



NEWS RELEASE

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Rogers Sugar Announces a \$110 Million Equity Offering to Fund a Portion of its Sugar Capacity Expansion Project

\$50 million public offering of Common Shares and two cornerstone investments by Fonds de solidarité des travailleurs du Québec to purchase \$50 million of Common Shares and by Belcorp Industries Inc. to purchase \$10 million of Common Shares by way of concurrent private placements

Montreal (Québec), February 26, 2024 – Rogers Sugar Inc. (the “**Company**” or “**Rogers Sugar**”) (TSX: RSI) today announced the issue and sale of common shares (the “**Common Shares**”) for aggregate gross proceeds to the Company of approximately \$110 million at an offering price of \$5.18 per Common Share, the net proceeds of which will be used to fund a portion of the Eastern Canada capacity expansion project (the “**Expansion Project**”) undertaken by the Company’s wholly owned operating subsidiary Lantic Inc. (“**Lantic**”), as further described below.

The sale of Common Shares is pursuant to a bought deal public offering (the “**Public Offering**”) and two concurrent non-brokered private placements (the “**Concurrent Private Placements**” and, collectively with the Public Offering, the “**Equity Offerings**”).

Fonds de solidarité des travailleurs du Québec (F.T.Q.) (“**FSTQ**”), the largest development capital investment network in Québec, will be a cornerstone investor in the Equity Offerings, agreeing to purchase approximately \$50 million of Common Shares in a concurrent private placement. In addition, longtime Rogers Sugar shareholder Belcorp Industries Inc. (“**Belcorp**”) has agreed to purchase approximately \$10 million of Common Shares, also by way of a concurrent private placement.

The Expansion Project

“Our capacity expansion project will further position Rogers Sugar to deliver consistent, profitable growth as we benefit from the positive trends in the North American sugar market, and we thank the investors whose support is making the project a reality,” said Mike Walton, President and Chief Executive Officer of Rogers Sugar and Lantic.

The Expansion Project will increase the production capacity of Lantic’s Montreal plant by approximately 20%, or 100,000 metric tonnes. The project includes investments in sugar refining technology and equipment, as well as in logistical infrastructure at Lantic’s Montreal sugar refinery and in the Greater Toronto Area to serve the Eastern Canada market.

The Expansion Project is made up of three key components: (i) the expansion of refining capacity with the addition of new sugar refining equipment at the Montreal plant; (ii) the construction of a new bulk rail loading station in Montreal to serve increased shipments to the Eastern Canada market; and (iii) the expansion of logistics and storage capacity in the Greater Toronto Area.

The total investment for the Expansion Project is estimated at approximately \$200 million. In addition to the Equity Offerings announced today, as previously disclosed, the Expansion Project is receiving significant support from the Québec Government in the form of loans from Investissement Québec to Lantic for up to \$65 million.

As disclosed in the Company's recent first-quarter 2024 report, the Expansion Project is progressing as planned. Work is underway and major equipment has been ordered.

Demand for high-quality, reliable, industrial bulk sugar has steadily increased over the last few years, especially in Eastern Canada where the food-processing industry is expanding and is expected to continue to grow in the future. The growth in demand is directly associated with an increase in the production of sugar containing products by our business partners in the food manufacturing sector. The capacity expansion will support this growth and further position the Company to serve those food-processing customers and to benefit from additional long-term demand for bulk sugar.

Rogers Sugar is funding this growth investment in a manner that ensures the Company's capital structure remains aligned with its current profile. Throughout the construction process and in the future, the Company intends to continue to provide reliable returns to its shareholders.

Details of the Public Offering of Common Shares

The Public Offering is being made through a syndicate of underwriters (collectively the "**Underwriters**") co-led by BMO Capital Markets and National Bank Financial Inc., under which the Underwriters have agreed to purchase, on a bought deal basis, 9,660,000 Common Shares for aggregate gross proceeds of approximately \$50 million, at an offering price of \$5.18 per Common Share (the "**Offering Price**"). The Company has granted the Underwriters an option to purchase up to an additional 15% of the Common Shares, on the same terms and conditions, exercisable in whole or in part at any time until 30 days after closing of the Public Offering, to cover any over-allotments, if any, and for market stabilization purposes (the "**Over-Allotment Option**").

The Public Offering is expected to close on or about March 4, 2024 and is subject to customary conditions, including the entering into of a definitive underwriting agreement, the closing of the Concurrent Private Placements and receipt of all regulatory approvals, including the approval of the Toronto Stock Exchange (the "**TSX**"). The Common Shares will be offered by way of a prospectus supplement (the "**Prospectus Supplement**") to the Company's short form base shelf prospectus dated August 14, 2023 (the "**Shelf Prospectus**") to be filed with the securities commissions and other similar regulatory authorities in each of the provinces of Canada.

A copy of the Shelf Prospectus is available under the Company's profile on SEDAR+ at www.sedarplus.ca or may be obtained by contacting the Underwriters. The Prospectus Supplement is expected to be filed on or about February 28, 2024, and will likewise be accessible through the Company's profile on SEDAR+ or via the Underwriters.

Concurrent Private Placements

Concurrently with and conditionally on the closing of the Public Offering, (i) FSTQ has agreed to purchase 9,652,510 Common Shares for an aggregate price of approximately \$50 million (the “**FSTQ Private Placement Shares**”), and (ii) Belkorp has agreed to purchase 2,007,722 Common Shares for an aggregate price of approximately \$10 million (together with the FSTQ Private Placement Shares, the “**Private Placement Shares**”). Should the Over-Allotment Option be exercised, in whole or in part, by the Underwriters, FSTQ and Belkorp will have the option (the “**Additional Subscription Option**”) to purchase additional Common Shares under the Concurrent Private Placements in the same proportion of the Common Shares that are purchased by the Underwriters pursuant to the Over-Allotment Option.

The Private Placement Shares and the Common Shares purchased pursuant to the Additional Subscription Option will be issued at the Offering Price and will be subject to a statutory hold period of four months from the date of their issuance, in accordance with Canadian securities regulations and, as well as a contractual hold period of six months from the date of their issuance. The closing of the Concurrent Private Placements is subject to a number of conditions, including the concurrent closing of the Public Offering and the receipt of all regulatory approvals, including the approval of the TSX.

Use of Proceeds

The Company intends to use the net proceeds of the Equity Offerings to finance a portion of the Expansion Project which was announced on August 14, 2023 and is further described above.

In the event that all or part of the Over-Allotment Option and the Additional Subscription Option are exercised, the additional net proceeds received from the exercise of such options will be used for working capital purposes.

Additional Disclosures

In addition to the subscription by Belkorp of Private Placement Shares, certain other insiders of the Company, namely Mike Walton, Don Jewell, Jean-Sébastien Couillard, Mike Heskin, Rod Kirwan and Louis Turenne will subscribe for a total of 77,220 Common Shares in the Public Offering. The subscriptions for Common Shares by Belkorp and the other aforementioned insiders are related party transactions within the meaning of applicable Canadian securities laws. Such transactions are exempt from the formal valuation and minority approval requirements applicable to related party transactions on the basis that the value of the transactions insofar as they involve related parties is less than 25 percent of the Company's market capitalization. The board of directors of the Company has approved the Equity Offerings. A material change report in respect of these related party transactions could not be filed earlier than 21 days prior to the closing of the Equity Offerings due to the fact that the Equity Offerings were launched on the date hereof and the terms of the participation of these related parties was confirmed concurrently, and the Equity Offerings are expected to be closing on or about March 4, 2024.

Cautionary Notice Regarding Forward-Looking Statements

All statements, other than statements of historical fact, contained in this press release including, but not limited to those relating to the Equity Offerings, the expected use of proceeds, the Expansion Project, its estimated budget and the anticipated benefits resulting therefrom, the trends in the North American sugar market, the anticipated closing date of the Equity Offerings and the receiving of all necessary regulatory approvals, constitute “forward-looking information” or “forward-looking statements” within the meaning of certain securities laws, and are based on expectations, estimates and projections as of the time of this press release.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the time of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. These estimates and

assumptions may prove to be incorrect. Many of these uncertainties and contingencies can directly or indirectly affect, and could cause, actual results to differ materially from those expressed or implied in any forward-looking statements. Certain important estimates or assumptions by the Company in making forward-looking statements include, but are not limited to, the successful closing of the Equity Offerings, and all requisite regulatory and stock exchange approvals being obtained. There can be no assurance that these assumptions will prove to be correct. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

About Rogers Sugar Inc.

Rogers Sugar is a corporation established under the laws of Canada. The Company holds all of the common shares of Lantic, and its administrative office is in Montréal, Québec. Lantic has been refining sugar for 135 years and operates cane sugar refineries in Montreal, Québec and Vancouver, British Columbia, as well as the only Canadian sugar beet processing facility in Taber, Alberta. Lantic also operates a distribution center in Toronto, Ontario. Lantic's sugar products are mainly marketed under the "Lantic" trademark in Eastern Canada, and the "Rogers" trademark in Western Canada and include granulated, icing, cube, yellow and brown sugars, liquid sugars and specialty syrups. Lantic owns all of the shares of The Maple Treat Company ("TMTC") and its head office is located in Montréal, Québec. TMTC operates bottling plants in Granby, Dégelis and St-Honoré-de-Shenley, Québec and in Websterville, Vermont. TMTC's products include maple syrup and derived maple syrup products supplied under retail private label brands in approximately 50 countries and are sold under various brand names. The Company's goal is to offer the best quality sugars and sweeteners to satisfy its customers.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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