001
- **2021 green electricity sales:** \$10.7 million

Key Features:

- Modern, high-performing kraft mill
- Abundant and low-cost fiber by global standards
- NBSK / NBHK swing mill
- 20-year term forest tenure including annually 400,000 m³ of softwood and 2.4 million m³ of hardwood
- Bio-mass fueled cogeneration power plant with two turbines; a 45 MW back pressure turbine to power pulp production and a 25 MW condensing turbine generator to generate electricity for sale to the Alberta grid
- In 2021, the mill sold 79,065 MWh of green electricity



Cariboo Pulp & Paper



- **Location:** Quesnel, British Columbia (~650 km north of Vancouver)
- **Pulp production capacity:** 170,000 tonnes per year ⁽¹⁾ NBSK
- **Electricity generating capacity:** 28.5 MW ⁽¹⁾
- **Certification:** ISO 9001 and ISO 14001
- **2021 green electricity sales:** \$5.6 million ⁽²⁾

Key Features:

- 50% joint venture stake in reliable NBSK mill
- Reliable wood supply sourced from large local sawmilling industry
- Bio-mass fueled cogeneration power plant with two turbines; a 32 MW back pressure turbine to power pulp production and a 25 MW condensing turbine generator to generate electricity for sale to BC Hydro

1) Reflects 50% ownership stake

2) Cariboo energy sales are recorded as an equity investment due to JV agreement

Mercer Timber Products (Friesau)

- **Location:** Friesau, Germany (~300 km south of Berlin)
- **Lumber production capacity:** 550,000 Mfbm
- **Energy generating capacity:** 49.5 MW (13 MW electricity)
- **2021 lumber sales:** \$293.2 million
- **2021 wood residuals sales:** \$6.4 million
- **2021 green electricity sales:** \$11.5 million

Key Features:

- High quality logs from surrounding fiber basket
- Sawmill built in 1992; two high-volume Linck sawlines
- 2nd planer mill built in 2020 with new continuous kilns and automated grading and sorting systems
- Diverse product line ranging from custom rough green and dry for the European market to kiln-dried, dimension products for the US, Japan and UK
- Power plant built in 2008; fueled by bark, chips, sawdust, and recycled wood with EEG feed-in tariff to 2029



Mercer Torgau



- **Location:** Torgau, Germany (~115 km south of Berlin)
- **Lumber production capacity:** 410,000 Mfbm
- **Electricity generating capacity:** 15 MW
- **Pallet production capacity:** 17 million
- **2021 sales:** €227.1 million ⁽¹⁾

Key Features:

- Integrated sawmill and value-add pallet production facility
- ~150 km northeast of Rosenthal and Friesau
- Key products include lumber and wood pallets, biofuels, and energy
- Sawmill residuals used to produce heating pellets and briquettes, bark used to generate electricity and thermal energy
- World's largest producer of EPAL pallets

1) Includes revenue from non-operating activities

Mercer Mass Timber

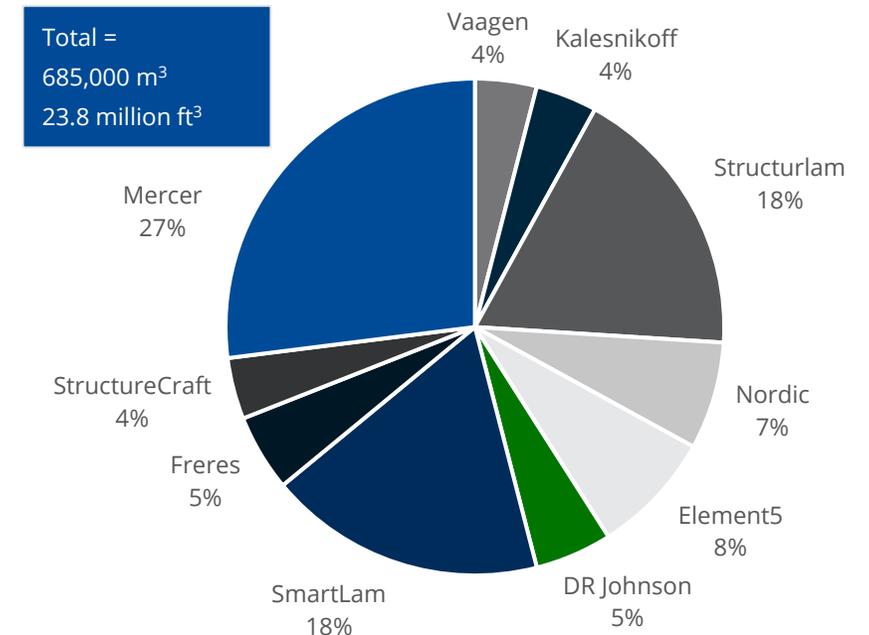
- **Location:** Spokane, Washington, United States
- **CLT production capacity:** 140,000 m³
- **Factory size:** 253,000 ft²
- **Product:** High-capacity cross-laminated timber

Key Features:

- Multiple years of CLT experience within the manufacturing team
- Highly automated production line
- Structural and design expertise
- Multiple species certifications - Spruce, Pine, Fir (SPF), Douglas Fir / Western Larch (DF/WL)
- Multiple sizes - thicknesses, lengths, and widths
- Growth opportunities - single-family homes, high-rise buildings



North American Mass Timber Panel Capacity 2020 ⁽¹⁾



1) Source: FEA

Contact Information

www.mercerint.com



Mercer International Inc.

P: +1 (604) 684 1099
info@mercerint.com

Suite 1120, 700 West Pender St
Vancouver, B.C. Canada
V6C 1G8