

MERCER

# Cleansing Materials

OCTOBER 2026

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Sangra

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# 01

# Company & Situation Overview

MERCER

# Executive Summary

Mercer is in the process of evaluating transaction alternatives in light of macroeconomic headwinds and the Company's recent and projected financial performance

## Macroeconomic & Industry Outlook

- Following cycle lows in 2025, the 2026 macroeconomic environment for both pulp and wood products remains challenged by sluggish global growth
- Northern Bleached Softwood Kraft ("NBSK") markets remain challenging with some stabilization occurring in North America and Europe, but weak demand for market pulp in China
- While the broader NBSK market manages through this period with both capacity closures and outages, producers continue to face a perfect storm of increased wood and energy costs with sluggish demand growth in global markets
  - Sawmills in Canada and Europe are contending with tariff impacts while European sawmills are also experiencing higher log costs as Russian sanctions, driven by its invasion of Ukraine, limited wood supply across the region. Sawmill closures and curtailments have had a knock-on effect in driving up woodchip prices globally for pulp mills. In addition, high energy prices in Germany have also impacted the price of wood chips, as they are a raw material for the growing biofuel (wood pellets) industry
  - More recently, the ongoing conflict in the Middle East has impacted global energy and transportation costs
- Foreign currency volatility is also impacting Mercer's earnings and cash flows as the Company incurs most of its costs in either Euros or Canadian dollars and sells most of its products in U.S. dollars
  - A strengthening U.S. dollar relative to the Euro and Canadian dollar benefits the Company as the costs incurred in those currencies are reduced
  - Based on 2025 operating costs, a $0.01 change in the USD/Euro exchange rate results in an ~$11 million change in operating costs and a $0.01 change in the USD/CAD exchange rate yields a ~$9 million change in operating costs

## Incremental Liquidity Need & Near-Term Maturities

- Due to recent financial performance as well as the Company's projected liquidity forecast, Mercer will need a holistic liquidity solution to fund operations and address its upcoming maturities under the Canadian ABL (January 2027) and German RCF (September 2027)
- The Company is forecasting a peak liquidity need of ~$428 million(1), of which ~$414 million is used to repay the existing credit facilities, ~$54 million is used to fund the Company's projected operating cash flow need and ~$40 million is used to fund illustrative transaction fees, partially offset by ~$80 million of projected cash on hand
  - The peak liquidity need is based on the unlevered free cash flow under the Company's financial forecast and assumes a full take-out of the existing Canadian ABL and German RCF on December 31, 2026
  - The peak liquidity does not include (i) any further interest payments to existing Senior Notes and (ii) any interest associated with any new financing to fund the peak liquidity need

*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Does not reflect impact of unscheduled downtime and unforeseen additional costs at Rosenthal in Q4 2026, currently estimated at $15 million and subject to confirmation*

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# Financial Challenges Driven by Temporary Geopolitical Factors

Mercer's financial position is a result of three major geopolitical events that are not permanent in nature

| | |
|---|---|
| Russia / Ukraine Conflict | Wood competing with fossil fuels for energy with Russian gas embargo |
| | Incremental wood scarcity driven by reduced Russian imports |
| | Higher energy costs and Ukraine pallet dumping resulting in lower product demand |
| U.S. Tariff Regime | Weakening U.S. dollar driving higher costs in Germany and Canada |
| | Chinese exports redirected resulting in reduced softwood pulp demand |
| | Inflation impact keeping interest rates higher for longer |
| Iran Conflict | Freight and fuel costs elevated |
| | Chemical input costs rising |
| | Global uncertainty |

All three geopolitical events affecting Mercer are event driven and transitory

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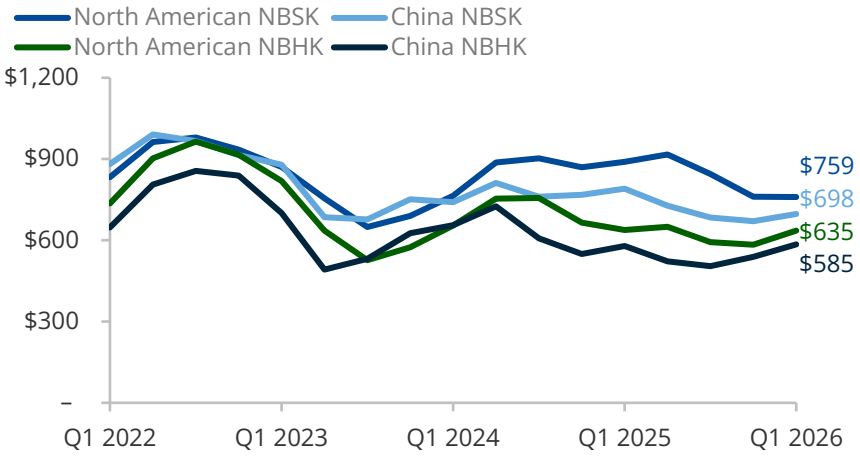
# Global Pulp Trends

Pulp prices remain depressed given challenging industry dynamics

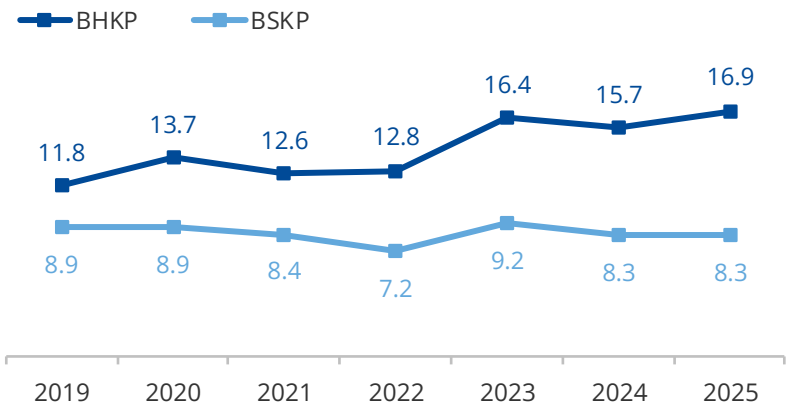
## Commentary

- Global NBSK and Northern Bleached Hardwood Kraft ("NBHK") pulp prices (net) are down 20% - 30% relative to peak pricing realized in 2022
- Given pricing dynamics, over 2.7 million tons of Bleached Softwood Kraft Pulp ("BSKP") market capacity have been removed from the market since 2023
- In addition to capacity closures, market-related curtailments regularly occurred in 2025 and are repeating in 2026, further reducing market pulp volumes
  - YTD 2026[1] curtailments totaled ~0.5 million metric tons
- Since 2019, Chinese Bleached Hardwood Kraft Pulp ("BHKP") imports increased ~0.85 million metric tons per year on average while BSKP imports decreased ~0.1 million metric tons per year on average

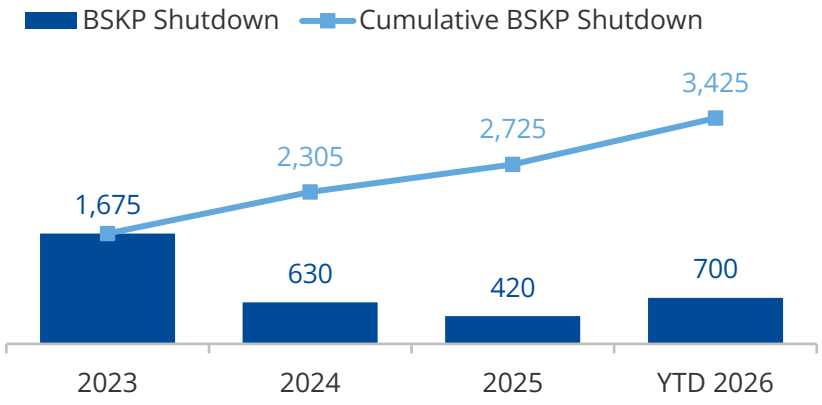
## Historical Global Pulp Prices, Net[2] ($ / ADMT)




## Historical China Pulp Imports (mm MT)




## Global BSKP Capacity Shutdown[1][3] ('000s MT)




*Source: Company estimates and various industry consultants*
*(1) YTD 2026, as of June 2026*
*(2) Reflects the average net pulp price as reported by RISI, TTO BMA and Hawkins Wright*
*(3) Excludes ~500k MT of 2026 curtailments (non-permanent) announced 2026 YTD*

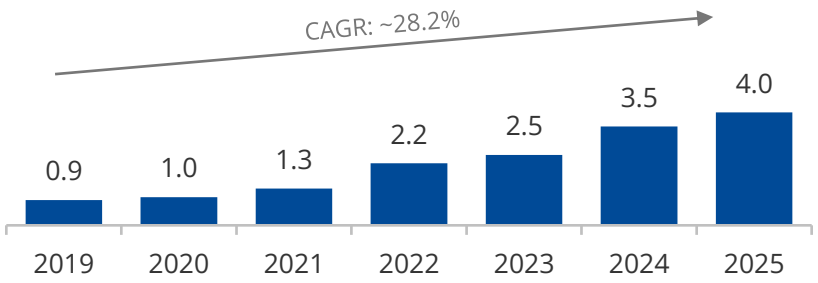
# Fiber Update

Fiber costs continue to rise in Germany on higher demand and less supply while Mercer's Canadian operations are relatively insulated from local fiber price dynamics

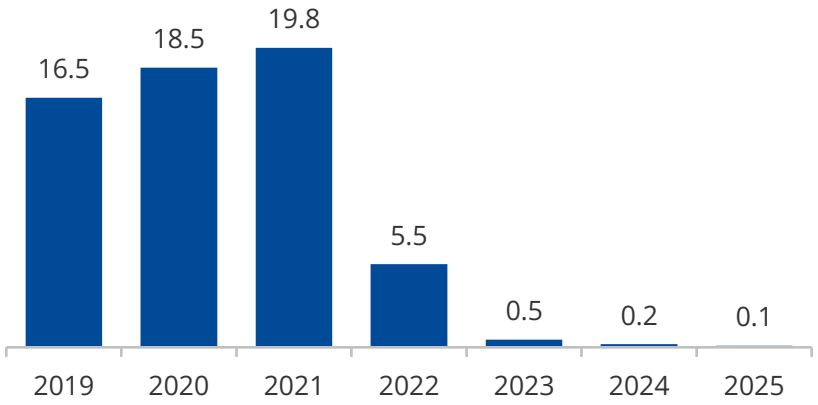
## Commentary

- **German Fiber**: Ukraine / Russia conflict resulted in (i) higher demand for heating wood pellets driven by government policy to incentivize burning wood for energy production and (ii) lower Russian wood fiber imports
  - Annual wood pellet production for energy use in Germany increased at a ~28.2% CAGR since 2019, thereby increasing competition for wood chips
  - In Northern Europe, Russian wood fiber flow ceased, creating a higher fiber pricing environment as Northern Europe began sourcing more fiber from Germany and Poland
  - Calamity wood (i.e., wood that must be harvested due to beetle infestations or unexpected environmental disasters) expectations also did not materialize, which led to low harvest levels and reduced the amount of wood available in the market
- **Canadian Fiber**: Mercer's Canadian pulp mills are relatively insulated from localized fiber supply shortages and price dynamics relative to its competitors
  - The Celgar and Peace River pulp mills do not have a near term fiber supply or cost issue despite rising fiber costs driven by Canadian sawmill curtailments from U.S. tariffs
  - Mercer manages 6 million hectares of forest tenures in Alberta with more than enough forest area to harvest to serve Peace River
  - Celgar is able to effectively source wood from the U.S. despite lower harvest levels and sawmill closures in British Columbia

## German Wood Pellet Production for Energy (mm MT)




## Russian Wood & Timber Export Volume to Europe (mm $m^3$)

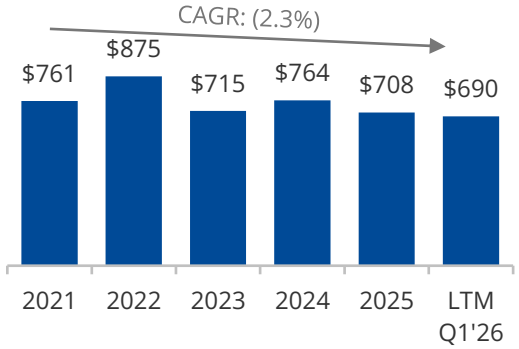



*Source: Natural Resources Canada and various industry consultants*

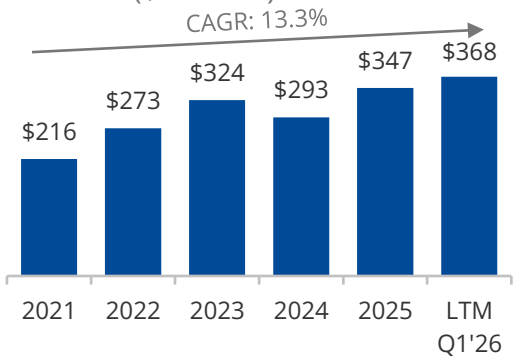
# Mercer | Historical Pulp Segment Results[1]

- Pulp segment earnings and cash flow significantly declined since the 2022 peak
- Average pulp price per ADMT declined at a ~2.3% CAGR from 2021 through Q1 2026
- Fiber cost per ADMT increased at a ~13.3% CAGR from 2021 through Q1 2026
- Segment EBITDA for the Q1 LTM 2026 period was negative ~$27 million while cash flow, defined as EBITDA less CapEx, was negative ~$88 million

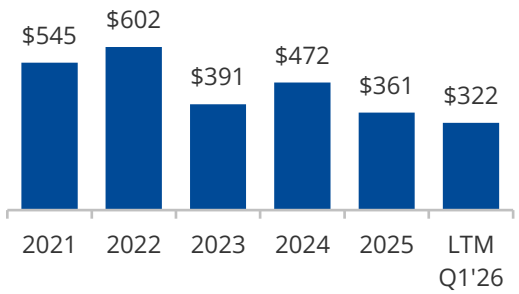
**Pulp Sale Price** ($ / ADMT)



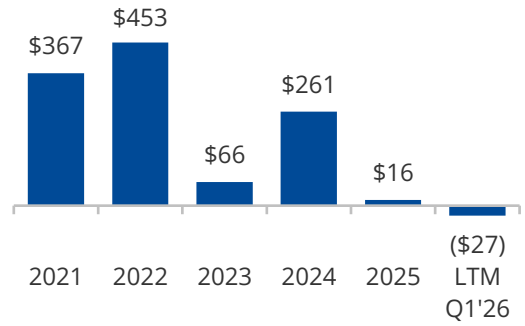

**Fiber Cost** ($ / ADMT)



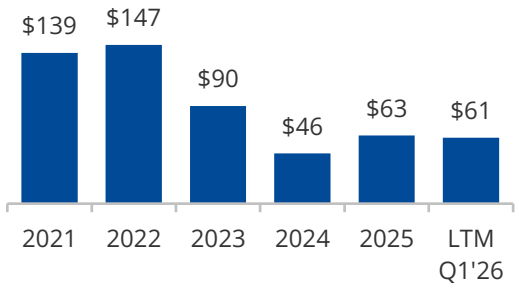

**Pulp Sale Price Less Fiber Costs** ($ / ADMT)



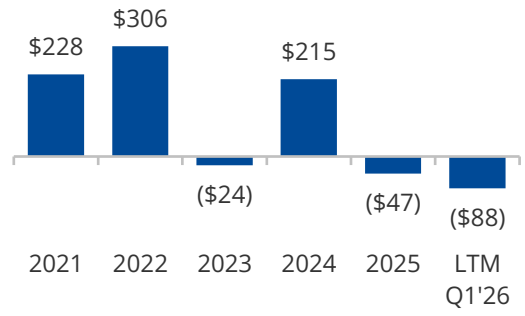

**Pulp Segment EBITDA** ($mm)




**Pulp Segment CapEx** ($mm)




**Pulp EBITDA Less CapEx** ($mm)

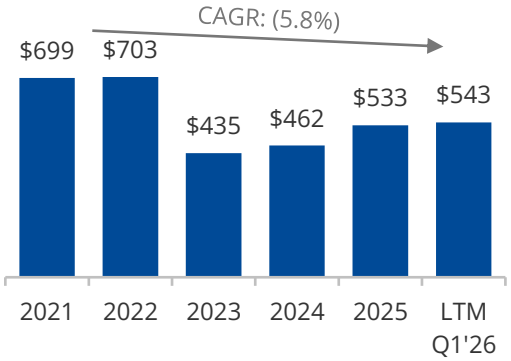



*(1) Historical segment results per public filings*

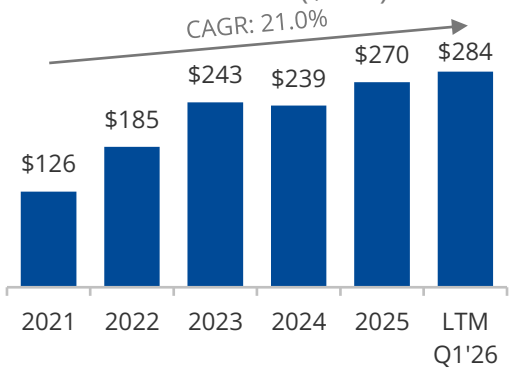
# Mercer | Historical Solid Wood Segment Results[1]

- Solid wood segment earnings and cash flow failed to gain traction after posting positive results in 2021 and 2022
- Average lumber price per Mfbm declined ~5.8% per year from 2021 through Q1 2026
- Total fiber cost increased ~21.0% per year from 2021 through Q1 2026 while volumes only increased modestly
- Segment EBITDA for the Q1 LTM 2026 period was negative ~$31 million while cash flow, defined as EBITDA less capex, was negative ~$51 million

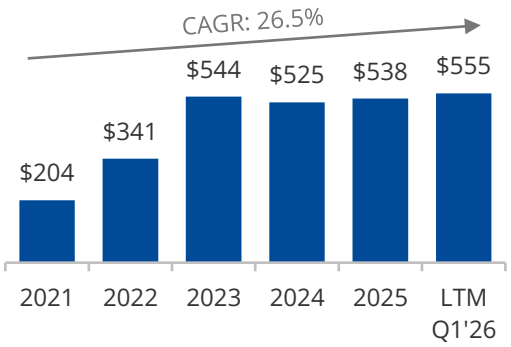
**Lumber Price** ($ / Mfbm)



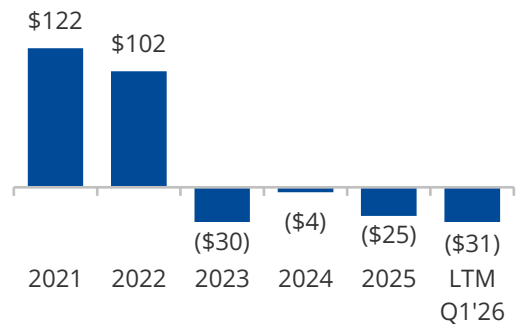

**Solid Wood Fiber Cost** ($mm)



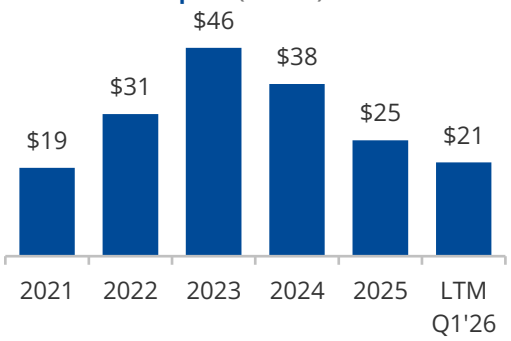

**Solid Wood All Other Costs** ($mm)



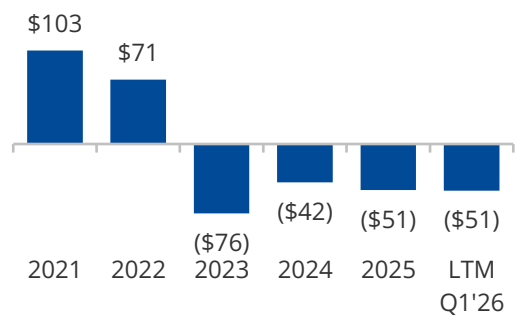

**Solid Wood EBITDA** ($mm)




**Solid Wood CapEx** ($mm)




**Solid Wood EBITDA Less CapEx** ($mm)




*(1) Historical segment results per public filings*

# Customer & Fiber Supply Contracts Overview

The Company sells pulp to contracted customers as well as the spot market, while lumber is sold almost entirely into the spot market. Fiber purchases are made through the open market and on a contracted basis

| | |
|---|---|
| **Pulp Sales** | **Structure**<br>• The Company's global sales and marketing group handles sales for North America & Europe to roughly 260 customers with no customer accounting for more than 10% of revenue while sales to Asia are made directly or through commission agents<br>• North America: ~15% contracted and ~85% spot market<br>• Europe: ~80% contracted and ~20% spot market<br>**Contracted Volumes**<br>• Contracts structured with buying incentives based on volume purchased<br>• Mercer is able to strategically flex sales into the spot market to prioritize contract demand, if needed<br>**Contracted Pricing**<br>• North America: Quoted list price less negotiated discounts<br>• Europe: Quoted list price less negotiated discounts<br>• China / Asia: Quoted net price (no fixed-price sales) |
| **Solid Wood Sales** | **Structure**<br>• Consistent with industry standard, substantially all solid wood products are sold in the spot market<br>**Pricing**<br>• North America: Priced using market benchmarks, primarily Random Lengths benchmarks<br>• Europe: Negotiated per order given customized dimensions |
| **Fiber Supply** | **Structure**<br>• Fiber requirements met through open market purchases and contract purchases<br>• Contract length varies from quarterly to annual purchases (with some multi-year contracts)<br>**Pricing**<br>• Volume based commitments with negotiated market price |

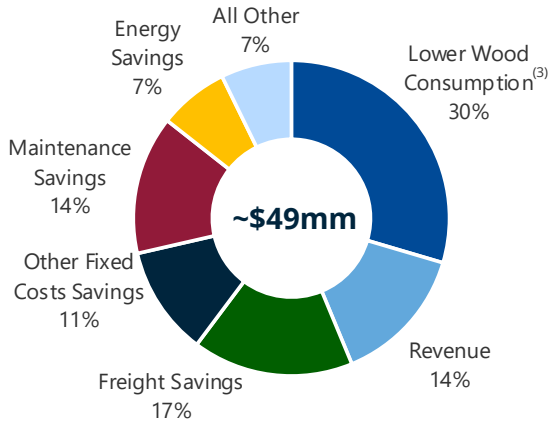
# One Goal One Hundred Program

Mercer continues to execute on its $100 million strategic profitability initiative with ~$29 million of benefits realized in 2025 relative to 2024 and ~$85 million of benefits projected to be realized in 2026 when compared to 2024

## Overview

- Company-wide profitability improvement program initiated in April 2025
  - Focused on increasing operating margins through mill reliability initiatives as well as aggressive cost reduction programs across all business units
- 2024 actuals used as baseline to measure improvement
- Program is reviewed by management on a monthly basis
- The costs savings illustrated are included in the Company's financial forecast

## 2026 Identified Revenue & Savings by Category




## Net Benefits by Location(1) ($mm)

| | 2025 Actual | 2026 YTD(2) Realized | 2026 Incremental Identified | 2026 Total |
|---|---|---|---|---|
| **Savings** | | | | |
| Celgar | $0.4 | $2.9 | $3.2 | $6.1 |
| Peace River | 2.2 | 3.6 | 4.3 | 7.9 |
| Stendal | 11.9 | 7.3 | 9.7 | 17.0 |
| Rosenthal | 2.6 | 3.8 | 1.8 | 5.6 |
| Torgau | 2.6 | 4.1 | 3.8 | 7.9 |
| Friesau | 0.9 | 1.6 | 1.0 | 2.6 |
| Mass Timber | 0.9 | 0.8 | 0.6 | 1.4 |
| Forestry Services | 0.1 | 0.1 | – | 0.1 |
| **Total Savings** | **$21.6** | **$24.2** | **$24.4** | **$48.6** |
| **Reliability** | | | | |
| Celgar | $2.3 | – | $1.6 | $1.6 |
| Peace River | 11.0 | – | 11.4 | 11.4 |
| Stendal | 1.4 | – | 9.9 | 9.9 |
| Rosenthal | (1.9) | – | 0.1 | 0.1 |
| Friesau | (0.6) | – | (0.1) | (0.1) |
| Torgau | (0.1) | – | – | – |
| Mass Timber | (4.9) | – | 13.5 | 13.5 |
| Forestry Services | – | – | – | – |
| **Total Reliability** | **$7.3** | **–** | **$36.4** | **$36.4** |
| **Total Savings & Reliability** | **$28.9** | **$24.2** | **$60.8** | **$85.0** |

*Source: Company estimates*
*(1) All benefits are shown on a net basis after deducting applicable costs to implement the benefit*
*(2) As of June 2026*
*(3) Reflects yield improvement from consuming less wood per metric ton of pulp production*



02

# Liquidity Overview

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# Liquidity Trough

Mercer is currently forecasting a peak liquidity need of ~$428 million in July 2027

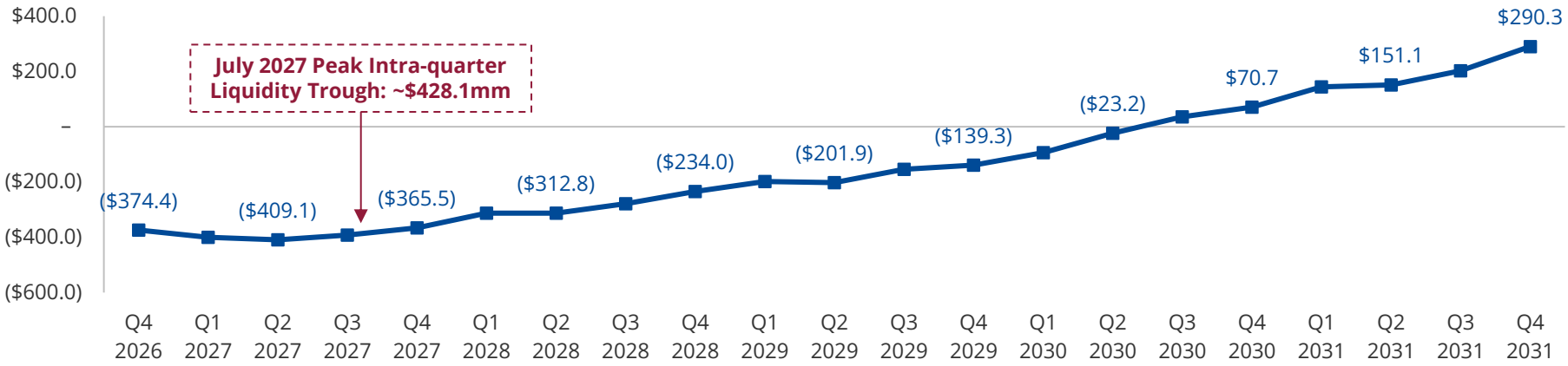
## Overview

- The peak liquidity need is based on the Company's financial forecast
- The peak liquidity need accounts for the cumulative unlevered free cash flow deficit through July 2027 and does not include any further interest payments to the existing Senior Notes and any incremental interest on new money financing to fund the peak liquidity need
- The peak liquidity need assumes the Company will have access to an undrawn global ABL facility to fund its minimum liquidity needs
  - To the extent a global ABL facility cannot be procured, the peak liquidity need would likely be increased

## Illustrative Liquidity Trough Summary[(1)(2)(3)] ($mm)

| | $ |
|---|---|
| German RCF Balance as of 12/31 | $315 |
| Canadian ABL Balance as of 12/31 | 99 |
| **Total Credit Facility Balance as of 12/31** | **$414** |
| (-) Projected Cash Balance as of 12/31 (Excludes Oct Interest) | (80) |
| **Net Credit Facility Balance as of 12/31** | **$334** |
| (+) Unlevered Free Cash Flow Deficit (Through July 2027) | 54 |
| (+) Illustrative Transaction Fees | 40 |
| (+) 2029 Notes February Interest Payment | – |
| **Consolidated Liquidity Trough** | **$428** |

## Consolidated Liquidity Trough Based on Unlevered Free Cash Flow[(1)(2)(3)] ($mm)




*Note: Excludes impact of maturities or reductions in facility commitments*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Excludes liquidity balances from certain non-material subsidiaries*
*(2) Excludes impact from potential government financing, beyond financing already received by MPR*
*(3) Does not reflect impact of unscheduled downtime and unforeseen additional costs at Rosenthal in Q4 2026, currently estimated at $15 million and subject to confirmation*



03

# Financial Forecast

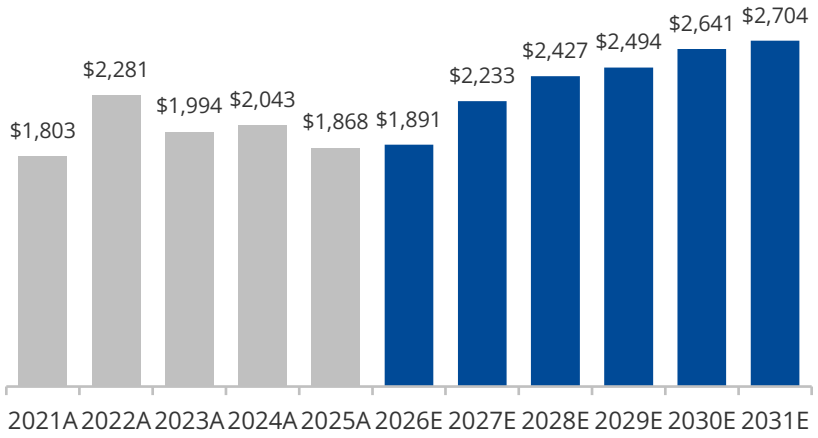
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# Financial Forecast Overview

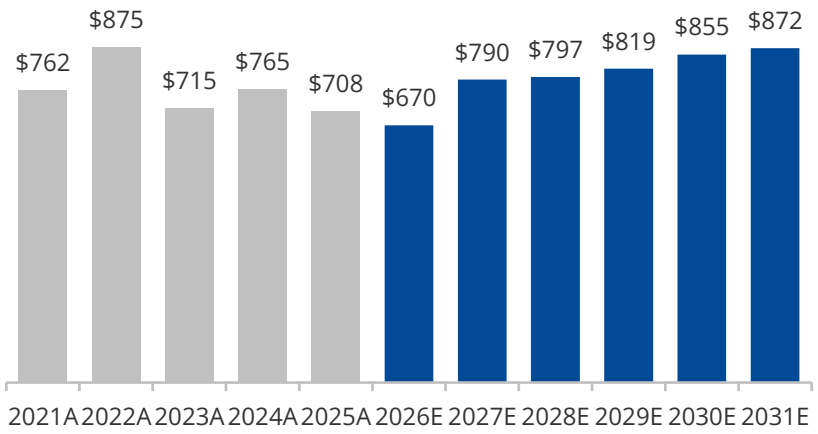
| | |
|---|---|
| **General** | • Forecast built on a "bottoms-up" basis, reflecting direct input from each business unit<br>• Global key assumptions developed based on internal management discussions, various third-party industry / market research publications and mill / location specific metrics<br>• All business segments assumed to operate in the ordinary course<br>• The forecast does not include any impact from the resolution of the Russia-Ukraine conflict or any modification to the existing U.S. tariff regime. It does assume that the Iran conflict will be resolved by late 2027/early 2028, which will lower gas prices in Germany. The forecast also does not include any positive results from further strategic initiatives outside Torgau's operational restructuring<br>• Government funding has been included in the forecast:<br>– MPR government funding received: C$17.1mm provincial grant (C$10mm received Sept 1, 2026, C$7.1mm received Oct 8, 2026), C$9.4mm of federal grant (C$1mm received Aug 10, 2026) and loan (C$4.3mm received Aug 12, 2026 and C$4.1mm received Aug 19, 2026)<br>– Forecast assumes additional government grants during forecast period that are credited to Fixed Costs for accounting purposes<br>• Peace River gradually reaches a 45 / 55 NBSK / NBHK production mix by the end of 2027 |
| **Revenue** | • Forecast pulp prices based on internal discussions with senior pulp sales executives in Europe and North America and then compared to third-party pricing sources (e.g., RISI, Hawkins Wright) to validate reasonableness<br>• Forecast lumber prices based on internal discussions with sales leaders and then compared to third-party pricing sources, where applicable, to validate reasonableness<br>• Sales volume forecast matches production schedule and output capacity for each mill<br>• Mass Timber contract revenue forecast based on an assessment of current ongoing projects, future high probability project wins and future 50/50-probability projects |
| **Expenses** | • Forecasted wood costs set by Mercer's wood buying group (Holz) based on internal expectations of the market and the production schedule of each mill<br>• Freight expense assumptions calculated separately for each major customer and geography<br>• Chemical costs forecasted by the Company's purchasing group based on market expectations and current contracts with volumes based on planned production<br>• Labor expense calculated based on the forecasted shifts at each mill |
| **Maintenance Expense** | • Stendal's next major maintenance is scheduled to be in fall 2027, and subsequent major maintenance is scheduled every 18 months thereafter<br>• Rosenthal's fall 2026 major maintenance shutdown was extended through October 2026 by unscheduled downtime from a wastewater discharge issue |
| **Capital Expenditures** | • Capital expenditures reflect sustaining maintenance levels only: no growth or transformative capex at Peace River, Rosenthal and Stendal, which could provide material upside to the forecast |
| **Foreign Exchange Rates** | • Foreign exchange rate assumptions developed from market research and bank forecasts |

# Key Financial Metrics

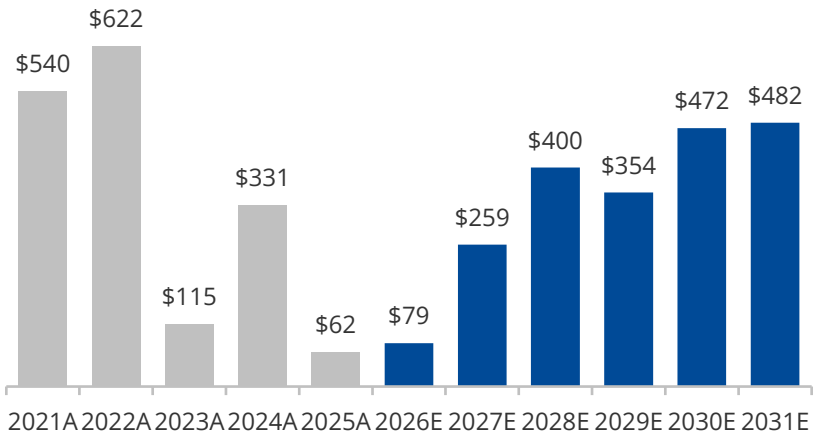
## Revenue ($mm)



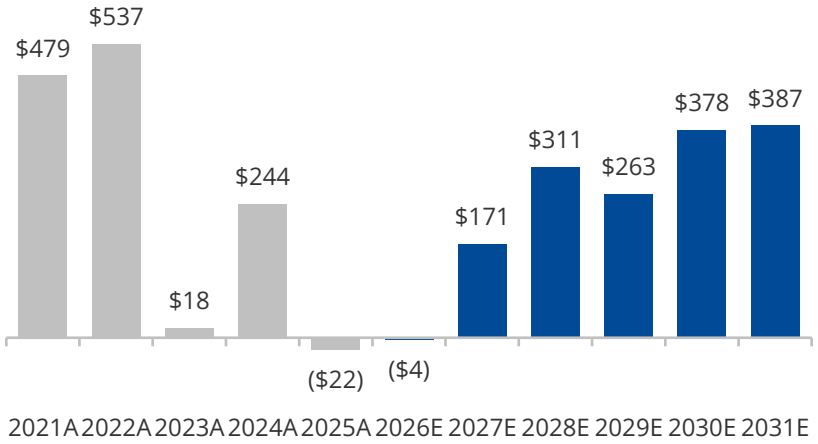

## Average Pulp Sale Price ($ / ADMT)




## Gross Profit ($mm)




## Operating EBITDA ($mm)




*Note: Does not reflect impact of unscheduled downtime and unforeseen additional costs at Rosenthal in Q4 2026, currently estimated at $15 million and subject to confirmation*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*

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# Annual Financial Forecast | Consolidated[1]

($ in millions except per unit metrics)

| | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | $1,803 | $2,281 | $1,994 | $2,043 | $1,868 | $1,891 | $2,233 | $2,427 | $2,494 | $2,641 | $2,704 |
| (-) Selling Expenses | (188) | (242) | (241) | (227) | (217) | (245) | (267) | (289) | (299) | (313) | (316) |
| **Net Mill Realizations** | **$1,615** | **$2,039** | **$1,753** | **$1,816** | **$1,651** | **$1,646** | **$1,966** | **$2,137** | **$2,195** | **$2,327** | **$2,388** |
| (-) Fiber | (509) | (676) | (839) | (765) | (876) | (937) | (942) | (942) | (963) | (1,002) | (1,027) |
| (-) Chemicals | (100) | (140) | (152) | (121) | (125) | (128) | (156) | (162) | (167) | (175) | (176) |
| (-) Energy | (107) | (139) | (136) | (82) | (67) | (61) | (73) | (102) | (104) | (108) | (103) |
| (-) Labor | (103) | (110) | (135) | (145) | (153) | (161) | (160) | (169) | (175) | (176) | (180) |
| (-) Maintenance | (164) | (176) | (175) | (194) | (222) | (169) | (205) | (205) | (242) | (185) | (216) |
| (-) Other Variable Costs | (10) | (16) | (40) | (45) | (28) | (55) | (66) | (74) | (85) | (94) | (104) |
| (-) Other Fixed Costs | (52) | (67) | (54) | (89) | (110) | (78) | (96) | (78) | (107) | (116) | (106) |
| (-) Purchase of Finished Goods | (88) | (101) | (98) | (24) | (0) | (0) | 0 | – | – | – | 0 |
| (+/-) Change in Finished Goods | 53 | (3) | (5) | (33) | 6 | 16 | (8) | (3) | 4 | 0 | 5 |
| (+/-) Exchange Gain (Loss) | 5 | 12 | (5) | 14 | (15) | 5 | (1) | (1) | (1) | – | – |
| **Gross Profit** | **$540** | **$622** | **$115** | **$331** | **$62** | **$79** | **$259** | **$400** | **$354** | **$472** | **$482** |
| Gross Margin % | 29.9% | 27.3% | 5.8% | 16.2% | 3.3% | 4.2% | 11.6% | 16.5% | 14.2% | 17.9% | 17.8% |
| (-) SG&A | (61) | (85) | (97) | (87) | (85) | (83) | (88) | (89) | (91) | (93) | (94) |
| **Operating EBITDA** | **$479** | **$537** | **$18** | **$244** | **($22)** | **($4)** | **$171** | **$311** | **$263** | **$378** | **$387** |
| Operating EBITDA Margin % | 26.6% | 23.5% | 0.9% | 11.9% | (1.2%) | (0.2%) | 7.7% | 12.8% | 10.5% | 14.3% | 14.3% |
| (+/-) Change in Net Working Capital | (192) | (26) | 42 | 0 | 118 | (75) | (41) | (27) | (8) | (16) | (15) |
| (-) Net Capital Expenditures | (120) | (173) | (127) | (85) | (83) | (48) | (107) | (120) | (113) | (95) | (86) |
| (+/-) Other[2] | (20) | (19) | 10 | (29) | 4 | (1) | (14) | (33) | (47) | (57) | (66) |
| **Unlevered Free Cash Flow** | **$147** | **$319** | **($57)** | **$130** | **$17** | **($128)** | **$9** | **$132** | **$95** | **$210** | **$220** |
| | | | | | | | | | | | |
| **Sales Volume Metrics** | | | | | | | | | | | |
| Total Pulp ('000s ADMT) | 1,813 | 1,918 | 1,951 | 1,900 | 1,830 | 1,794 | 1,885 | 1,998 | 1,977 | 2,029 | 2,011 |
| Lumber (MMfbm) | 420 | 410 | 501 | 470 | 465 | 453 | 523 | 565 | 567 | 562 | 561 |
| Energy Sold ('000s MWh) | 777 | 861 | 993 | 924 | 856 | 841 | 889 | 1,021 | 1,007 | 995 | 1,172 |
| Manufactured Volume ('000s $m^3$) | 4 | 29 | 33 | 31 | 27 | 44 | 61 | 73 | 87 | 102 | 118 |
| Pallets (mm units) | – | 3 | 11 | 10 | 9 | 8 | 8 | 8 | 8 | 8 | 8 |
| Biofuels ('000s MT) | – | 50 | 145 | 184 | 136 | 151 | 140 | 123 | 123 | 123 | 123 |

*Note: Does not include contribution from certain non-material subsidiaries*
*Note: Does not reflect impact of unscheduled downtime at Rosenthal in Q4 2026, which is estimated to cost $15 million*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Numbers reflect financial contribution from acquired entities as of date of acquisition*
*(2) Includes taxes, capital leases and changes due to foreign exchange*

# Illustrative Forecast Sensitivities

The tables below highlight the 2026 and 2027 EBITDA sensitivities based on changes to pulp pricing, exchange rates and fiber costs. Note the EBITDA impact from the increase in fiber costs may be offset by an increase in pulp prices and / or the strengthening of the U.S. dollar against both the Canadian dollar and the Euro

## Illustrative 2026E EBITDA Sensitivities ($mm)

| % Change in Pulp Fiber Cost / MT | Change in Pulp Price ($ / ADMT) | | | | |
|---|---|---|---|---|---|
| | ($20) | ($10) | – | $10 | $20 |
| (10.0%) | $1 | $5 | $8 | $11 | $15 |
| (5.0%) | (5) | (1) | 2 | 5 | 9 |
| 0.0% | (11) | (8) | (4) | (1) | 3 |
| 5.0% | (17) | (14) | (10) | (7) | (4) |
| 10.0% | (23) | (20) | (16) | (13) | (10) |

| Change in USD / CAD Exchange Rate | Change in USD / EUR Exchange Rate | | | | |
|---|---|---|---|---|---|
| | ($0.050) | ($0.025) | – | $0.025 | $0.050 |
| $0.050 | ($2) | ($0) | $1 | $3 | $4 |
| $0.025 | (4) | (3) | (2) | (0) | 1 |
| – | (7) | (6) | (4) | (3) | (2) |
| ($0.025) | (10) | (8) | (7) | (6) | (4) |
| ($0.050) | (12) | (11) | (10) | (8) | (7) |

## Illustrative 2027E EBITDA Sensitivities ($mm)

| % Change in Pulp Fiber Cost / MT | Change in Pulp Price ($ / ADMT) | | | | |
|---|---|---|---|---|---|
| | ($20) | ($10) | – | $10 | $20 |
| (10.0%) | $202 | $215 | $228 | $241 | $254 |
| (5.0%) | 173 | 187 | 200 | 213 | 226 |
| 0.0% | 145 | 158 | 171 | 184 | 198 |
| 5.0% | 117 | 130 | 143 | 156 | 169 |
| 10.0% | 88 | 101 | 115 | 128 | 141 |

| Change in USD / CAD Exchange Rate | Change in USD / EUR Exchange Rate | | | | |
|---|---|---|---|---|---|
| | ($0.050) | ($0.025) | – | $0.025 | $0.050 |
| $0.050 | $180 | $186 | $193 | $199 | $205 |
| $0.025 | 170 | 176 | 182 | 188 | 194 |
| – | 159 | 165 | 171 | 178 | 184 |
| ($0.025) | 148 | 154 | 161 | 167 | 173 |
| ($0.050) | 138 | 144 | 150 | 156 | 162 |

*Note: Does not reflect impact of unscheduled downtime at Rosenthal in Q4 2026, which is estimated to cost $15 million*
*Note: 2026 is annualized and only Q4 has been sensitized*

# Historical and Projected Working Capital Metrics

## Working Capital Metrics (Days)

| Days Sales Outstanding | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 |
|---|---|---|---|---|---|---|---|---|
| Pulp | 67 | 69 | 69 | 67 | 68 | 68 | 67 | 67 |
| Solid Wood | 32 | 30 | 28 | 21 | 22 | 22 | 22 | 23 |
| Consolidated | 58 | 58 | 56 | 53 | 54 | 53 | 53 | 53 |

Solid Wood DSO decreases in 2026, reflecting the planned shift reduction at Torgau. It falls further through the forecast period as MMT moves from start-up to normalized operations

| Days Payables Outstanding | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 |
|---|---|---|---|---|---|---|---|---|
| Pulp | 32 | 28 | 25 | 23 | 24 | 23 | 22 | 22 |
| Solid Wood | 33 | 23 | 21 | 23 | 22 | 22 | 21 | 21 |
| Consolidated | 33 | 27 | 24 | 23 | 23 | 23 | 21 | 21 |

Solid Wood DPO is higher in 2024, driven by MMT's start-up phase and lower production costs. German pulp DPO is forecast to decrease as average payables decrease in alignment with mill shutdown timing; which lengthen to 18-month cycles at Stendal in the long-term plan

| Inventory Days (Fiber) | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 |
|---|---|---|---|---|---|---|---|---|
| Pulp | 53 | 44 | 24 | 32 | 34 | 35 | 35 | 36 |
| Solid Wood | 25 | 19 | 16 | 18 | 20 | 21 | 21 | 22 |
| Consolidated | 45 | 37 | 21 | 28 | 29 | 30 | 31 | 32 |

Pulp Fiber Inventory Days fall to 24 in 2026 from 53 in 2024 and 44 in 2025. The elevated 2024 and 2025 levels reflect a fiber build-up after an MPR mechanical failure in 2024, which caused 50 shutdown days. That excess inventory worked through the conversion cycle into 2025. Days settle at 32–36 from 2027 as production levels and fiber inventories return to historical levels in Germany

| Inventory Days (Finished Goods) | FY2024 | FY2025 | FY2026 | FY2027 | FY2028 | FY2029 | FY2030 | FY2031 |
|---|---|---|---|---|---|---|---|---|
| Pulp | 29 | 23 | 23 | 18 | 20 | 20 | 19 | 21 |
| Solid Wood | 41 | 40 | 48 | 45 | 41 | 41 | 41 | 41 |
| Consolidated | 32 | 27 | 29 | 25 | 25 | 25 | 25 | 26 |

Pulp Finished Goods Inventory Days were higher in 2024 (29 vs. 23 in 2025), as Canadian operations carried higher average finished goods inventory with lower production costs. European Solid Wood operations drive the decrease after 2026 (48 to 41 days) through increased production and stronger inventory management

*Note: The Pulp segment comprises Stendal, Rosenthal, Celgar and Peace River. The Solid Wood segment comprises Torgau, Friesau (MTP) and MMT. MMT has been excluded from the Finished Goods Inventory Days calculation as it carries an immaterial amount of finished goods. Corporate, intercompany (including Holz), and other immaterial entities have been excluded from the working capital metrics calculations*
*Note: Does not reflect impact of unscheduled downtime and unforeseen additional costs at Rosenthal in Q4 2026, currently estimated at $15 million and subject to confirmation*



# 04

# Appendix

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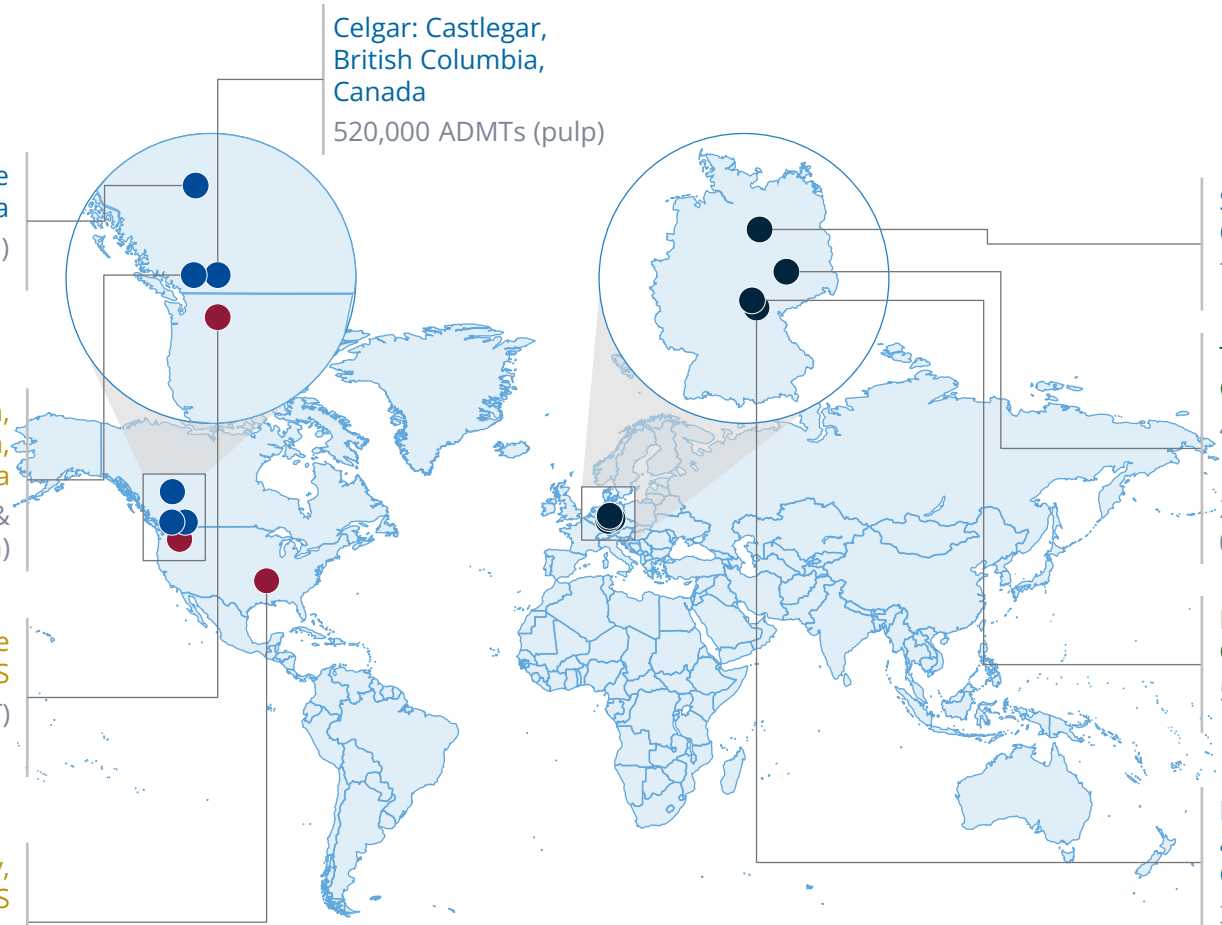
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# Appendix

Mill Detail

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# Facility Locations



Celgar: Castlegar, British Columbia, Canada
520,000 ADMTs (pulp)

Peace River: Peace River, Alberta, Canada
475,000 ADMTs (pulp)

Okanagan: Penticton, British Columbia, Canada
40,000 $m^3$ (CLT & Glulam)

Spokane: Spokane Valley, Washington, US
140,000 $m^3$ (CLT)

Conway: Conway, Arkansas, US
75,000 $m^3$ (CLT & Glulam)

Stendal: Arneburg, Germany
740,000 ADMTs (pulp)

Torgau: Torgau, Germany(1)
473 MMfbm (lumber)
17 million (pallets)
230,000 tonnes (biofuels)

Friesau: Friesau, Germany
500 MMfbm (lumber)

Rosenthal: Rosenthal am Rennsteig, Germany
360,000 ADMTs (pulp)

Canada US Germany

Pulp Solid Wood MMT

*(1) Stated capacities as of March 31, 2026*

# Mill Overview | Stendal

## Description

- In September 2004, Mercer completed construction of the Stendal mill at an aggregate cost of ~$1.1 billion. Mercer's Stendal mill is one of the largest and most modern NBSK pulp mills in Europe
- Stendal, along with the rest of Mercer's pulp facilities, produces enough green energy to meet its internal needs, while also providing a significant amount of power to the electricity grid
- Stendal has a modern turpentine and tall oil extraction plant providing incremental revenue opportunities
- Stendal has made progress on a project that could allow the mill to produce 95,000 tons of Sustainable Aviation Fuel (SAF) by gasifying part of its black liquor, which could add in excess of $300 million EBITDA to the site
  - Neither this project nor the capital expenditures associated with it are included in the financial forecast

## Facility Overview

| | |
|---|---|
| **Location** | • Arneburg, Germany |
| **Year Built** | • 2004 |
| **Primary Products** | • NBSK pulp (740,000 ADMTs of annual production capacity) |
| **Legal Entity** | • Mercer Stendal GmbH |

## Mill Photo



*Note: Capital expenditures and potential EBITDA benefits associated with the growth projects are not included in the Financial Forecast*

# Mill Overview | Rosenthal

## Description

- In December 1994, Mercer acquired Rosenthal from the German government's Treuhandanstalt (agency tasked with privatizing state-owned enterprises after German reunification)
- Mercer invested ~$380 million into Rosenthal in 1996, (i) boosting pulp capacity, (ii) trimming operational costs and (iii) decreasing the mill's environmental impact
- Rosenthal is equipped with an operational, state-of-the-art pilot lignin facility capable of producing approximately 300 tonnes of lignin per year
- Rosenthal has developed a project for a commercial-sized lignin plant capable of producing 35,000 tons of lignin that could contribute an additional $30 million of EBITDA per year
  - Neither this project nor the capital expenditures associated with it are included in the financial forecast

## Facility Overview

| | |
|---|---|
| **Location** | • Rosenthal am Rennsteig, Germany |
| **Year Built** | • 1883<br>• In 1994, Mercer acquired and extensively modernized the mill |
| **Primary Products** | • NBSK pulp (360,000 ADMTs of annual production capacity) |
| **Legal Entity** | • Mercer Rosenthal GmbH |

## Mill Photo



*Note: Capital expenditures and potential EBITDA benefits associated with the growth projects are not included in the Financial Forecast*

# Mill Overview | Celgar

## Description

- In February 2005, Mercer acquired Celgar. Celgar had previously undergone an $850 million rebuild in 1993, transforming it into a high quality, continuous process pulp mill
- In 2007 and 2010, Mercer completed two modernization projects at Celgar, increasing (i) operational efficiencies and (ii) the mill's energy-generating capacity
- Celgar's close proximity to the British Columbia coast offers logistical advantages for distribution and access to raw materials

## Facility Overview

| | |
|---|---|
| **Location** | • Castlegar, British Columbia, Canada |
| **Year Built** | • 1960<br>• In 2005, Mercer acquired the mill for ~$210 million |
| **Primary Products** | • NBSK pulp (520,000 ADMTs of annual production capacity) |
| **Legal Entity** | • Mercer Celgar Limited Partnership |

## Mill Photo



# Mill Overview | Peace River

## Description

- In December 2018, Mercer acquired Daishowa-Marubeni International Ltd., which included Peace River and a 50% interest in Cariboo Pulp and Paper (divested the 50% stake in 2024)
- Peace River holds two 20-year renewable governmental forest management agreements and three deciduous timber allocations in Alberta, Canada
- Peace River has an aggregate allowable annual cut of (i) ~2.9 million cubic meters of hardwood and (ii) softwood allocations totaling 375,000 cubic meters
- Peace River is developing a project with Svante for a Bioenergy with Carbon Capture and Storage (BECCS) project that would allow it to capture and sequester 500,000 tons of carbon dioxide, which could add $50 million to its EBITDA per year
  - Neither this project nor the capital expenditures associated with it are included in the financial forecast

## Facility Overview

| | |
|---|---|
| **Location** | • Peace River, Alberta, Canada |
| **Year Built** | • 1990<br>• Mercer acquired the mill in 2018 |
| **Primary Products** | • NBSK and NBHK pulp (475,000 ADMTs of annual production capacity) |
| **Legal Entity** | • Mercer Peace River Pulp Ltd. |

## Mill Photo



*Note: Capital expenditures and potential EBITDA benefits associated with the growth projects are not included in the Financial Forecast*

# Mill Overview | Friesau

## Description

- In April 2017, Mercer established Mercer Timber Products with the acquisition of the Friesau sawmill
- Friesau's product line ranges from custom rough green and dry lumber for the European market to kiln-dried dimensional lumber for the United States, Japan, United Kingdom and other export markets
- Friesau is a manufacturer of softwood lumber products procured from sustainably managed forests

## Facility Overview

| | |
|---|---|
| **Location** | • Friesau, Germany |
| **Year Built** | • 1992<br>• Mercer acquired the mill in 2017 |
| **Primary Products** | • Diverse wood products (500 MMfbm of annual lumber production capacity) |
| **Legal Entity** | • Mercer Timber Products GmbH |

## Mill Photo



# Mill Overview | Torgau

## Description[1]

- In October 2022, Mercer acquired Holzindustrie Torgau and renamed it Mercer Torgau
- Torgau's annual production capacity extends across a variety of products, including (i) 473 MMfbm of lumber, (ii) 17 million pallets and (iii) 230,000 tonnes of biofuels (wood pellets and briquettes)
- Torgau is one of the world's largest producers of Euro-pallets, which is the standard European shipping pallet

## Facility Overview

| | |
|---|---|
| **Location** | • Torgau, Germany |
| **Year Built** | • 1999<br>• Mercer acquired the mill in 2022 |
| **Primary Products** | • Diverse wood products |
| **Legal Entity** | • Mercer Torgau Holdings GmbH |

## Mill Photo



*(1) Stated capacities are as of March 31, 2026*



# 04

# Appendix

## Mercer Mass Timber Overview

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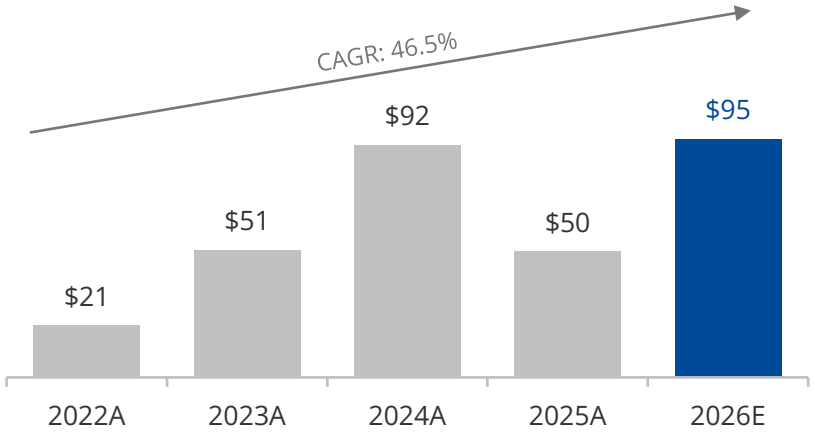
# Mercer Mass Timber Overview

Mercer Mass Timber consists of three cross-laminated timber ("CLT") and glue-laminated timber ("glulam") manufacturing facilities located in the United States & Canada

## Overview

- Mercer is well-positioned to capture sustained demand from hyperscaler data centers due to its existing capacity and geographic footprint
  - Data centers are increasingly incorporating mass timber into hybrid structural systems, fueling incremental demand
- North American CLT consumption more than doubled from 2019 to 2024 and is forecasted to grow at a 25% CAGR between 2025 and 2029
- In addition, proposed legislation in the U.S. could mandate and/or incentivize mass timber products in public construction which could increase U.S. demand by 20%-30%

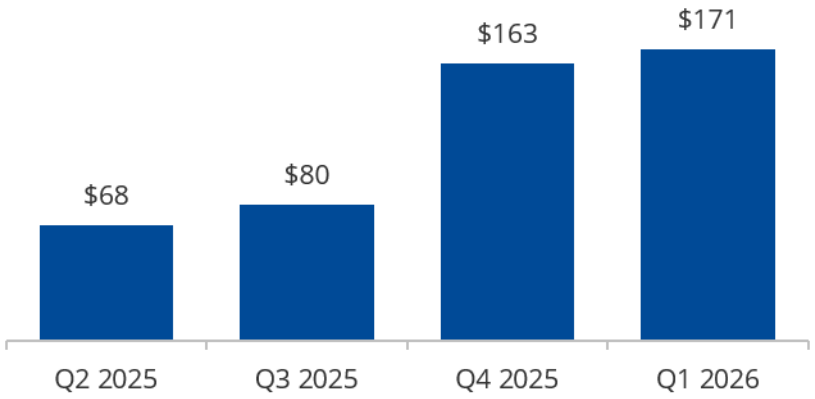
## Historical & Projected Revenue ($mm)




## Facility Overview

| Facility | Capacity ($m^3$) | Product | Mfg. Space (sq ft.) |
|---|---|---|---|
| **Spokane** (Spokane, WA) | 140,000 | CLT | 253,000 |
| **Conway** (Conway, AR) | 75,000 | CLT & Glulam | 280,000 |
| **Okanagan** (Penticton, BC) | 40,000 | CLT & Glulam | 111,000 |

## Historical Backlog ($mm)




*Note: Reflects preliminary results for Q3 2026 which are subject to change*

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# Mercer Mass Timber | Leading Market Position

## Largest Mass Timber Panel Manufacturer by Installed Capacity in North America

**3** North American facilities with wide geographic reach

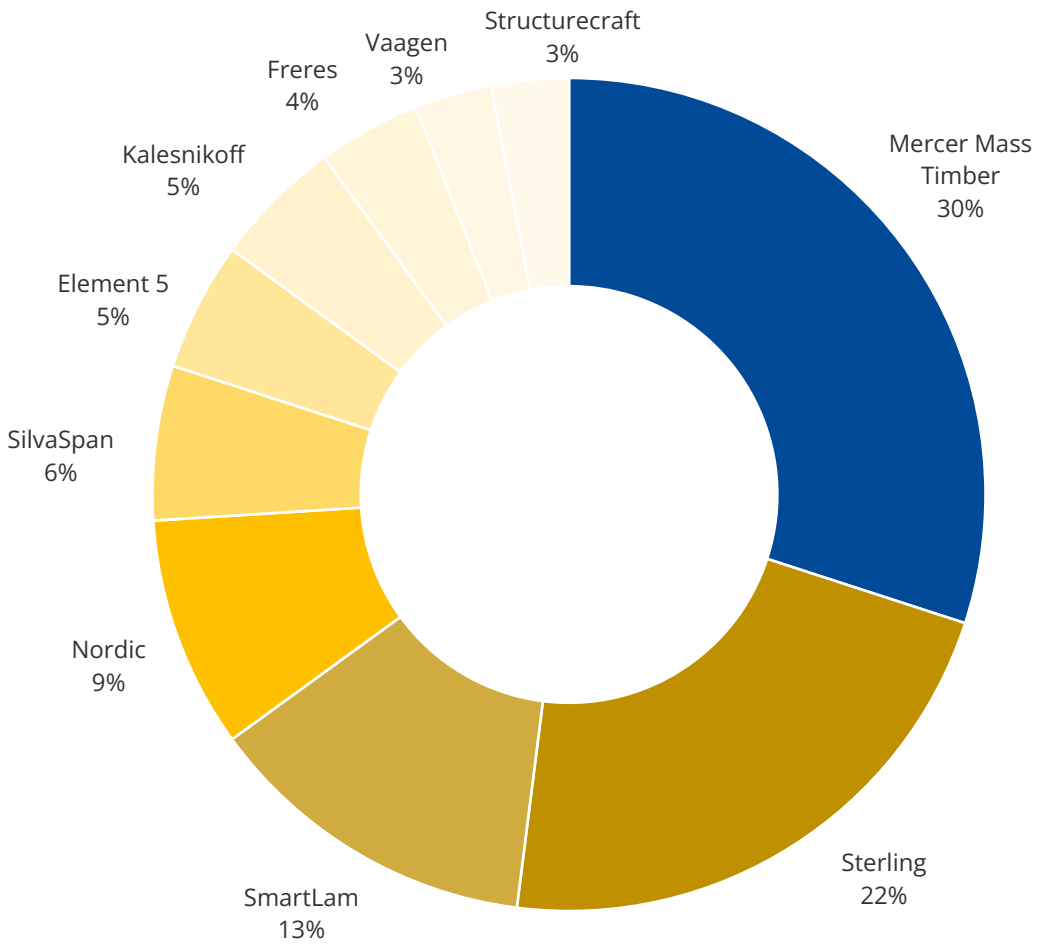
**2** State-of-the-art facilities in Northwest and Southeast United States

**45,000 m³**

Total glulam capacity

**210,000 m³**

Total CLT capacity



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# Mercer Mass Timber | Key Product Benefits

## Grounded in Wood Science, Driven by Innovation

| | |
|---|---|
| **Speed of Assembly** | Mass timber construction is ~30% faster than traditional steel and concrete construction |
| **Biophilic Properties** | Wooden environments can improve productivity, learning and overall wellbeing |
| **Sustainability Impact** | Sustainably sourced renewable wood sequesters carbon and has a lower intensity than steel and concrete |
| **Design Precision** | High-precision manufacturing for specific end-use applications with little or no job site waste |
| **Jobsite Efficiency** | Rapid assembly improved efficiency and occupation, and reduces demand for skilled workers |
| **Cost Competitive** | Lightness (compared to concrete) and rapid assembly results in lower capital |

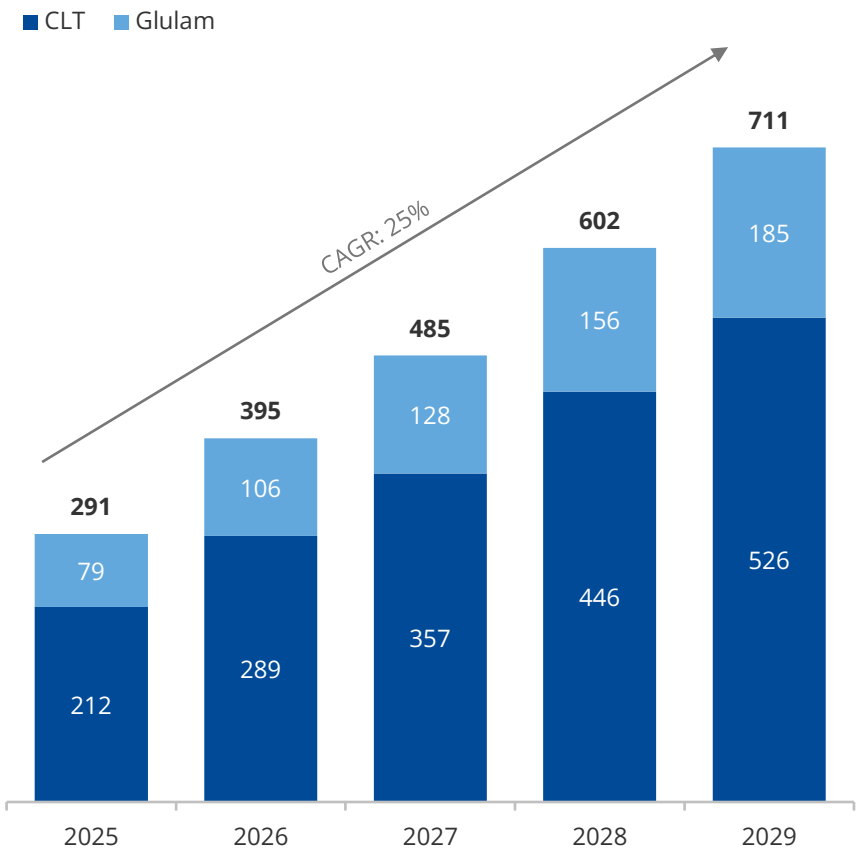
## World-class Assets and Innovation

State-of-the-art CLT facilities in Spokane, WA and Conway, AR; 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 210,000 cubic metres 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, sequesters carbon, 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 |

# Mercer Mass Timber | Unprecedented Projected Growth

## North American Forecasted Consumption[1][2] (000s m³)




## Mass Timber is on the Rise

From 2014 to 2024, the floor area of U.S. Projects started or completed has grown from 0.2 million ft² to 7.4 million ft², with 75.3 million ft² currently in design[1]

## Evolving Building Codes

Government appetite for tall wood buildings continues to increase, with both Canada and the U.S. now permitting up to 18 stories

## Intensifying ESG Efforts

Mass timber buildings emit anywhere from 14% to 52% less carbon than buildings made from steel and concrete[1]

## Increased Demand for Data Centers

Rapid growth in AI-driven data center construction is accelerating adoption of mass timber as a scalable, fast-to-install and lower-carbon building solution

*(1) FEA 2024 Mass Timber Annual Report*
*(2) As of mid-2024*

# Mercer Mass Timber | Development Timeline

MMT represented ~30% of the current North American mass timber manufacturing capacity in 2024



## Mercer acquires Cross-laminated Timber ("CLT") Facility

**2021**

- In August 2021, Mercer acquired the Katerra CLT facility, located in Spokane Valley, Washington, U.S. for ~$51 million, and renamed it Mercer Mass Timber
- At inception, Mercer Mass Timber was a modern 253,000-square-foot facility with a capacity of 13 million square feet per year
  - Based on 2 shifts, 20 hours per day, 5 days a week, it produces 140,000 cubic meters annually



## Mercer announces strategic acquisition of Structurlam's assets

**2023**

- In June 2023, Mercer completed the strategic acquisition of Structurlam's assets for ~$82 million, including its mass timber facility in Conway, Arkansas
  - This acquisition established Mercer as North America's leading mass timber provider, expanding the Company's CLT capacity to ~210,000 cubic meters while adding 45,000 cubic meters of glue-laminated timber ("glulam") production capacity
  - Incorporating glulam capability enhanced Mercer's product offering and strengthened its ability to serve its growing customer base



## Mercer acquires and combines three British Columbia facilities

**2023**

- In June 2023, as part of the Structurlam acquisition, Mercer also acquired three mass timber facilities in Penticton, British Columbia, Canada
  - Mercer subsequently consolidated the three facilities into one mass timber facility referred to as the Okanagan facility
- The expanded geographic reach and market share Mercer Mass Timber gained from the expansion helped the Company facilitate the broader adoption of mass timber as a building material



04

# Appendix

Financial Forecast Detail

MERCER

# Liquidity Forecast | 13-Week Cash Flow Detail ($ in millions)

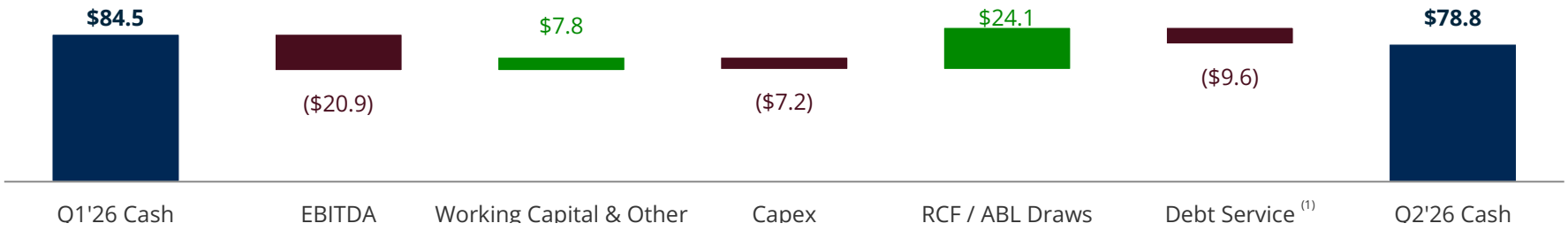
| | 1<br>10/16/26 | 2<br>10/23/26 | 3<br>10/30/26 | 4<br>11/06/26 | 5<br>11/13/26 | 6<br>11/20/26 | 7<br>11/27/26 | 8<br>12/04/26 | 9<br>12/11/26 | 10<br>12/18/26 | 11<br>12/25/26 | 12<br>1/01/27 | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Operating Cash Flow** | | | | | | | | | | | | | |
| Germany Receipts | $45.6 | $42.5 | $44.1 | $43.0 | $65.4 | $41.1 | $42.4 | $43.5 | $58.7 | $39.3 | $43.4 | $34.4 | $543.4 |
| North America Receipts | 20.7 | 17.9 | 19.2 | 18.1 | 12.4 | 16.0 | 13.9 | 12.3 | 13.8 | 12.4 | 12.9 | 20.0 | 189.4 |
| **Total Operating Receipts** | **$66.3** | **$60.4** | **$63.3** | **$61.1** | **$77.7** | **$57.1** | **$56.2** | **$55.8** | **$72.5** | **$51.7** | **$56.3** | **$54.4** | **$732.9** |
| Germany Trade Disbursements | ($48.6) | ($51.6) | ($49.1) | ($45.6) | ($58.7) | ($47.2) | ($44.0) | ($41.1) | ($47.1) | ($36.9) | ($35.3) | ($34.8) | ($540.0) |
| North America Trade Disbursements | (13.3) | (12.6) | (22.2) | (12.2) | (22.1) | (9.9) | (18.3) | (12.7) | (13.1) | (7.2) | (13.7) | (15.0) | (172.2) |
| Germany Salaries & Wages | (0.6) | (6.7) | (1.8) | (3.1) | (1.0) | – | (9.4) | (3.0) | (1.1) | (7.0) | (2.2) | – | (35.8) |
| North America Salaries & Wages | (5.5) | (0.3) | (7.1) | (0.3) | (4.1) | (1.3) | (2.8) | (2.8) | (2.7) | (2.7) | (2.7) | (2.7) | (35.2) |
| **Total Operating Disbursements** | **($68.0)** | **($71.2)** | **($80.1)** | **($61.2)** | **($85.9)** | **($58.3)** | **($74.6)** | **($59.6)** | **($64.1)** | **($53.7)** | **($53.9)** | **($52.5)** | **($783.2)** |
| **Total Operating Cash Flow [A]** | **($1.7)** | **($10.8)** | **($16.8)** | **($0.1)** | **($8.1)** | **($1.3)** | **($18.4)** | **($3.8)** | **$8.5** | **($2.0)** | **$2.4** | **$1.8** | **($50.4)** |
| Memo: Germany Operating Cash Flow | ($3.6) | ($15.7) | ($6.8) | ($5.7) | $5.6 | ($6.1) | ($11.1) | ($0.5) | $10.5 | ($4.5) | $6.0 | ($0.4) | ($32.4) |
| Memo: North America Operating Cash Flow | 1.9 | 4.9 | (10.1) | 5.6 | (13.8) | 4.9 | (7.3) | (3.3) | (2.0) | 2.5 | (3.6) | 2.3 | (18.0) |
| **Financing, Restructuring & Other** | | | | | | | | | | | | | |
| Draw / (Paydown) on Facilities | – | $13.3 | $7.1 | $5.7 | ($5.2) | $6.1 | $11.1 | $0.8 | ($10.1) | $4.5 | ($6.0) | $0.7 | $28.0 |
| Interest Expense | (0.3) | – | (0.6) | (0.1) | (0.4) | – | (0.0) | (0.7) | (0.4) | – | (0.0) | (0.7) | (3.2) |
| **Total Financing** | **($0.3)** | **$13.3** | **$6.5** | **$5.5** | **($5.6)** | **$6.1** | **$11.1** | **$0.1** | **($10.5)** | **$4.5** | **($6.0)** | **$0.0** | **$24.8** |
| Chapter 11 Professional Fees | ($5.6) | ($2.1) | ($2.5) | – | ($0.2) | – | ($1.6) | – | ($0.7) | – | ($0.2) | – | ($12.9) |
| **Total Financing, Restructuring & Other [B]** | **($5.9)** | **$11.2** | **$4.1** | **$5.5** | **($5.9)** | **$6.1** | **$9.5** | **$0.1** | **($11.2)** | **$4.5** | **($6.2)** | **$0.0** | **$12.0** |
| **Liquidity** | | | | | | | | | | | | | |
| Beginning Cash Balance | $70.9 | $63.3 | $63.7 | $50.9 | $56.4 | $42.3 | $47.2 | $38.4 | $34.7 | $32.0 | $34.5 | $30.7 | $70.9 |
| Change in Cash [A] + [B] | (7.6) | 0.4 | (12.8) | 5.4 | (14.0) | 4.9 | (8.9) | (3.7) | (2.7) | 2.5 | (3.8) | 1.8 | (38.4) |
| **Ending Cash Balance** | **$63.3** | **$63.7** | **$50.9** | **$56.4** | **$42.3** | **$47.2** | **$38.4** | **$34.7** | **$32.0** | **$34.5** | **$30.7** | **$32.5** | **$32.5** |
| RCF / ABL Availability | 64.0 | 49.4 | 42.3 | 36.7 | 44.4 | 38.3 | 27.2 | 26.4 | 35.4 | 30.9 | 36.8 | 36.0 | 36.0 |
| **Ending Liquidity** | **$127.3** | **$113.1** | **$93.2** | **$93.0** | **$86.8** | **$85.5** | **$65.5** | **$61.1** | **$67.4** | **$65.4** | **$67.5** | **$68.5** | **$68.5** |

*Note: Reflects preliminary results for Q3 2026 which are subject to change*

# Consolidated Cash Flow Waterfall: Q1 2026 Through Q4 2026

($ in millions)

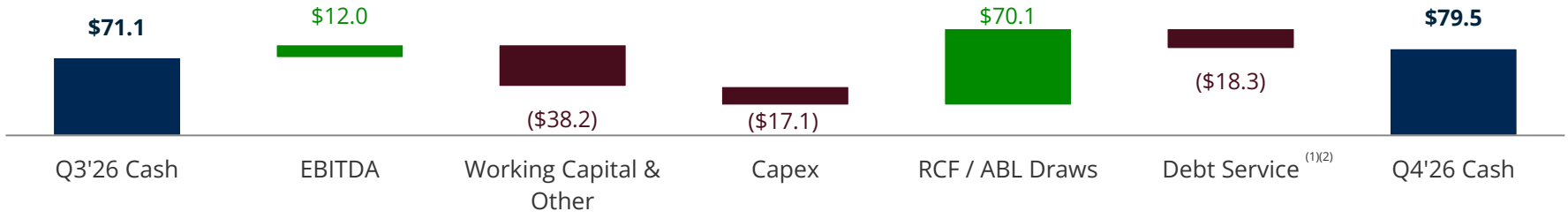
## Q1 2026 Through Q2 2026 Cash Flow Waterfall ($mm)




## Q2 2026 Through Q3 2026 Cash Flow Waterfall ($mm)




## Q3 2026 Through Q4 2026 Cash Flow Waterfall ($mm)




*Note: Working capital comprises working capital, taxes, FX and Santanol sale proceeds; Capex net of grants and including capital lease additions; Debt service comprises net interest expense, capital lease repayments and refinancing costs; Cash balances reflect consolidated unrestricted cash and equivalents; figures may not foot due to rounding*
*Note: Does not reflect impact of unscheduled downtime at Rosenthal in Q4 2026, which is estimated to cost $15 million*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Excluding quarterly debt services related to Notes*
*(2) Including impacts related to professional fees*

# Annual Financial Forecast | Consolidated[1]

($ in millions except per unit metrics)

| | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | $1,803 | $2,281 | $1,994 | $2,043 | $1,868 | $1,891 | $2,233 | $2,427 | $2,494 | $2,641 | $2,704 |
| (-) Selling Expenses | (188) | (242) | (241) | (227) | (217) | (245) | (267) | (289) | (299) | (313) | (316) |
| **Net Mill Realizations** | **$1,615** | **$2,039** | **$1,753** | **$1,816** | **$1,651** | **$1,646** | **$1,966** | **$2,137** | **$2,195** | **$2,327** | **$2,388** |
| (-) Fiber | (509) | (676) | (839) | (765) | (876) | (937) | (942) | (942) | (963) | (1,002) | (1,027) |
| (-) Chemicals | (100) | (140) | (152) | (121) | (125) | (128) | (156) | (162) | (167) | (175) | (176) |
| (-) Energy | (107) | (139) | (136) | (82) | (67) | (61) | (73) | (102) | (104) | (108) | (103) |
| (-) Labor | (103) | (110) | (135) | (145) | (153) | (161) | (160) | (169) | (175) | (176) | (180) |
| (-) Maintenance | (164) | (176) | (175) | (194) | (222) | (169) | (205) | (205) | (242) | (185) | (216) |
| (-) Other Variable Costs | (10) | (16) | (40) | (45) | (28) | (55) | (66) | (74) | (85) | (94) | (104) |
| (-) Other Fixed Costs | (52) | (67) | (54) | (89) | (110) | (78) | (96) | (78) | (107) | (116) | (106) |
| (-) Purchase of Finished Goods | (88) | (101) | (98) | (24) | (0) | (0) | 0 | – | – | – | 0 |
| (+/-) Change in Finished Goods | 53 | (3) | (5) | (33) | 6 | 16 | (8) | (3) | 4 | 0 | 5 |
| (+/-) Exchange Gain (Loss) | 5 | 12 | (5) | 14 | (15) | 5 | (1) | (1) | (1) | – | – |
| **Gross Profit** | **$540** | **$622** | **$115** | **$331** | **$62** | **$79** | **$259** | **$400** | **$354** | **$472** | **$482** |
| Gross Margin % | 29.9% | 27.3% | 5.8% | 16.2% | 3.3% | 4.2% | 11.6% | 16.5% | 14.2% | 17.9% | 17.8% |
| (-) SG&A | (61) | (85) | (97) | (87) | (85) | (83) | (88) | (89) | (91) | (93) | (94) |
| **Operating EBITDA** | **$479** | **$537** | **$18** | **$244** | **($22)** | **($4)** | **$171** | **$311** | **$263** | **$378** | **$387** |
| Operating EBITDA Margin % | 26.6% | 23.5% | 0.9% | 11.9% | (1.2%) | (0.2%) | 7.7% | 12.8% | 10.5% | 14.3% | 14.3% |
| (+/-) Change in Net Working Capital | (192) | (26) | 42 | 0 | 118 | (75) | (41) | (27) | (8) | (16) | (15) |
| (-) Net Capital Expenditures | (120) | (173) | (127) | (85) | (83) | (48) | (107) | (120) | (113) | (95) | (86) |
| (+/-) Other[2] | (20) | (19) | 10 | (29) | 4 | (1) | (14) | (33) | (47) | (57) | (66) |
| **Unlevered Free Cash Flow** | **$147** | **$319** | **($57)** | **$130** | **$17** | **($128)** | **$9** | **$132** | **$95** | **$210** | **$220** |
| | | | | | | | | | | | |
| **Sales Volume Metrics** | | | | | | | | | | | |
| Total Pulp ('000s ADMT) | 1,813 | 1,918 | 1,951 | 1,900 | 1,830 | 1,794 | 1,885 | 1,998 | 1,977 | 2,029 | 2,011 |
| Lumber (MMfbm) | 420 | 410 | 501 | 470 | 465 | 453 | 523 | 565 | 567 | 562 | 561 |
| Energy Sold ('000s MWh) | 777 | 861 | 993 | 924 | 856 | 841 | 889 | 1,021 | 1,007 | 995 | 1,172 |
| Manufactured Volume ('000s $m^3$) | 4 | 29 | 33 | 31 | 27 | 44 | 61 | 73 | 87 | 102 | 118 |
| Pallets (mm units) | – | 3 | 11 | 10 | 9 | 8 | 8 | 8 | 8 | 8 | 8 |
| Biofuels ('000s MT) | – | 50 | 145 | 184 | 136 | 151 | 140 | 123 | 123 | 123 | 123 |

*Note: Does not include contribution from certain non-material subsidiaries*
*Note: Does not reflect impact of unscheduled downtime and unforeseen additional costs at Rosenthal in Q4 2026, currently estimated at $15 million and subject to confirmation*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Numbers reflect financial contribution from acquired entities as of date of acquisition*
*(2) Includes taxes, capital leases and changes due to foreign exchange*

# Quarterly Financial Forecast | Consolidated[1]

($ in millions except per unit metrics)

| | Quarter Ended | | | | | | | | Year Ended | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 | FY 2026 | FY 2027 |
| Revenue | $489 | $460 | $441 | $500 | $524 | $556 | $553 | $600 | $1,891 | $2,233 |
| (-) Selling Expenses | (59) | (65) | (59) | (62) | (63) | (66) | (66) | (71) | (245) | (267) |
| **Net Mill Realizations** | **$430** | **$395** | **$382** | **$438** | **$461** | **$489** | **$487** | **$528** | **$1,646** | **$1,966** |
| (-) Fiber | (244) | (245) | (215) | (232) | (243) | (235) | (236) | (228) | (937) | (942) |
| (-) Chemicals | (32) | (34) | (27) | (35) | (39) | (38) | (39) | (40) | (128) | (156) |
| (-) Energy | (20) | (19) | (20) | (3) | (25) | (20) | (21) | (8) | (61) | (73) |
| (-) Labor | (42) | (41) | (37) | (42) | (40) | (42) | (38) | (39) | (161) | (160) |
| (-) Maintenance | (33) | (34) | (52) | (50) | (37) | (61) | (55) | (53) | (169) | (205) |
| (-) Other Variable Costs | (12) | (15) | (13) | (15) | (17) | (16) | (17) | (17) | (55) | (66) |
| (-) Other Fixed Costs | (24) | (21) | (5) | (28) | (25) | (25) | (18) | (28) | (78) | (96) |
| (-) Purchase of Finished Goods | (0) | – | – | (0) | 0 | – | (0) | 0 | (0) | 0 |
| (+/-) Change in Finished Goods | 1 | 11 | 4 | 0 | 6 | (11) | 10 | (14) | 16 | (8) |
| (+/-) Exchange Gain (Loss) | 4 | 2 | 0 | (1) | (0) | (0) | (0) | (0) | 5 | (1) |
| **Gross Profit** | **$29** | **($1)** | **$17** | **$34** | **$42** | **$42** | **$73** | **$102** | **$79** | **$259** |
| Gross Margin % | 5.9% | (0.2%) | 4.0% | 6.7% | 8.1% | 7.5% | 13.3% | 16.9% | 4.2% | 11.6% |
| (-) SG&A | (21) | (20) | (20) | (22) | (22) | (23) | (21) | (21) | (83) | (88) |
| **Operating EBITDA** | **$8** | **($21)** | **($3)** | **$12** | **$20** | **$18** | **$53** | **$80** | **($4)** | **$171** |
| Operating EBITDA Margin % | 1.6% | (4.5%) | (0.7%) | 2.4% | 3.9% | 3.3% | 9.5% | 13.4% | (0.2%) | 7.7% |
| (+/-) Change in Net Working Capital | (51) | 3 | 13 | (40) | (17) | 8 | (3) | (30) | (75) | (41) |
| (-) Net Capital Expenditures | (12) | (7) | (12) | (16) | (30) | (31) | (28) | (18) | (48) | (107) |
| (+/-) Other[2] | (1) | 1 | 1 | (2) | 0 | (4) | (5) | (6) | (1) | (14) |
| **Unlevered Free Cash Flow** | **($57)** | **($24)** | **($1)** | **($46)** | **($26)** | **($9)** | **$17** | **$27** | **($128)** | **$9** |
| **Sales Volume Metrics** | | | | | | | | | | |
| Total Pulp ('000s ADMT) | 471 | 450 | 424 | 450 | 467 | 468 | 457 | 492 | 1,794 | 1,885 |
| Lumber (MMfbm) | 112 | 100 | 116 | 125 | 114 | 141 | 128 | 141 | 453 | 523 |
| Energy Sold ('000s MWh) | 217 | 206 | 193 | 225 | 234 | 225 | 205 | 225 | 841 | 889 |
| Manufactured Volume ('000s $m^3$) | 11 | 11 | 8 | 15 | 14 | 15 | 15 | 16 | 44 | 61 |
| Pallets (mm units) | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 8 | 8 |
| Biofuels ('000s MT) | 38 | 35 | 39 | 39 | 41 | 33 | 36 | 31 | 151 | 140 |

*Note: Does not include contribution from certain non-material subsidiaries*
*Note: Does not reflect impact of unscheduled downtime at Rosenthal in Q4 2026, which is estimated to cost $15 million*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Numbers reflect financial contribution from acquired entities as of date of acquisition*
*(2) Includes taxes, capital leases and changes due to foreign exchange*

# Annual Financial Forecast | Pulp Segment

($ in millions except per unit metrics)

| | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | $1,498 | $1,866 | $1,516 | $1,549 | $1,387 | $1,327 | $1,616 | $1,740 | $1,756 | $1,866 | $1,889 |
| (-) Selling Expenses | (149) | (190) | (171) | (159) | (158) | (162) | (180) | (196) | (201) | (211) | (210) |
| **Net Mill Realizations** | **$1,349** | **$1,676** | **$1,346** | **$1,389** | **$1,229** | **$1,166** | **$1,436** | **$1,544** | **$1,555** | **$1,655** | **$1,679** |
| (-) Fiber | (391) | (524) | (633) | (568) | (636) | (674) | (692) | (686) | (691) | (721) | (738) |
| (-) Chemicals | (100) | (140) | (152) | (121) | (125) | (128) | (156) | (162) | (167) | (175) | (176) |
| (-) Energy | (100) | (121) | (98) | (59) | (42) | (45) | (46) | (71) | (72) | (76) | (69) |
| (-) Labor | (88) | (88) | (85) | (88) | (93) | (94) | (97) | (102) | (106) | (107) | (109) |
| (-) Maintenance | (151) | (152) | (128) | (149) | (178) | (130) | (172) | (170) | (207) | (149) | (179) |
| (-) Other Variable Costs | (20) | (10) | (9) | (9) | (9) | (9) | (10) | (11) | (11) | (12) | (11) |
| (-) Other Fixed Costs | (48) | (56) | (37) | (65) | (85) | (59) | (74) | (55) | (83) | (92) | (81) |
| (-) Purchase of Finished Goods | (88) | (101) | (98) | (24) | – | – | – | – | – | – | – |
| (+/-) Change in Finished Goods | 38 | 2 | 5 | (35) | 3 | 10 | (1) | (2) | 2 | (0) | 5 |
| (+/-) Exchange Gain (Loss) | 4 | 11 | (5) | 14 | (15) | 5 | (1) | (1) | (1) | – | – |
| **Gross Profit** | **$406** | **$497** | **$105** | **$285** | **$49** | **$41** | **$185** | **$284** | **$220** | **$324** | **$319** |
| Gross Margin % | 27.1% | 26.6% | 6.9% | 18.4% | 3.5% | 3.1% | 11.5% | 16.3% | 12.5% | 17.3% | 16.9% |
| (-) SG&A | (38) | (44) | (39) | (35) | (36) | (34) | (39) | (41) | (42) | (43) | (44) |
| **Operating EBITDA** | **$367** | **$453** | **$66** | **$249** | **$13** | **$7** | **$146** | **$243** | **$178** | **$281** | **$276** |
| Operating EBITDA Margin % | 24.5% | 24.3% | 4.3% | 16.1% | 1.0% | 0.5% | 9.0% | 14.0% | 10.1% | 15.0% | 14.6% |
| (+/-) Change in Net Working Capital | (156) | 5 | 43 | (9) | 135 | (39) | (52) | (28) | (14) | (24) | (29) |
| (-) Net Capital Expenditures | (103) | (137) | (79) | (43) | (57) | (39) | (84) | (109) | (97) | (79) | (59) |
| (+/-) Other[1] | (23) | (23) | (4) | (8) | 2 | (8) | (7) | (8) | (6) | (6) | (4) |
| **Unlevered Free Cash Flow** | **$85** | **$298** | **$26** | **$190** | **$94** | **($79)** | **$3** | **$98** | **$60** | **$171** | **$183** |

**Per Unit ($ / ADMT)**

| | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total Pulp Sales ('000s ADMT)** | **1,813** | **1,918** | **1,951** | **1,900** | **1,830** | **1,794** | **1,885** | **1,998** | **1,977** | **2,029** | **2,011** |
| Revenue | $826 | $973 | $777 | $815 | $758 | $740 | $857 | $871 | $888 | $920 | $939 |
| (-) Selling Expenses | (82) | (99) | (87) | (84) | (86) | (90) | (96) | (98) | (102) | (104) | (104) |
| **Net Mill Realizations** | **$744** | **$874** | **$690** | **$731** | **$671** | **$650** | **$762** | **$773** | **$786** | **$815** | **$835** |
| (-) Fiber | (216) | (273) | (324) | (299) | (348) | (376) | (367) | (343) | (349) | (355) | (367) |
| (-) Chemicals | (55) | (73) | (78) | (64) | (68) | (71) | (83) | (81) | (84) | (86) | (88) |
| (-) Energy | (55) | (63) | (50) | (31) | (23) | (25) | (24) | (36) | (37) | (37) | (35) |
| (-) Labor Costs | (48) | (46) | (43) | (47) | (51) | (52) | (52) | (51) | (54) | (53) | (54) |
| (-) Maintenance | (83) | (80) | (66) | (78) | (97) | (72) | (91) | (85) | (104) | (73) | (89) |
| (-) Other[2] | (63) | (80) | (74) | (63) | (58) | (30) | (46) | (34) | (47) | (51) | (44) |
| **Gross Profit** | **$224** | **$259** | **$54** | **$150** | **$27** | **$23** | **$98** | **$142** | **$111** | **$160** | **$159** |
| (-) SG&A | (21) | (23) | (20) | (19) | (20) | (19) | (21) | (20) | (21) | (21) | (22) |
| **Operating EBITDA** | **$203** | **$236** | **$34** | **$131** | **$7** | **$4** | **$77** | **$122** | **$90** | **$138** | **$137** |

*Note: Pulp Segment comprised of Stendal, Rosenthal, Celgar, Peace River, MFS and certain non-material subsidiaries and does not reflect intercompany eliminations or adjustments*
*Note: Does not reflect impact of unscheduled downtime and unforeseen additional costs at Rosenthal in Q4 2026, currently estimated at $15 million and subject to confirmation*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Includes taxes, capital leases and changes due to foreign exchange*
*(2) Other comprised of Other Variable Costs, Other Fixed Costs, Purchase of Finished Goods, Change in Finished Goods and Exchange Gain / Loss*

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# Quarterly Financial Forecast | Pulp Segment

($ in millions except per unit metrics)

| | Quarter Ended | | | | | | | | Year Ended | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 | FY 2026 | FY 2027 |
| Revenue | $345 | $325 | $310 | $347 | $380 | $396 | $398 | $441 | $1,327 | $1,616 |
| (-) Selling Expenses | (41) | (41) | (39) | (41) | (44) | (44) | (44) | (48) | (162) | (180) |
| **Net Mill Realizations** | **$304** | **$284** | **$271** | **$306** | **$337** | **$352** | **$354** | **$393** | **$1,166** | **$1,436** |
| (-) Fiber | (175) | (175) | (156) | (168) | (180) | (170) | (175) | (167) | (674) | (692) |
| (-) Chemicals | (32) | (34) | (27) | (35) | (39) | (38) | (39) | (40) | (128) | (156) |
| (-) Energy | (14) | (13) | (15) | (3) | (17) | (13) | (14) | (2) | (45) | (46) |
| (-) Labor | (25) | (24) | (22) | (24) | (24) | (25) | (24) | (24) | (94) | (97) |
| (-) Maintenance | (23) | (24) | (41) | (41) | (28) | (53) | (45) | (45) | (130) | (172) |
| (-) Other Variable Costs | (2) | (3) | (2) | (2) | (3) | (2) | (3) | (3) | (9) | (10) |
| (-) Other Fixed Costs | (18) | (19) | (0) | (22) | (20) | (19) | (13) | (22) | (59) | (74) |
| (-) Purchase of Finished Goods | – | – | – | – | – | – | – | – | – | – |
| (+/-) Change in Finished Goods | (3) | 2 | 6 | 5 | 6 | (8) | 13 | (11) | 10 | (1) |
| (+/-) Exchange Gain (Loss) | 4 | 2 | 0 | (1) | (0) | (0) | (0) | (0) | 5 | (1) |
| **Gross Profit** | **$16** | **($5)** | **$14** | **$16** | **$31** | **$23** | **$54** | **$77** | **$41** | **$185** |
| Gross Margin % | 4.6% | (1.4%) | 4.6% | 4.6% | 8.2% | 5.9% | 13.5% | 17.4% | 3.1% | 11.5% |
| (-) SG&A | (9) | (8) | (8) | (9) | (10) | (10) | (10) | (10) | (34) | (39) |
| **Operating EBITDA** | **$7** | **($13)** | **$6** | **$7** | **$21** | **$13** | **$44** | **$67** | **$7** | **$146** |
| Operating EBITDA Margin % | 2.0% | (3.9%) | 1.9% | 2.0% | 5.6% | 3.4% | 11.1% | 15.2% | 0.5% | 9.0% |
| (+/-) Change in Net Working Capital | (26) | 28 | 1 | (42) | (12) | (0) | (4) | (36) | (39) | (52) |
| (-) Net Capital Expenditures | (11) | (5) | (10) | (12) | (21) | (25) | (23) | (14) | (39) | (84) |
| (+/-) Other[1] | (3) | (2) | (2) | (1) | (1) | (1) | (2) | (3) | (8) | (7) |
| **Unlevered Free Cash Flow** | **($33)** | **$8** | **($5)** | **($49)** | **($13)** | **($13)** | **$15** | **$14** | **($79)** | **$3** |

**Per Unit ($ / ADMT)**

| | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 | FY 2026 | FY 2027 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Total Pulp Sales ('000s ADMT)** | **471** | **450** | **424** | **450** | **467** | **468** | **457** | **492** | **1,794** | **1,885** |
| Revenue | $733 | $722 | $732 | $772 | $814 | $846 | $871 | $897 | $740 | $857 |
| (-) Selling Expenses | (86) | (92) | (92) | (91) | (93) | (93) | (97) | (98) | (90) | (96) |
| **Net Mill Realizations** | **$647** | **$630** | **$640** | **$681** | **$721** | **$752** | **$774** | **$798** | **$650** | **$762** |
| (-) Fiber | (373) | (389) | (367) | (374) | (385) | (363) | (382) | (340) | (376) | (367) |
| (-) Chemicals | (68) | (76) | (63) | (79) | (84) | (80) | (86) | (81) | (71) | (83) |
| (-) Energy | (30) | (29) | (36) | (6) | (37) | (27) | (31) | (4) | (25) | (24) |
| (-) Labor | (53) | (52) | (51) | (53) | (52) | (53) | (52) | (49) | (52) | (52) |
| (-) Maintenance | (50) | (54) | (98) | (91) | (61) | (114) | (97) | (92) | (72) | (91) |
| (-) Other[2] | (40) | (40) | 8 | (44) | (36) | (65) | (7) | (75) | (30) | (46) |
| **Gross Profit** | **$34** | **($10)** | **$33** | **$35** | **$67** | **$50** | **$118** | **$156** | **$23** | **$98** |
| (-) SG&A | (19) | (18) | (20) | (20) | (21) | (21) | (21) | (20) | (19) | (21) |
| **Operating EBITDA** | **$15** | **($28)** | **$14** | **$16** | **$45** | **$28** | **$97** | **$136** | **$4** | **$77** |

*Note: Pulp Segment comprised of Stendal, Rosenthal, Celgar, Peace River, MFS and certain non-material subsidiaries and does not reflect intercompany eliminations or adjustments*
*Note: Does not reflect impact of unscheduled downtime at Rosenthal in Q4 2026, which is estimated to cost $15 million*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Includes taxes, capital leases and changes due to foreign exchange*
*(2) Other comprised of Other Variable Costs, Other Fixed Costs, Purchase of Finished Goods, Change in Finished Goods and Exchange Gain / Loss*

# Annual Financial Forecast | Solid Wood Segment(1)

($ in millions except per unit metrics)

| | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | $326 | $443 | $513 | $524 | $519 | $610 | $679 | $756 | $808 | $844 | $884 |
| (-) Selling Expenses | (40) | (53) | (75) | (73) | (70) | (82) | (87) | (94) | (99) | (102) | (106) |
| **Net Mill Realizations** | **$286** | **$389** | **$438** | **$451** | **$448** | **$529** | **$593** | **$662** | **$709** | **$742** | **$778** |
| (-) Fiber | (126) | (185) | (232) | (227) | (268) | (322) | (312) | (325) | (343) | (351) | (360) |
| (-) Chemicals | – | – | – | – | – | – | – | – | – | – | – |
| (-) Energy | (8) | (18) | (39) | (28) | (31) | (25) | (34) | (38) | (39) | (40) | (40) |
| (-) Labor | (16) | (22) | (48) | (55) | (57) | (63) | (57) | (62) | (64) | (64) | (65) |
| (-) Maintenance | (13) | (24) | (46) | (46) | (44) | (39) | (33) | (35) | (36) | (36) | (37) |
| (-) Other Variable Costs | (1) | (6) | (30) | (36) | (19) | (46) | (56) | (64) | (74) | (83) | (93) |
| (-) Other Fixed Costs | (5) | (8) | (18) | (25) | (27) | (22) | (25) | (27) | (28) | (28) | (29) |
| (+/-) Change in Finished Goods | 14 | (5) | (8) | 6 | 6 | 7 | (7) | (1) | 1 | 1 | 0 |
| (+/-) Exchange Gain (Loss) | 1 | 0 | (0) | 1 | (1) | 0 | – | – | – | – | – |
| **Gross Profit** | **$133** | **$122** | **$16** | **$41** | **$8** | **$19** | **$68** | **$110** | **$127** | **$141** | **$154** |
| Gross Margin % | 40.6% | 27.5% | 3.1% | 7.9% | 1.6% | 3.1% | 10.0% | 14.5% | 15.8% | 16.7% | 17.5% |
| (-) SG&A | (11) | (20) | (35) | (33) | (31) | (34) | (33) | (33) | (34) | (34) | (35) |
| **Operating EBITDA** | **$122** | **$102** | **($19)** | **$9** | **($23)** | **($15)** | **$35** | **$77** | **$94** | **$106** | **$120** |
| Operating EBITDA Margin % | 37.4% | 23.0% | (3.7%) | 1.7% | (4.4%) | (2.4%) | 5.1% | 10.2% | 11.6% | 12.6% | 13.5% |
| (+/-) Change in Net Working Capital | (32) | (17) | 41 | 22 | 19 | 1 | 16 | 0 | (7) | (25) | 1 |
| (-) Net Capital Expenditures | (17) | (35) | (49) | (42) | (26) | (9) | (24) | (11) | (16) | (16) | (27) |
| (+/-) Other(2) | – | (4) | 1 | (5) | (6) | (8) | (11) | (12) | (14) | (15) | (18) |
| **Unlevered Free Cash Flow** | **$73** | **$46** | **($26)** | **($16)** | **($36)** | **($32)** | **$17** | **$55** | **$57** | **$50** | **$76** |
| | | | | | | | | | | | |
| **Sales Volume Metrics** | | | | | | | | | | | |
| Lumber (MMfbm) | 420 | 410 | 501 | 470 | 465 | 453 | 523 | 565 | 567 | 562 | 561 |
| Energy Sold ('000s MWh) | 75 | 110 | 160 | 126 | 137 | 150 | 150 | 156 | 159 | 159 | 159 |
| Manufactured Volume ('000s $m^3$) | 4 | 29 | 33 | 31 | 27 | 44 | 61 | 73 | 87 | 102 | 118 |
| Pallets (mm units) | – | 3 | 11 | 10 | 9 | 8 | 8 | 8 | 8 | 8 | 8 |
| Biofuels ('000s MT) | – | 50 | 145 | 184 | 136 | 151 | 140 | 123 | 123 | 123 | 123 |

*Note: Solid Wood Segment comprised of Holz, Friesau (MTP), Torgau and Mercer Mass Timber (MMT) and does not reflect intercompany eliminations or adjustments*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Numbers reflect financial contribution from acquired entities as of date of acquisition*
*(2) Includes taxes, capital leases and changes due to foreign exchange*

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# Quarterly Financial Forecast | Solid Wood Segment[1]

($ in millions except per unit metrics)

| | Quarter Ended | | | | | | | | Year Ended | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 | FY 2026 | FY 2027 |
| **Revenue** | | | | | | | | | | |
| Revenue | $152 | $158 | $149 | $177 | $167 | $186 | $180 | $185 | $636 | $718 |
| (-) Purchase of Finished Goods | (5) | (7) | (4) | (10) | (9) | (10) | (9) | (11) | (26) | (39) |
| **Revenue (Net of Intercompany)** | **$147** | **$152** | **$145** | **$167** | **$158** | **$176** | **$171** | **$174** | **$610** | **$679** |

| | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 | FY 2026 | FY 2027 |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | $147 | $152 | $145 | $167 | $158 | $176 | $171 | $174 | $610 | $679 |
| (-) Selling Expenses | (20) | (21) | (20) | (21) | (20) | (23) | (22) | (23) | (82) | (87) |
| **Net Mill Realizations** | **$128** | **$131** | **$125** | **$145** | **$139** | **$153** | **$149** | **$152** | **$529** | **$593** |
| (-) Fiber | (80) | (90) | (74) | (79) | (77) | (82) | (76) | (77) | (322) | (312) |
| (-) Chemicals | – | – | – | – | – | – | – | – | – | – |
| (-) Energy | (8) | (8) | (7) | (2) | (9) | (9) | (8) | (8) | (25) | (34) |
| (-) Labor | (16) | (16) | (14) | (17) | (15) | (15) | (13) | (14) | (63) | (57) |
| (-) Maintenance | (9) | (10) | (11) | (9) | (8) | (8) | (10) | (7) | (39) | (33) |
| (-) Other Variable Costs | (10) | (12) | (11) | (13) | (14) | (14) | (14) | (14) | (46) | (56) |
| (-) Other Fixed Costs | (6) | (4) | (5) | (7) | (6) | (6) | (6) | (6) | (22) | (25) |
| (+/-) Change in Finished Goods | 4 | 9 | (2) | (5) | 0 | (3) | (2) | (2) | 7 | (7) |
| (+/-) Exchange Gain (Loss) | 0 | 0 | 0 | – | – | – | – | – | 0 | – |
| **Gross Profit** | **$3** | **$0** | **$1** | **$14** | **$9** | **$17** | **$18** | **$23** | **$19** | **$68** |
| Gross Margin % | 1.9% | 0.2% | 1.0% | 8.6% | 6.0% | 9.6% | 10.6% | 13.4% | 3.1% | 10.0% |
| (-) SG&A | (8) | (8) | (7) | (9) | (8) | (9) | (8) | (8) | (34) | (33) |
| **Operating EBITDA** | **($6)** | **($8)** | **($6)** | **$5** | **$1** | **$8** | **$10** | **$15** | **($15)** | **$35** |
| Operating EBITDA Margin % | (3.9%) | (5.4%) | (4.2%) | 3.0% | 0.8% | 4.4% | 6.0% | 8.8% | (2.4%) | 5.1% |
| (+/-) Change in Net Working Capital | (10) | (14) | 17 | 8 | 3 | 8 | (1) | 7 | 1 | 16 |
| (-) Net Capital Expenditures | (1) | (2) | (2) | (4) | (10) | (6) | (4) | (4) | (9) | (24) |
| (+/-) Other[2] | (2) | (1) | (2) | (2) | (2) | (3) | (3) | (3) | (8) | (11) |
| **Unlevered Free Cash Flow** | **($20)** | **($26)** | **$7** | **$7** | **($8)** | **$7** | **$2** | **$15** | **($32)** | **$17** |

| **Sales Volume Metrics** | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Lumber (MMfbm) | 112 | 100 | 116 | 125 | 114 | 141 | 128 | 141 | 453 | 523 |
| Energy Sold ('000s MWh) | 38 | 43 | 32 | 37 | 38 | 40 | 34 | 38 | 150 | 150 |
| Manufactured Volume ('000s $m^3$) | 11 | 11 | 8 | 15 | 14 | 15 | 15 | 16 | 44 | 61 |
| Pallets (mm units) | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 8 | 8 |
| Biofuels ('000s MT) | 38 | 35 | 39 | 39 | 41 | 33 | 36 | 31 | 151 | 140 |

*Note: Solid Wood Segment comprised of Holz, Friesau (MTP), Torgau and Mercer Mass Timber (MMT) and does not reflect intercompany eliminations or adjustments*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Numbers reflect financial contribution from acquired entities as of date of acquisition*
*(2) Includes taxes, capital leases and changes due to foreign exchange*

# Annual Financial Forecast | Corporate & Other Segment

($ in millions except per unit metrics)

| | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | ($6) | $6 | $6 | $9 | $14 | $17 | – | – | – | – | – |
| (-) Selling Expenses | 0 | 1 | 0 | 0 | 0 | (4) | 0 | 0 | 0 | 0 | 0 |
| **Net Mill Realizations** | **($5)** | **$7** | **$6** | **$9** | **$14** | **$13** | **$0** | **$0** | **$0** | **$0** | **$0** |
| (-) Wood | 8 | (2) | (2) | (1) | (10) | 4 | – | – | – | – | – |
| (-) Chemicals | 0 | – | – | – | – | – | – | – | – | – | – |
| (-) Energy | 0 | (0) | (0) | (0) | (0) | (0) | – | – | – | – | – |
| (-) Personnel Costs | (0) | – | (1) | (2) | (2) | (4) | (5) | (5) | (5) | (5) | (6) |
| (-) Maintenance | (0) | – | (1) | 0 | – | – | – | – | – | – | – |
| (-) Other Variable Costs | (0) | (0) | 0 | 0 | – | – | – | – | – | – | – |
| (-) Other Fixed Costs | 0 | (2) | (1) | 1 | 2 | 3 | 5 | 5 | 5 | 5 | 5 |
| (-) Purchase of Finished Goods | (0) | (0) | (0) | – | – | – | – | – | – | – | – |
| (+/-) Change in Finished Goods | (0) | – | (1) | (4) | (3) | (0) | – | – | – | – | – |
| (+/-) Exchange Gain (Loss) | 0 | 0 | 0 | (0) | (0) | (0) | – | – | – | – | – |
| **Gross Profit** | **$3** | **$3** | **($0)** | **$3** | **($0)** | **$15** | **($0)** | **($0)** | **($1)** | **($1)** | **($1)** |
| Gross Margin % | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| (-) SG&A | (13) | (21) | (18) | (16) | (13) | (11) | (13) | (13) | (14) | (14) | (14) |
| **Operating EBITDA** | **($10)** | **($18)** | **($18)** | **($13)** | **($13)** | **$4** | **($13)** | **($14)** | **($14)** | **($14)** | **($15)** |
| Operating EBITDA Margin % | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| (+/-) Change in Net Working Capital | (4) | (14) | (40) | (12) | (36) | (37) | (6) | 1 | 13 | 33 | 12 |
| (-) Net Capital Expenditures | (1) | (0) | (1) | (0) | (0) | (0) | (0) | (0) | (0) | (0) | (0) |
| (+/-) Other[(1)] | 3 | 8 | 14 | (17) | 9 | 15 | 8 | (8) | (21) | (30) | (37) |
| **Unlevered Free Cash Flow** | **($11)** | **($24)** | **($45)** | **($42)** | **($41)** | **($18)** | **($11)** | **($21)** | **($23)** | **($12)** | **($39)** |

*Note: Corporate & Other Segment comprised of MPS, Mercer Europe, Head Office and Santanol and does not reflect intercompany eliminations or adjustments*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Includes taxes, capital leases and changes due to foreign exchange*

# Quarterly Financial Forecast | Corporate & Other Segment

($ in millions except per unit metrics)

| | Quarter Ended | | | | | | | | Year Ended | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 | FY 2026 | FY 2027 |
| Revenue | $13 | $1 | $2 | $2 | – | – | – | – | $17 | – |
| (-) Selling Expenses | 0 | (4) | 0 | 0 | 0 | 0 | 0 | 0 | (4) | 0 |
| **Net Mill Realizations** | **$13** | **($3)** | **$2** | **$2** | **$0** | **$0** | **$0** | **$0** | **$13** | **$0** |
| (-) Fiber | (1) | 5 | (0) | – | – | – | – | – | 4 | – |
| (-) Chemicals | – | – | – | – | – | – | – | – | – | – |
| (-) Energy | (0) | (0) | – | – | – | – | – | – | (0) | – |
| (-) Labor | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (1) | (4) | (5) |
| (-) Maintenance | – | – | – | – | – | – | – | – | – | – |
| (-) Other Variable Costs | – | – | – | – | – | – | – | – | – | – |
| (-) Other Fixed Costs | (1) | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 3 | 5 |
| (-) Purchase of Finished Goods | – | – | – | – | – | – | – | – | – | – |
| (+/-) Change in Finished Goods | (0) | (0) | – | – | – | – | – | – | (0) | – |
| (+/-) Exchange Gain (Loss) | (0) | 0 | – | – | – | – | – | – | (0) | – |
| **Gross Profit** | **$9** | **$2** | **$1** | **$1** | **($0)** | **($0)** | **($0)** | **($0)** | **$15** | **($0)** |
| Gross Margin % | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| (-) SG&A | (3) | (3) | (3) | (2) | (3) | (4) | (3) | (3) | (11) | (13) |
| **Operating EBITDA** | **$7** | **($0)** | **($2)** | **($1)** | **($3)** | **($4)** | **($3)** | **($3)** | **$4** | **($13)** |
| Operating EBITDA Margin % | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| (+/-) Change in Net Working Capital | (15) | (11) | (4) | (6) | (8) | 0 | 2 | (0) | (37) | (6) |
| (-) Net Capital Expenditures | 0 | 0 | (0) | (0) | (0) | (0) | (0) | (0) | (0) | (0) |
| (+/-) Other[1] | 4 | 5 | 3 | 3 | 5 | 1 | 1 | 1 | 15 | 8 |
| **Unlevered Free Cash Flow** | **($5)** | **($6)** | **($3)** | **($4)** | **($6)** | **($3)** | **$0** | **($2)** | **($18)** | **($11)** |

*Note: Corporate & Other Segment comprised of MPS, Mercer Europe, Head Office and Santanol and does not reflect intercompany eliminations or adjustments*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Includes taxes, capital leases and changes due to foreign exchange*

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# Annual Financial Forecast | Canada[1]

($ in millions except per unit metrics)

| | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | $666 | $910 | $649 | $665 | $565 | $537 | $703 | $716 | $731 | $799 | $769 |
| (-) Selling Expenses | (106) | (152) | (122) | (107) | (105) | (110) | (124) | (129) | (133) | (141) | (137) |
| **Net Mill Realizations** | **$560** | **$758** | **$527** | **$559** | **$460** | **$428** | **$580** | **$587** | **$599** | **$658** | **$632** |
| (-) Fiber | (165) | (199) | (223) | (196) | (220) | (207) | (217) | (251) | (253) | (268) | (259) |
| (-) Chemicals | (47) | (61) | (60) | (58) | (61) | (61) | (72) | (75) | (77) | (82) | (80) |
| (-) Energy | (23) | (35) | (25) | (16) | (10) | (13) | (16) | (15) | (15) | (15) | (15) |
| (-) Labor Costs | (49) | (51) | (49) | (50) | (52) | (52) | (55) | (58) | (60) | (60) | (61) |
| (-) Maintenance | (87) | (84) | (81) | (75) | (94) | (79) | (86) | (98) | (98) | (64) | (101) |
| (-) Other Variable Costs | (17) | (7) | (5) | (6) | (5) | (5) | (6) | (6) | (7) | (7) | (7) |
| (-) Other Fixed Costs | (3) | (45) | (43) | (35) | (40) | (22) | (29) | (31) | (32) | (40) | (41) |
| (-) Purchase of Finished Goods | (88) | (101) | (98) | (24) | – | – | – | – | – | – | – |
| (+/-) Change in Finished Goods | 30 | (10) | 11 | (31) | (5) | 9 | 2 | (2) | 2 | (0) | 3 |
| (+/-) Exchange Gain (Loss) | 0 | 6 | (3) | 8 | (4) | 3 | – | – | – | – | – |
| **Gross Profit** | **$111** | **$172** | **($48)** | **$76** | **($33)** | **$1** | **$101** | **$50** | **$57** | **$122** | **$72** |
| Gross Margin % | 16.7% | 18.8% | (7.3%) | 11.5% | (5.8%) | 0.1% | 14.3% | 7.0% | 7.9% | 15.2% | 9.3% |
| (-) SG&A | (19) | (20) | (20) | (18) | (17) | (16) | (20) | (21) | (21) | (22) | (22) |
| **Operating EBITDA** | **$92** | **$151** | **($68)** | **$59** | **($49)** | **($15)** | **$81** | **$29** | **$36** | **$100** | **$50** |
| Operating EBITDA Margin % | 13.8% | 16.6% | (10.4%) | 8.8% | (8.7%) | (2.8%) | 11.5% | 4.1% | 4.9% | 12.5% | 6.5% |
| (+/-) Change in Net Working Capital | (99) | 34 | 18 | 21 | 61 | 4 | (35) | 8 | (1) | (16) | (3) |
| (-) Net Capital Expenditures | (40) | (86) | (39) | (19) | (24) | (4) | (27) | (54) | (62) | (39) | (26) |
| (+/-) Other[2] | (4) | (4) | (0) | (3) | (1) | (3) | (4) | (5) | (3) | (3) | (2) |
| **Unlevered Free Cash Flow** | **($51)** | **$96** | **($89)** | **$58** | **($14)** | **($17)** | **$14** | **($22)** | **($30)** | **$41** | **$18** |

**Per Unit ($ / ADMT)**

| | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Total Pulp Sales ('000s ADMT)** | **839** | **978** | **891** | **894** | **847** | **841** | **893** | **919** | **920** | **960** | **917** |
| Revenue | $794 | $930 | $728 | $744 | $667 | $639 | $788 | $779 | $795 | $832 | $839 |
| (-) Selling Expenses | (126) | (155) | (136) | (119) | (124) | (131) | (139) | (141) | (144) | (147) | (150) |
| **Net Mill Realizations** | **$668** | **$775** | **$592** | **$625** | **$543** | **$509** | **$649** | **$639** | **$651** | **$686** | **$689** |
| (-) Fiber | (196) | (203) | (250) | (219) | (260) | (246) | (243) | (273) | (275) | (279) | (283) |
| (-) Chemicals | (56) | (63) | (67) | (65) | (72) | (73) | (80) | (82) | (84) | (86) | (87) |
| (-) Energy | (27) | (35) | (28) | (17) | (12) | (15) | (18) | (16) | (17) | (16) | (16) |
| (-) Labor Costs | (59) | (52) | (55) | (56) | (62) | (62) | (62) | (64) | (66) | (63) | (67) |
| (-) Maintenance | (104) | (86) | (91) | (83) | (111) | (94) | (96) | (107) | (107) | (66) | (110) |
| (-) Other[3] | (93) | (161) | (154) | (99) | (65) | (17) | (37) | (43) | (40) | (50) | (48) |
| **Gross Profit** | **$133** | **$175** | **($53)** | **$85** | **($38)** | **$1** | **$113** | **$55** | **$62** | **$127** | **$78** |
| (-) SG&A | (23) | (21) | (22) | (20) | (20) | (19) | (23) | (23) | (23) | (23) | (24) |
| **Operating EBITDA** | **$110** | **$155** | **($76)** | **$66** | **($58)** | **($18)** | **$90** | **$32** | **$39** | **$104** | **$54** |

*Note: Canada geography comprised of Celgar, Peace River and MFS and does not reflect intercompany eliminations or adjustments*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Numbers reflect financial contribution from acquired entities as of date of acquisition*
*(2) Includes taxes, capital leases and changes due to foreign exchange*
*(3) Other comprised of Other Variable Costs, Other Fixed Costs, Purchase of Finished Goods, Change in Finished Goods and Exchange Gain / Loss*

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# Quarterly Financial Forecast | Canada[1]

($ in millions except per unit metrics)

| | Quarter Ended | | | | | | | | Year Ended | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 | FY 2026 | FY 2027 |
| Revenue | $139 | $138 | $124 | $136 | $152 | $166 | $178 | $207 | $537 | $703 |
| (-) Selling Expenses | (27) | (28) | (27) | (28) | (29) | (29) | (31) | (34) | (110) | (124) |
| **Net Mill Realizations** | **$113** | **$110** | **$97** | **$108** | **$122** | **$137** | **$148** | **$173** | **$428** | **$580** |
| (-) Fiber | (61) | (55) | (47) | (44) | (48) | (46) | (62) | (60) | (207) | (217) |
| (-) Chemicals | (16) | (17) | (12) | (16) | (18) | (16) | (19) | (19) | (61) | (72) |
| (-) Energy | (4) | (3) | (2) | (3) | (5) | (4) | (5) | (3) | (13) | (16) |
| (-) Labor | (14) | (13) | (12) | (13) | (14) | (14) | (14) | (14) | (52) | (55) |
| (-) Maintenance | (14) | (15) | (20) | (30) | (16) | (40) | (15) | (15) | (79) | (86) |
| (-) Other Variable Costs | (1) | (2) | (1) | (1) | (2) | (1) | (2) | (2) | (5) | (6) |
| (-) Other Fixed Costs | (7) | (8) | 5 | (12) | (9) | (8) | (2) | (9) | (22) | (29) |
| (-) Purchase of Finished Goods | – | – | – | – | – | – | – | – | – | – |
| (+/-) Change in Finished Goods | 4 | (0) | 2 | 3 | 7 | (7) | 10 | (7) | 9 | 2 |
| (+/-) Exchange Gain (Loss) | 2 | 2 | (0) | – | – | – | – | – | 3 | – |
| **Gross Profit** | **$2** | **($3)** | **$11** | **($9)** | **$17** | **($1)** | **$40** | **$44** | **$1** | **$101** |
| Gross Margin % | 1.3% | (1.8%) | 8.6% | (6.8%) | 11.5% | (0.4%) | 22.3% | 21.5% | 0.1% | 14.3% |
| (-) SG&A | (4) | (4) | (4) | (4) | (5) | (5) | (5) | (5) | (16) | (20) |
| **Operating EBITDA** | **($2)** | **($6)** | **$7** | **($13)** | **$12** | **($6)** | **$35** | **$39** | **($15)** | **$81** |
| Operating EBITDA Margin % | (1.7%) | (4.6%) | 5.7% | (9.8%) | 8.2% | (3.6%) | 19.6% | 19.0% | (2.8%) | 11.5% |
| (+/-) Change in Net Working Capital | 0 | 21 | 2 | (19) | (21) | (4) | (7) | (3) | 4 | (35) |
| (-) Net Capital Expenditures | (2) | (1) | (1) | 1 | (6) | (8) | (8) | (6) | (4) | (27) |
| (+/-) Other[2] | (1) | (1) | (1) | (0) | (1) | (1) | (2) | (1) | (3) | (4) |
| **Unlevered Free Cash Flow** | **($5)** | **$13** | **$7** | **($32)** | **($16)** | **($19)** | **$19** | **$30** | **($17)** | **$14** |

**Per Unit ($ / ADMT)**

| | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 | FY 2026 | FY 2027 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Total Pulp Sales ('000s ADMT)** | 213 | 220 | 200 | 208 | 215 | 214 | 217 | 247 | 841 | 893 |
| Revenue | $654 | $629 | $618 | $655 | $705 | $779 | $821 | $838 | $639 | $788 |
| (-) Selling Expenses | (125) | (128) | (133) | (137) | (137) | (138) | (141) | (139) | (131) | (139) |
| **Net Mill Realizations** | **$528** | **$501** | **$485** | **$519** | **$568** | **$641** | **$681** | **$700** | **$509** | **$649** |
| (-) Fiber | (285) | (252) | (235) | (211) | (225) | (216) | (285) | (244) | (246) | (243) |
| (-) Chemicals | (75) | (78) | (59) | (77) | (84) | (77) | (86) | (75) | (73) | (80) |
| (-) Energy | (20) | (14) | (9) | (16) | (22) | (19) | (21) | (12) | (15) | (18) |
| (-) Labor | (66) | (59) | (60) | (65) | (64) | (67) | (63) | (55) | (62) | (62) |
| (-) Maintenance | (64) | (69) | (101) | (144) | (75) | (186) | (71) | (59) | (94) | (96) |
| (-) Other[3] | (9) | (40) | 32 | (50) | (17) | (79) | 28 | (75) | (17) | (37) |
| **Gross Profit** | **$9** | **($11)** | **$53** | **($45)** | **$81** | **($3)** | **$183** | **$180** | **$1** | **$113** |
| (-) SG&A | (20) | (17) | (18) | (20) | (24) | (24) | (22) | (21) | (19) | (23) |
| **Operating EBITDA** | **($11)** | **($29)** | **$35** | **($64)** | **$57** | **($28)** | **$161** | **$159** | **($18)** | **$90** |

*Note: Canada geography comprised of Celgar, Peace River and MFS and does not reflect intercompany eliminations or adjustments*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Numbers reflect financial contribution from acquired entities as of date of acquisition*
*(2) Includes taxes, capital leases and changes due to foreign exchange*
*(3) Other comprised of Other Variable Costs, Other Fixed Costs, Purchase of Finished Goods, Change in Finished Goods and Exchange Gain / Loss*

# Annual Financial Forecast | Germany[1]

($ in millions except per unit metrics)

| | 2021A | 2022A | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E | 2029E | 2030E | 2031E |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenue | $1,155 | $1,378 | $1,330 | $1,315 | $1,290 | $1,305 | $1,455 | $1,616 | $1,635 | $1,682 | $1,744 |
| (-) Selling Expenses | (83) | (89) | (118) | (118) | (118) | (125) | (133) | (148) | (152) | (156) | (160) |
| **Net Mill Realizations** | **$1,073** | **$1,289** | **$1,212** | **$1,197** | **$1,172** | **$1,180** | **$1,322** | **$1,468** | **$1,483** | **$1,526** | **$1,585** |
| (-) Fiber | (351) | (492) | (628) | (572) | (663) | (768) | (758) | (725) | (739) | (758) | (786) |
| (-) Chemicals | (53) | (79) | (92) | (63) | (64) | (67) | (84) | (87) | (90) | (93) | (96) |
| (-) Energy | (84) | (103) | (111) | (70) | (61) | (56) | (61) | (92) | (93) | (97) | (92) |
| (-) Labor Costs | (53) | (56) | (75) | (78) | (84) | (84) | (79) | (80) | (83) | (86) | (88) |
| (-) Maintenance | (77) | (90) | (89) | (114) | (123) | (84) | (113) | (101) | (137) | (114) | (108) |
| (-) Other Variable Costs | (4) | (9) | (24) | (25) | (15) | (14) | (13) | (14) | (15) | (15) | (15) |
| (-) Other Fixed Costs | (49) | (16) | (8) | (47) | (63) | (49) | (60) | (39) | (67) | (68) | (58) |
| (+/-) Change in Finished Goods | 22 | 3 | (13) | (3) | 13 | 8 | (11) | (2) | 2 | 1 | 2 |
| (+/-) Exchange Gain (Loss) | 5 | 5 | (2) | 6 | (11) | 2 | (1) | (1) | (1) | – | – |
| **Gross Profit** | **$428** | **$453** | **$170** | **$231** | **$101** | **$67** | **$142** | **$327** | **$258** | **$296** | **$342** |
| Gross Margin % | 37.0% | 32.9% | 12.8% | 17.6% | 7.9% | 5.1% | 9.8% | 20.2% | 15.8% | 17.6% | 19.6% |
| (-) SG&A | (30) | (41) | (49) | (44) | (44) | (45) | (46) | (46) | (48) | (49) | (50) |
| **Operating EBITDA** | **$398** | **$413** | **$121** | **$187** | **$57** | **$22** | **$96** | **$281** | **$210** | **$246** | **$293** |
| Operating EBITDA Margin % | 34.5% | 29.9% | 9.1% | 14.3% | 4.4% | 1.7% | 6.6% | 17.4% | 12.9% | 14.6% | 16.8% |
| (+/-) Change in Net Working Capital | (86) | (41) | 32 | (24) | 62 | (57) | (3) | (34) | (4) | 3 | (12) |
| (-) Net Capital Expenditures | (80) | (82) | (75) | (53) | (57) | (44) | (72) | (66) | (50) | (55) | (58) |
| (+/-) Other[2] | (19) | (23) | (3) | (8) | (4) | (14) | (14) | (28) | (43) | (52) | (60) |
| **Unlevered Free Cash Flow** | **$214** | **$267** | **$74** | **$102** | **$57** | **($93)** | **$7** | **$153** | **$114** | **$143** | **$161** |

*Note: Germany geography comprised of Stendal, Rosenthal, Holz, MTP, Torgau and Mercer Europe and does not reflect intercompany eliminations or adjustments*
*Note: Does not reflect impact of unscheduled downtime at Rosenthal in Q4 2026, which is estimated to cost $15 million*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Numbers reflect financial contribution from acquired entities as of date of acquisition*
*(2) Includes taxes, capital leases and changes due to foreign exchange*

# Quarterly Financial Forecast | Germany[1]

($ in millions except per unit metrics)

| | Quarter Ended | | | | | | | | Year Ended | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 | Jun-27 | Sep-27 | Dec-27 | FY 2026 | FY 2027 |
| Revenue | $334 | $314 | $314 | $343 | $353 | $372 | $356 | $374 | $1,305 | $1,455 |
| (-) Selling Expenses | (32) | (32) | (31) | (31) | (31) | (34) | (33) | (34) | (125) | (133) |
| **Net Mill Realizations** | **$302** | **$283** | **$283** | **$312** | **$322** | **$338** | **$323** | **$339** | **$1,180** | **$1,322** |
| (-) Fiber | (190) | (204) | (178) | (196) | (202) | (198) | (182) | (176) | (768) | (758) |
| (-) Chemicals | (16) | (17) | (15) | (19) | (21) | (21) | (21) | (21) | (67) | (84) |
| (-) Energy | (18) | (18) | (19) | (1) | (21) | (17) | (18) | (6) | (56) | (61) |
| (-) Labor | (22) | (21) | (19) | (22) | (20) | (21) | (18) | (19) | (84) | (79) |
| (-) Maintenance | (18) | (18) | (30) | (18) | (19) | (19) | (38) | (37) | (84) | (113) |
| (-) Other Variable Costs | (4) | (4) | (4) | (2) | (3) | (3) | (3) | (3) | (14) | (13) |
| (-) Other Fixed Costs | (14) | (12) | (9) | (14) | (15) | (15) | (14) | (17) | (49) | (60) |
| (+/-) Change in Finished Goods | (3) | 11 | 2 | (3) | (1) | (4) | 1 | (6) | 8 | (11) |
| (+/-) Exchange Gain (Loss) | 2 | 0 | 0 | (1) | (0) | (0) | (0) | (0) | 2 | (1) |
| **Gross Profit** | **$20** | **($0)** | **$10** | **$37** | **$21** | **$39** | **$30** | **$53** | **$67** | **$142** |
| Gross Margin % | 6.0% | (0.1%) | 3.3% | 10.8% | 5.9% | 10.4% | 8.4% | 14.2% | 5.1% | 9.8% |
| (-) SG&A | (11) | (11) | (10) | (12) | (12) | (12) | (11) | (11) | (45) | (46) |
| **Operating EBITDA** | **$9** | **($11)** | **$0** | **$25** | **$9** | **$26** | **$19** | **$42** | **$22** | **$96** |
| Operating EBITDA Margin % | 2.7% | (3.6%) | 0.0% | 7.2% | 2.6% | 7.1% | 5.3% | 11.2% | 1.7% | 6.6% |
| (+/-) Change in Net Working Capital | (38) | (12) | 8 | (15) | 10 | 12 | 1 | (27) | (57) | (3) |
| (-) Net Capital Expenditures | (10) | (6) | (11) | (17) | (21) | (20) | (20) | (12) | (44) | (72) |
| (+/-) Other[2] | (4) | (3) | (4) | (3) | (3) | (3) | (3) | (5) | (14) | (14) |
| **Unlevered Free Cash Flow** | **($43)** | **($32)** | **($8)** | **($10)** | **($4)** | **$15** | **($3)** | **($1)** | **($93)** | **$7** |

*Note: Germany geography comprised of Stendal, Rosenthal, Holz, MTP, Torgau and Mercer Europe and does not reflect intercompany eliminations or adjustments*
*Note: Does not reflect impact of unscheduled downtime at Rosenthal in Q4 2026, which is estimated to cost $15 million*
*Note: Reflects preliminary results for Q3 2026 which are subject to change*
*(1) Numbers reflect financial contribution from acquired entities as of date of acquisition*
*(2) Includes taxes, capital leases and changes due to foreign exchange*



# 04

# Appendix

## Capital Structure (September 30, 2026)

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# Capital Structure Overview

## Capital Structure Summary as of September 30, 2026 ($mm)

| | $ Amount | Interest Rate | Maturity Date | Interest Payment Dates | Annual Interest |
|---|---|---|---|---|---|
| **ABL & RCF Debt** | | | | | |
| C$160mm Canadian ABL | $74 | CORRA+145bps | 1/21/2027 | Varies | $4 |
| €370.1mm German RCF | 287 | E+425bps | 9/15/2027 | Varies | 22 |
| **Total ABL & RCF Debt** | **$361** | | | | **$25** |
| **Senior Notes** | | | | | |
| 2028 Notes | $400 | 12.875% | 10/1/2028 | 4/1 & 10/1 | $52 |
| 2029 Notes | 875 | 5.125% | 2/1/2029 | 2/1 & 8/1 | 45 |
| **Total Senior Notes** | **$1,275** | | | | **$96** |
| **Capital Lease Liability** | **$48** | | | | |
| **Total** | **$1,684** | | | | **$122** |

*Note: Reflects preliminary results for Q3 2026 which are subject to change*



# 04

# Appendix

German RCF Waiver Term Sheet

MERCER

# German RCF Waiver Term Sheet

## Summary of Select Key Terms

| | |
|---|---|
| **Waiver Period** | • March 31, 2026 through and including September 30, 2026 (next test date is December 31, 2026) |
| **Waived Sections** | • Waived the 3.50x Leverage Ratio requirement during the Waiver Period |
| **Fee** | • 50bps based on Lender's Commitment measured against the €300 million drawdown cap (as described below) |
| **Utilization Cap** | • German revolving credit facility utilization shall be capped at €300 million for as long as Leverage Ratio exceeds 2.00x (survives waiver period) |
| **Applicable Margin** | • Leverage Ratio ≥ 3.5x: 425bps (was 225bps)<br>• 3.5x > Leverage Ratio ≥ 2.5x: 325bps (was 225bps)<br>• 2.5x > Leverage Ratio ≥ 1.5x: 275bps (was 175bps)<br>• Leverage Ratio < 1.5x: 250bps (was 130bps) |
| **Waiver Period Ongoing Monthly Reporting Obligations** | • Per-entity management report for the German Group<br>• Shadow covenant calculations<br>• Rolling 13-week liquidity forecast for the German Group prepared by the Company<br>• Status report from Houlihan Lokey on refinancing or stakeholder-led restructuring processes<br>• Report of the aggregate bank account balances and aggregate amount of undrawn commitments under committed credit facilities for the Mercer Group |
| **Restructuring Opinion** | • The Majority Lenders may demand an independent IDW S6 restructuring opinion at the Obligors' cost, at any time |
| **Minimum Liquidity Test** | • Average of daily aggregate Liquidity over the trailing 13-week period of the Mercer Group must be at least $30 million and shall be tested monthly |
| **Security Package** | • Borrowers (excluding Torgau) to provide security worth at least 110% of the amounts drawn under the German revolving credit facility |
| **Other** | • €60 million cap on 2026 capital expenditures for the German Group |



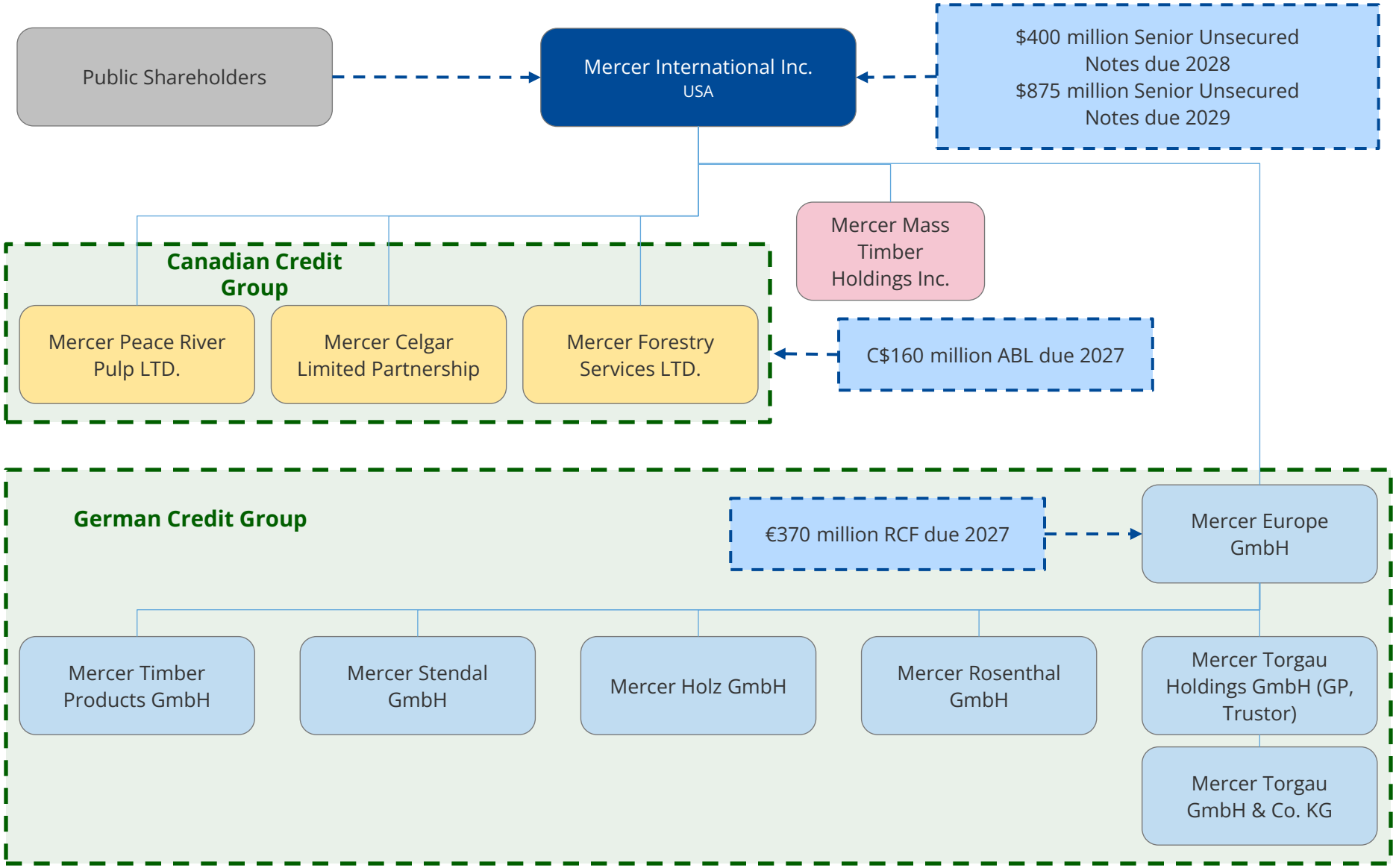
# 04

# Appendix

## Simplified Legal Entity Chart

MERCER

# Simplified Legal Entity Chart




*Note: All Mercer subsidiaries are Non-Guarantor Restricted Subsidiaries under the Senior Notes Indentures*


MERCER
SANGRA
LATHAM & WATKINS LLP
ALVAREZ & MARSAL
Houlihan Lokey
CORPORATE FINANCE | FINANCIAL RESTRUCTURING | FINANCIAL AND VALUATION ADVISORY | HL.COM