Strong Performance in Maple and Sugar Business Segments Drives Record Third Quarter Profitability at Rogers Sugar

Rogers Sugar Inc. (the "Company", "Rogers", "RSI" or "our," "we", "us") (TSX: RSI) today reported results for the third quarter and first nine months of fiscal 2024. Consolidated adjusted EBITDA for the quarter rose to $34.5 million, driven by strong performance in the Company's Maple and Sugar segments.

The quarterly consolidated adjusted EBITDA represents a record for third-quarter profitability at Rogers Sugar, driven by supportive market conditions and the continuing impact of management efforts to optimize the business and drive profitability. The Company remains on track to deliver a third straight fiscal year of record adjusted EBITDA.

"Our emphasis on optimizing the business to generate consistent, profitable and sustainable growth once again delivered strong results," said Mike Walton, President and Chief Executive Officer of Rogers and Lantic Inc. "We continue to expect positive demand trends for our sugar in the years to come, and we are making the investments needed to expand and position the business to benefit from those over the long term."

Third Quarter 2024 Consolidated Highlights (unaudited)	**Q3 2024**	Q3 2023	**YTD 2024**	YTD 2023
Financials ($000s)				
Revenues	**309,091**	262,285	**898,734**	796,677
Gross margin	**36,635**	41,685	**126,140**	124,534
Adjusted gross margin(1)	**47,742**	34,912	**141,353**	115,138
Results from operating activities	**16,315**	24,008	**67,129**	72,148
EBITDA(1)	**23,372**	30,523	**88,081**	91,681
Adjusted EBITDA(1)	**34,479**	23,750	**103,294**	82,285
Net earnings	**7,379**	14,177	**35,167**	39,913
per share (basic)	**0.06**	0.13	**0.31**	0.38
per share (diluted)	**0.06**	0.12	**0.28**	0.35
Adjusted net earnings(1)	**16,337**	8,749	**47,841**	33,211
Adjusted net earnings per share (basic)(1)	**0.13**	0.08	**0.42**	0.32
Trailing twelve months free cash flow(1)	**74,542**	47,846	**74,542**	47,846
Dividends per share	**0.09**	0.09	**0.27**	0.27
Volumes				
Sugar (metric tonnes)	**185,799**	191,411	**548,793**	579,807
Maple Syrup (thousand pounds)	**11,392**	9,630	**35,021**	33,508

(1) See "Cautionary statement on Non-IFRS Measures" section of this press release for definition and reconciliation to IFRS measures.

- The Company delivered consolidated adjusted EBITDA(1) for the third quarter and the first nine months of fiscal 2024 of $34.5 million and $103.3 million respectively, up by $10.7 million and $21.0 million from the same periods last year, driven by the strong performance of both of our business segments.
- Adjusted net earnings per share at $0.13 for the third quarter were $0.05 higher than the same period last year.
- Adjusted EBITDA(1) in the Sugar segment was strong in the third quarter of fiscal 2024 at $30.1 million, an increase of $9.4 million compared to the same period last year, driven by higher adjusted gross margin, partially offset by higher administration and selling expenses.
- Sales volumes in the Sugar segment decreased by 5,600 metric tonnes to approximately 185,800 metric tonnes in the third quarter, driven by timing and by a slight reduction in North American demand.
- Sugar segment adjusted gross margin(1) amounted to $225 per metric tonne in the third quarter of 2024 as compared to $159 per metric tonne for the same period last year, mainly due to the increase in overall margin from improved selling prices, partially offset by higher production costs.
- Adjusted EBITDA(1) in the Maple segment was $4.4 million in the third quarter, an increase of $1.4 million from the same quarter last year, largely driven by higher average selling prices, higher sales volumes and lower operating costs.

- Adjusted gross margin percentage(1) in the Maple segment was 10.4% in the third quarter, as compared to an adjusted gross margin percentage(1) of 9.5% for the same period last year, driven by higher average selling prices and lower operating costs following the implementation of automation and continuous improvement initiatives in the later part of fiscal 2023.
- Free cash flow(1) for the trailing 12 months ended June 29, 2024, was $74.5 million, an increase of $26.7 million from the same period last year, driven by higher consolidated adjusted EBITDA(1) and lower short term interest charges, timing in interest payments and deferred financing fees.
- Considering the strong results of the first nine months of fiscal 2024 for both of our business segments, we anticipate delivering higher financial results in 2024 as compared to 2023.
- In the third quarter of fiscal 2024, we distributed $0.09 per share to our shareholders for a total of $11.5 million.
- The construction phase of the Montréal portion of our expansion project aimed at enhancing the production and logistic capacity of our eastern sugar refining operations in Montréal and Toronto (formerly referred to as the "Expansion Project" and now referred to as the "LEAP Project") has begun. Orders for sugar refining equipment and other large production and logistic-related equipment have been placed with suppliers. In the third quarter, we identified incremental costs to the LEAP Project. We expect to provide a revised cost estimate for the LEAP Project in the fall of 2024.
- On August 8, 2024, the Board of Directors declared a quarterly dividend of $0.09 per share, payable on or before October 10, 2024.

(1) See "Cautionary statement on Non-IFRS Measures" section of this press release for definition and reconciliation to IFRS measures.

Sugar

Third Quarter 2024 Sugar Highlights (unaudited)	**Q3 2024**	Q3 2023	**YTD 2024**	YTD 2023
Financials ($000s)				
Revenues	**252,453**	215,831	**725,218**	637,253
Gross margin	**31,304**	35,772	**107,710**	108,885
Adjusted gross margin(1)	**41,862**	30,494	**123,041**	102,300
Per metric tonne ($/ mt) (1)	**225**	159	**224**	176
Administration and selling expenses	**11,003**	7,811	**31,197**	25,547
Distribution costs	**6,137**	6,821	**18,415**	17,223
Results from operating activities	**14,164**	21,140	**58,098**	66,115
EBITDA(1)	**19,553**	26,002	**74,047**	80,567
Adjusted EBITDA(1)	**30,111**	20,724	**89,378**	73,982
Volumes (metric tonnes)				
Total volume	**185,799**	191,411	**548,793**	579,807

(1) See "Cautionary statement on Non-IFRS Measures" section of this press release for definition and reconciliation to IFRS measures.

In the third quarter of fiscal 2024, revenues increased by $36.6 million compared to the same periods last year, largely driven by higher contribution from refining related activities. This variance was partially offset by a lower average price for Raw #11 and lower sales volume.

In the third quarter of fiscal 2024, sugar volume totaled approximately 185,800 metric tonnes, a decrease of approximately 3% or 5,600 metric tonnes compared to the same period last year, driven mainly by a slight reduction in North American demand.

Gross margin was $31.3 million for the current quarter and included a loss of $10.6 million for the mark-to-market of derivative financial instruments. For the same period last year, gross margin was $35.8 million with a mark-to-market gain of $5.3 million.

Adjusted gross margin was $41.9 million for the third quarter of 2024 as compared to $30.5 million for the same period in 2023. Adjusted gross margin increased by $11.4 million in the third quarter compared to the same period last year mainly as a result of higher sugar sales margin from increased average pricing on sugar refining related activities. This positive variance was partially offset by higher production costs mainly driven by increased maintenance activities and market based inflationary pressure on costs, along with the unfavourable impact of lower sales volume.

On a per-unit basis, adjusted gross margin for the third quarter was $225 per metric tonne, higher than last year by $66 per metric tonne. The favourable variance was mainly due to the increase in overall margin from improved selling prices, partially offset by higher production costs.

Results from operating activities for the third quarter of fiscal 2024 were $14.2 million, a decrease of $7.0 million from the same period last year. These results included gains and losses from the mark-to-market of derivative financial instruments.

EBITDA for the third quarter of fiscal 2024 was $19.6 million compared to $26.0 million in the same period last year. These results include gains and losses from the mark-to-market of derivative financial instruments.

Adjusted EBITDA for the third quarter increased by $9.4 million compared to the same period last year, largely as a result of higher adjusted gross margin and lower distribution costs, partially offset by higher administration and selling expenses.

Maple

Third Quarter 2024 Maple Highlights (unaudited)	**Q3 2024**	Q3 2023	**YTD 2024**	YTD 2023
Financials ($000s)				
Revenues	**56,638**	46,454	**173,516**	159,424
Gross margin	**5,331**	5,913	**18,430**	15,649
Adjusted gross margin(1)	**5,880**	4,418	**18,312**	12,838
As a percentage of revenues (%) (1)	**10.4%**	9.5%	**10.6%**	8.1%
Administration and selling expenses	**2,833**	2,675	**8,510**	8,202
Distribution costs	**347**	370	**889**	1,414
Results from operating activities	**2,151**	2,868	**9,031**	6,033
EBITDA(1)	**3,819**	4,521	**14,034**	11,114
Adjusted EBITDA(1)	**4,368**	3,026	**13,916**	8,303
Volumes (thousand pounds)				
Total volume	**11,392**	9,630	**35,021**	33,508

(1) See "Cautionary statement on Non-IFRS Measures" section of this press release for definition and reconciliation to IFRS measures.

Revenues for the third quarter were $10.2 million higher than in the same period last year, due to higher average selling price and higher sales volume.

Gross margin was $5.3 million for the current quarter, including a loss of $0.5 million for the mark-to-market of derivative financial instruments. For the same period last year, gross margin was $5.9 million with a mark-to-market gain of $1.5 million.

Adjusted gross margin percentage for the third quarter was 10.4% as compared to 9.5% for the same period last year, representing an increase in adjusted gross margin of $1.5 million, mainly related to higher average pricing, incremental sales volume and lower operating costs from savings related to continuous improvement and automation initiatives implemented in the later part of fiscal 2023.

Results from operating activities for the third quarter of fiscal 2024 were $2.2 million, compared to $2.9 million in the same period last year. These results included gains from the mark-to-market of derivative financial instruments.

EBITDA for the third quarter of fiscal 2024 amounted to $3.8 million compared to $4.5 million for the same period last year. These results include gains from the mark-to-market of derivative financial instruments.

Adjusted EBITDA for the third quarter of fiscal 2024 increased by $1.3 million to $4.4 million, due mainly to higher adjusted gross margin, as explained above.

LEAP PROJECT

On August 11, 2023, the Board of Directors of Lantic approved the LEAP Project. This investment is expected to provide approximately 100,000 metric tonnes of incremental refined sugar capacity to the growing Canadian market. The LEAP Project is expected to be completed in the first half of fiscal 2026 and its initial cost was estimated at $200 million.

The planning and design phases associated with the LEAP Project are now completed and the construction phase has begun. Site preparation and permitting processes are completed for the main construction site in Montréal. Detailed planning for the Toronto portion of the project is currently in the final stages. Orders for sugar refining equipment and other large production and logistic-related equipment have been placed with suppliers.

In the third quarter, we identified incremental costs to the LEAP Project, primarily due to design changes, market-driven price increases for construction, and new safety regulations. Despite these challenges, we remain confident in the investment's value, which is supported by the robust economic fundamentals of the sugar industry in Canada. We expect to provide a revised cost estimate for the LEAP Project in the fall of 2024.

We are funding the construction costs of the LEAP Project, including the expected incremental costs, using a combination of debt, equity and our existing revolving credit facility. In connection with the financing plan of the LEAP Project, RSI issued new common shares in the second quarter of 2024, for net proceeds of $112.5 million. In the second half of 2023, also in connection with the financing of the LEAP Project, Lantic entered into two secured loan agreements with Investissement Québec for up to $65 million. We anticipate drawing funds from the approved loans from Investissement Québec at the beginning of fiscal 2025.

As at June 29, 2024, $43.2 million, including $1.2 million in interest costs, has been capitalized in construction in progress on the balance sheet for the LEAP Project. Thus far, most of the costs incurred are related to the design and planning phases of the project, the site preparation in Montréal and deposits paid on sugar refining, production, and logistic equipment ordered from suppliers. For the first nine months of fiscal 2024, $32.0 million has been capitalized in connection with the LEAP Project, while $11.2 million was capitalized in fiscal 2023.

OUTLOOK

Management continues to focus on optimizing the business and delivering growth in consolidated adjusted EBITDA. Considering the strong results of the first nine months of fiscal 2024 for both of our business segments, we anticipate delivering higher financial results in 2024 as compared to 2023. The stability of our operations in both segments, the continued positive outlook for the Sugar segment from a market demand and pricing point of view, and the recovery of our Maple segment over the last few quarters, should drive an increase in consolidated adjusted EBITDA for fiscal 2024 over fiscal 2023.

Sugar

We expect the Sugar segment to perform well in fiscal 2024 and to exceed the results of fiscal 2023, despite the unfavourable impact of the recent labour disruption in Vancouver that ended on February 1, 2024. Underlying North American demand for sugar and sugar containing products remains historically strong and supports our positive business outlook. The expected increase in sugar margin from recently negotiated agreements is having a positive impact on our financial results, allowing us to mitigate the recent inflationary pressures on costs, and the lower sales volume related mainly to the recent labour disruption in Vancouver.

The initial volume expectation for fiscal year 2024 was set at 800,000 metric tonnes, representing an increase of 4,700 metric tonnes over fiscal year 2023. Considering the impact of the labour disruption in Vancouver that impacted the first half of fiscal 2024, and the slight decrease in domestic demand observed in the third quarter, we expect volumes in fiscal 2024 to decrease from our initial outlook by 40,000 metric tonnes, to 760,000 metric tonnes.

In Taber, the harvest season delivered 115,000 metric tonnes of beet sugar, higher than the prior year production by 10,000 metric tonnes. The higher-than-expected production is attributable to the higher quality of the beets received in 2024 associated with favourable weather conditions during the growing season, and the improved performance of the plant throughout the slicing process. A total of 28,000 acres of sugar beets has been seeded for the next year crop, being the second year of the two-year agreement signed in April 2023. Negotiations with the Alberta Sugar Beet Growers Association for subsequent crops have begun and will continue over the next few months.

Production costs and maintenance programs at our three production facilities are expected to increase moderately in 2024; as such related expenditures continue to be impacted by the current market-based pressures on costs, and as we continue to perform the necessary maintenance activities to ensure a smooth production process to meet the needs of our customers. We are committed to managing our costs responsibly and have implemented optimization and control initiatives in all our plants.

Distribution costs are expected to increase slightly in 2024. These expenditures reflect the current market dynamics requiring the transfer of sugar produced between our refineries to meet demand from customers, and some of the costs associated with servicing customers with imported refined sugar.

Administration and selling expenses are expected to increase in 2024 compared to 2023, due mainly to market-based increases in compensation expenditures and prices of external services.

Considering the elements discussed above, we expect the Sugar segment adjusted EBITDA to increase in fiscal 2024 over fiscal 2023, reflecting the strong prevailing market dynamics and the stability of our operations.

We anticipate our financing costs to decrease in fiscal 2024 due mainly to the timing of the equity financing portion of the LEAP Project, which is providing a temporary increase in our available cash that will reduce the interest costs associated with our revolving credit facility. We have been able to mitigate the impact of recent increases in interest rates and energy costs through our multi-year hedging strategy. We expect our hedging strategy will continue to mitigate such exposure in fiscal 2024.

Spending on regular business capital projects is also expected to remain stable for fiscal 2024. We anticipate spending approximately $28.0 million on various initiatives related to our regular operations. This capital spending estimate excludes expenditures relating to our LEAP Project, which are currently estimated at $47.7million for fiscal 2024.

Maple

We expect financial results in our Maple segment to improve in 2024 over the prior year. Over the last few months, we focused on negotiating market-based price increases and optimizing our operations at our Granby and Dégelis plants through automation and continuous improvement initiatives. Such initiatives are supporting the recovery of our Maple business segment noted over the last four quarters.

The expected sales volume for fiscal 2024 at 45.4 million lbs is higher than last year's by approximately 1.5 million lbs. The sales volume expectation reflects the current market conditions, and the availability of new maple syrup from the producers. The 2024 maple syrup crop was significantly better than anticipated and will support the current market demand, while also allowing for the partial replenishment of the reserve held by the Producteurs et Productrices Acéricoles du Québec ("PPAQ"). The reserve of PPAQ has been depleted in recent years from below-average crops.

Considering the elements discussed above, we expect the Maple segment adjusted EBITDA to increase in fiscal 2024 over fiscal 2023, reflecting the benefits of the positive changes we implemented over the last year.

Capital investments in the Maple segment have decreased significantly in recent years. We expect to spend between $1.0 million and $1.5 million annually on capital projects in this segment. The main driver for the selected projects is improvement in productivity and profitability through automation.

See "Forward-Looking Statements" section below.

A full copy of Rogers third quarter 2024, including management's discussion and analysis and unaudited condensed consolidated interim financial statements, can be found at www.LanticRogers.com or on SEDAR+ at www.sedarplus.ca.

Cautionary Statement Regarding Non-IFRS Measures

In analyzing results, we supplement the use of financial measures that are calculated and presented in accordance with IFRS with a number of non-IFRS financial measures. A non-IFRS financial measure is a numerical measure of a company's performance, financial position or cash flow that excludes (includes) amounts or is subject to adjustments that have the effect of excluding (including) amounts, that are included (excluded) in most directly comparable measures calculated and presented in accordance with IFRS. Non-IFRS financial measures are not standardized; therefore, it may not be possible to compare these financial measures with the non-IFRS financial measures of other companies having the same or similar businesses. We strongly encourage investors to review the audited consolidated financial statements and publicly filed reports in their entirety, and not to rely on any single financial measure.

We use these non-IFRS financial measures in addition to, and in conjunction with, results presented in accordance with IFRS. These non-IFRS financial measures reflect an additional way of viewing aspects of the operations that, when viewed with the IFRS results and the accompanying reconciliations to corresponding IFRS financial measures, may provide a more complete understanding of factors and trends affecting our business. Refer to "Non-IFRS measures" section at the end of the MD&A for the current quarter for additional information.

The following is a description of the non-IFRS measures we used in this press release:

- Adjusted gross margin is defined as gross margin adjusted for "the adjustment to cost of sales", which comprises the mark-to-market gains or losses on sugar futures and foreign exchange forward contracts as shown in the notes to the consolidated financial statements and the cumulative timing differences as a result of mark-to-market gains or losses on sugar futures and foreign exchange forward contracts.
- Adjusted results from operating activities are defined as results from operating activities adjusted for the adjustment to cost of sales and goodwill impairment.
- EBITDA is defined as earnings before interest, taxes, depreciation, amortization and goodwill impairment.
- Adjusted EBITDA is defined as adjusted results from operating activities adjusted to add back depreciation and amortization expenses.
- Adjusted net earnings is defined as net earnings adjusted for the adjustment to cost of sales, goodwill impairment and the income tax impact on these adjustments.
- Adjusted gross margin rate per MT is defined as adjusted gross margin of the Sugar segment divided by the sales volume of the Sugar segment.
- Adjusted gross margin percentage is defined as the adjusted gross margin of the Maple segment divided by the revenues generated by the Maple segment.
- Adjusted net earnings per share is defined as adjusted net earnings divided by the weighted average number of shares outstanding.
- Free cash flow is defined as cash flow from operations excluding changes in non-cash working capital, mark-to-market and derivative timing adjustments and financial instruments' non-cash amounts, and including the payment of deferred financing fees, lease obligations, and capital expenditures and intangible assets, net of value-added capital expenditures and LEAP Project related capital expenditures.

In this press release, we discuss the non-IFRS financial measures, including the reasons why we believe these measures provide useful information regarding the financial condition, results of operations, cash flows and financial position, as applicable. We also discuss, to the extent material, the additional purposes, if any, for which these measures are used. These non-IFRS measures should not be considered in isolation, or as a substitute for, analysis of our results as reported under IFRS. Reconciliations of non-IFRS financial measures to the most directly comparable IFRS financial measures ae as follows:

RECONCILIATION OF NON-IFRS FINANCIAL MEASURES TO IFRS FINANCIAL MEASURES

		Q3 2024			Q3 2023	
Consolidated results (In thousands of dollars)	**Sugar**	**Maple Products**	**Total**	Sugar	Maple Products	Total
Gross margin	**31,304**	**5,331**	**36,635**	35,772	5,913	41,685
Total adjustment to the cost of sales[1]	**10,558**	**549**	**11,107**	(5,278)	(1,495)	(6,773)
Adjusted Gross Margin	**41,862**	**5,880**	**47,742**	30,494	4,418	34,912
Results from operating activities	**14,164**	**2,151**	**16,315**	21,140	2,868	24,008
Total adjustment to the cost of sales[1]	**10,558**	**549**	**11,107**	(5,278)	(1,495)	(6,773)
Adjusted results from operating activities	**24,722**	**2,700**	**27,422**	15,862	1,373	17,235
Results from operating activities	**14,164**	**2,151**	**16,315**	21,140	2,868	24,008
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**5,389**	**1,668**	**7,057**	4,862	1,653	6,515
EBITDA[1]	**19,553**	**3,819**	**23,372**	26,002	4,521	30,523
EBITDA[1	**19,553**	**3,819**	**23,372**	26,002	4,521	30,523
Total adjustment to the cost of sales[1]	**10,558**	**549**	**11,107**	(5,278)	(1,495)	(6,773)
Adjusted EBITDA	**30,111**	**4,368**	**34,479**	20,724	3,026	23,750
Net earnings			**7,379**			14,177
Total adjustment to the cost of sales[1]			**11,107**			(6,773)
Net change in fair value in interest rate swaps[1]			**943**			(203)
Income taxes on above adjustments			**(3,092)**			1,548
Adjusted net earnings			**16,337**			8,749
Net earnings per share (basic)			**0.06**			0.13
Adjustment for the above			**0.07**			(0.05)
Adjusted net earnings per share (basic)			**0.13**			0.08

(1) See “Adjusted results” section of the MD&A for additional information

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO IFRS FINANCIAL MEASURES (CONTINUED)

	YTD 2024			YTD 2023		
Consolidated results (In thousands of dollars)	**Sugar**	**Maple Products**	**Total**	Sugar	Maple Products	Total
Gross margin	**107,710**	**18,430**	**126,140**	108,885	15,649	124,534
Total adjustment to the cost of sales(1)	**15,331**	**(118)**	**15,213**	(6,585)	(2,811)	(9,396)
Adjusted gross margin	**123,041**	**18,312**	**141,353**	102,300	12,838	115,138
Results from operating activities	**58,098**	**9,031**	**67,129**	66,115	6,033	72,148
Total adjustment to the cost of sales(1)	**15,331**	**(118)**	**15,213**	(6,585)	(2,811)	(9,396)
Adjusted results from operating activities	**73,429**	**8,913**	**82,342**	59,530	3,222	62,752
Results from operating activities	**58,098**	**9,031**	**67,129**	66,115	6,033	72,148
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**15,949**	**5,003**	**20,952**	14,452	5,081	19,533
EBITDA(1)	**74,047**	**14,034**	**88,081**	80,567	11,114	91,681
EBITDA(1)	**74,047**	**14,034**	**88,081**	80,567	11,114	91,681
Total adjustment to the cost of sales(1)	**15,331**	**(118)**	**15,213**	(6,585)	(2,811)	(9,396)
Adjusted EBITDA(1)	**89,378**	**13,916**	**103,294**	73,982	8,303	82,285
Net earnings			**35,167**			39,913
Total adjustment to the cost of sales(1)			**15,213**			(9,396)
Net change in fair value in interest rate swaps(1)			**1,837**			322
Income taxes on above adjustments			**(4,376)**			2,372
Adjusted net earnings			**47,841**			33,211
Net earnings per share (basic)			**0.31**			0.38
Adjustment for the above			**0.11**			(0.06)
Adjusted net earnings per share (basic)			**0.42**			0.32

(1) See "Adjusted results" section of the MD&A for additional information

Conference Call and Webcast

Rogers will host a conference call to discuss its third quarter fiscal 2024 results on August 8, 2024 starting at 17:30p.m. ET. To participate by phone, please dial 1-800-717-1738. To access the live webcast presentation, please click on the link below:

https://onlinexperiences.com/Launch/QReg/ShowUUID=2F8B1C1C-121F-4AEA-858F-53569C0604ED&LangLocaleID=1033

A recording of the conference call will be accessible shortly after the conference, by dialing 1-877-674-7070, access code 30571#. This recording will be available until August 8, 2025. A live audio webcast of the conference call will also be available via www.LanticRogers.com.

About Rogers Sugar

Rogers is a corporation established under the laws of Canada. The Corporation holds all of the common shares of Lantic and its administrative office is in Montréal, Québec. Lantic operates cane sugar refineries in Montréal, Québec and Vancouver, British Columbia, as well as the only Canadian sugar beet processing facility in Taber, Alberta. Lantic also operate 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 common shares of TMTC and its head office is headquartered in Montréal, Québec. TMTC operates bottling plants in Granby, Dégelis and in 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 fifty countries and sold under various brand names.

For more information about Rogers please visit our website at www.LanticRogers.com.

Cautionary Statement Regarding Forward-Looking Information

This report contains statements or information that are or may be "forward-looking statements" or "forward-looking information" within the meaning of applicable Canadian Securities laws. Forward-looking statements may include, without limitation, statements and information which reflect our current expectations with respect to future events and performance. Wherever used, the words "may," "will," "should," "anticipate," "intend," "assume," "expect," "plan," "believe," "estimate," and similar expressions and the negative of such expressions, identify forward-looking statements. Although this is not an exhaustive list, we caution investors that statements concerning the following subjects are, or are likely to be, forward-looking statements:

- Future demand and related sales volume for refined sugar and maple syrup;
- our LEAP Project;
- future prices of Raw #11;
- expected inflationary pressures on costs;
- natural gas costs;
- beet sugar production forecast for our Taber facility;
- the level of future dividends;
- the status of government regulations and investigations; and
- projections regarding future financial performance.

Forward-looking statements are based on estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Actual performance or results could differ materially from those reflected in the forward-looking statements, historical results or current expectations.

Readers should also refer to the section "Risks and Uncertainties" in this MD&A for additional information on risk factors and other events that are not within our control. These risks are also referred to in our Annual Information Form in the "Risk Factors" section. Although we believe that the expectations and assumptions on which forward-looking information is based are reasonable under the current circumstances, readers are cautioned not to rely unduly on this forward-looking information as no assurance can be given that it will prove to be correct. Forward-looking information contained herein is made as at the date of this MD&A and we do not undertake any obligation to update or revise any forward-looking information, whether a result of events or circumstances occurring after the date hereof, unless so required by law.

For further information

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ROGERS SUGAR INC.

Financial Report Q3 2024

This Management's Discussion and Analysis ("MD&A") of Rogers Sugar Inc.'s (the "Company", "Rogers", "RSI" or "our," "we", "us") dated August 8, 2024 should be read in conjunction with the unaudited condensed consolidated interim financial statements and related notes for the three- and nine-month periods ended June 29, 2024, as well as the audited consolidated financial statements and MD&A for the year ended September 30, 2023. This MD&A refers to Rogers, Lantic Inc. ("Lantic") (Rogers and Lantic together referred as the "Sugar segment"), The Maple Treat Corporation ("Maple Treat") and Highland Sugarworks Inc. ("Highland") (the latter two companies together referred to as "TMTC" or the "Maple segment").

Management is responsible for preparing the MD&A. This MD&A has been reviewed and approved by the Audit Committee of Rogers and its Board of Directors.

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OUR BUSINESS

Rogers has a long history of providing high-quality sugar products to the Canadian market and has been operating since 1888.

Lantic, Rogers wholly owned subsidiary, operates cane sugar refineries in Montréal, Québec and Vancouver, British Columbia, as well as the only Canadian sugar beet processing facility in Taber, Alberta. Lantic's sugar products are generally 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. We also operate a distribution center in Toronto, Ontario.

Maple Treat operates bottling plants in Granby, Dégelis and in St-Honoré-de-Shenley, Québec and in Websterville, Vermont. Maple Treat's products include maple syrup and derived maple syrup products, supplied mainly under retail private label brands in approximately fifty countries.

Our business has two distinct segments - Sugar – which includes refined sugar and by-products and Maple – which includes maple syrup and maple-derived products.

BUSINESS HIGHLIGHTS

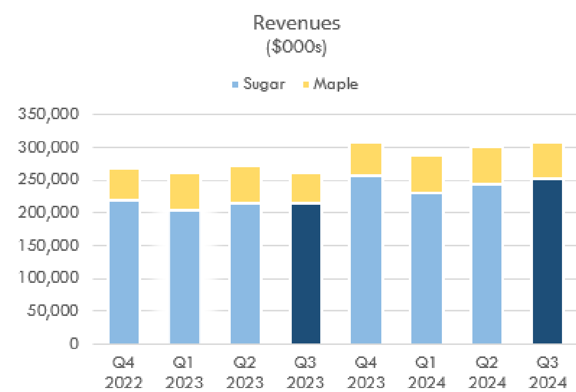
- The Company delivered consolidated adjusted EBITDA[1] for the third quarter and the first nine months of fiscal 2024 of $34.5 million and $103.3 million respectively, up by $10.7 million and $21.0 million from the same periods last year, driven by the strong performance of both of our business segments.
- Adjusted net earnings per share at $0.13 for the third quarter were $0.05 higher than the same period last year.
- Adjusted EBITDA[1] in the Sugar segment was strong in the third quarter of fiscal 2024 at $30.1 million, an increase of $9.4 million compared to the same period last year, driven by higher adjusted gross margin, partially offset by higher administration and selling expenses.
- Sales volumes in the Sugar segment decreased by 5,600 metric tonnes to approximately 185,800 metric tonnes in the third quarter, driven by timing and by a slight reduction in North American demand.
- Sugar segment adjusted gross margin[1] amounted to $225 per metric tonne in the third quarter of 2024 as compared to $159 per metric tonne for the same period last year, mainly due to the increase in overall margin from improved selling prices, partially offset by higher production costs.
- Adjusted EBITDA[1] in the Maple segment was $4.4 million in the third quarter, an increase of $1.4 million from the same quarter last year, largely driven by higher average selling prices, higher sales volumes and lower operating costs.
- Adjusted gross margin percentage[1] in the Maple segment was 10.4% in the third quarter, as compared to an adjusted gross margin percentage[1] of 9.5% for the same period last year, driven by higher average selling prices and lower operating costs following the implementation of automation and continuous improvement initiatives in the later part of fiscal 2023.
- Free cash flow[1] for the trailing 12 months ended June 29, 2024, was $74.5 million, an increase of $26.7 million from the same period last year, driven by higher consolidated adjusted EBITDA[1] and lower short term interest charges, timing in interest payments and deferred financing fees.
- Considering the strong results of the first nine months of fiscal 2024 for both of our business segments, we anticipate delivering higher financial results in 2024 as compared to 2023.
- In the third quarter of fiscal 2024, we distributed $0.09 per share to our shareholders for a total of $11.5 million.
- The construction phase of the Montréal portion of our expansion project aimed at enhancing the production and logistic capacity of our eastern sugar refining operations in Montréal and Toronto (formerly referred to as the "Expansion Project" and now referred to as the "LEAP Project") has begun. Orders for sugar refining equipment and other large production and logistic-related equipment have been placed with suppliers. In the third quarter, we identified incremental costs to the LEAP Project. We expect to provide a revised cost estimate for the LEAP Project in the fall of 2024.
- On August 8, 2024, the Board of Directors declared a quarterly dividend of $0.09 per share, payable on or before October 10, 2024.

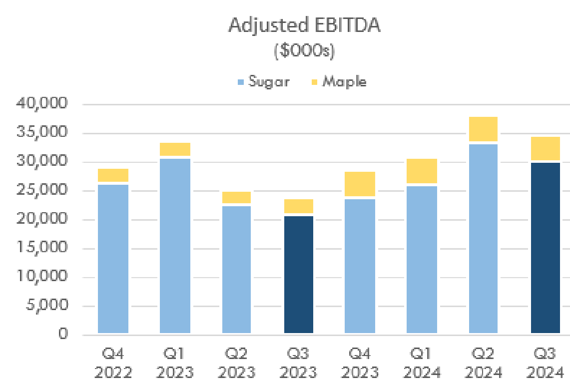
(1) See "Non-IFRS Measures" section for definition and reconciliation to IFRS measures

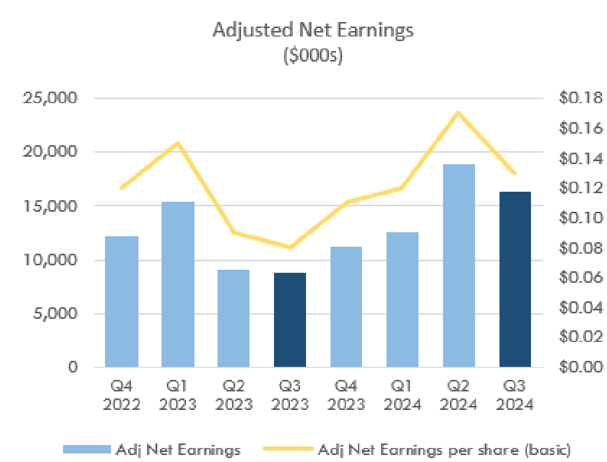
SELECTED FINANCIAL DATA AND HIGHLIGHTS

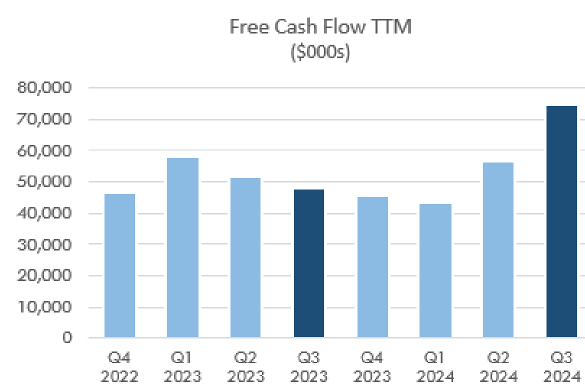
(unaudited) (In thousands of dollars, except volume and per share information)	**Q3 2024**	Q3 2023	**YTD 2024**	YTD 2023
Sugar (metric tonnes)	**185,799**	191,411	**548,793**	579,807
Maple syrup (000 pounds)	**11,392**	9,630	**35,021**	33,508
Total revenues	**309,091**	262,285	**898,734**	796,677
Gross margin	**36,635**	41,685	**126,140**	124,534
Adjustment to cost of sale[(1)]	**(11,107)**	6,773	**(15,213)**	9,396
Adjusted gross margin[(1)]	**47,742**	34,912	**141,353**	115,138
Results from operating activities	**16,315**	24,008	**67,129**	72,148
Adjusted results from operating activities[(1)]	**27,422**	17,235	**82,342**	62,752
EBITDA[(1)]	**23,372**	30,523	**88,081**	91,681
Adjusted EBITDA[(1)]	**34,479**	23,750	**103,294**	82,285
Net earnings	**7,379**	14,177	**35,167**	39,913
per share (basic)	**0.06**	0.13	**0.31**	0.38
per share (diluted)	**0.06**	0.12	**0.28**	0.35
Adjusted net earnings[(1)]	**16,337**	8,749	**47,841**	33,211
Adjusted net earnings per share (basic)[(1)]	**0.13**	0.08	**0.42**	0.32
Trailing twelve months free cash flow[(1)]	**74,542**	47,846	**74,542**	47,846
Dividends per share	**0.09**	0.09	**0.27**	0.27

(1) See "Non-IFRS Measures" section for definition and reconciliation to IFRS measures.









Adjusted results

In the normal course of business, we use derivative financial instruments consisting of sugar futures, foreign exchange forward contracts, natural gas futures and interest rate swaps. We have designated our natural gas futures and our interest rate swap agreements entered into in order to protect us against natural gas price and interest rate fluctuations as cash flow hedges. Derivative financial instruments pertaining to sugar futures and foreign exchange forward contracts are marked-to-market at each reporting date and are charged to the condensed consolidated statement of earnings. The unrealized gains/losses related to natural gas futures and interest rate swaps that qualify under hedged accounting are accounted for in other comprehensive income. The unrealized gains/losses related to interest rate swaps that do not qualify under hedged accounting are accounted in the condensed consolidated statement of earnings. The amount recognized in other comprehensive income is removed and included in net earnings under the same line item in the condensed consolidated statement of earnings and comprehensive income as the hedged item, in the same period that the hedged cash flows affect net earnings, reducing earnings volatility related to the movements of the valuation of these derivatives hedging instruments.

We believe that our financial results are more representative of our business to management, investors, analysts, and any other interested parties when financial results are adjusted by the gains/losses from financial derivative instruments that do not qualify for hedge accounting. These adjusted financial results provide a more complete understanding of factors and trends affecting our business. This measurement is a non-IFRS measurement. See “Non-IFRS measures” section.

We use the non-IFRS adjusted results of the operating company to measure and to evaluate the performance of the business through our adjusted gross margin, adjusted gross margin percentage, adjusted gross margin rate, adjusted results from operating activities, adjusted EBITDA, adjusted net earnings, adjusted net earnings per share and trailing twelve months free cash flow. These non-IFRS measures are evaluated on a consolidated basis and at a segmented level, excluding adjusted gross margin percentage, adjusted gross margin per metric tonne, adjusted net earnings per share and trailing twelve months free cash flow. In addition, we believe that these measures are important to our investors and parties evaluating our performance and comparing such performance to past results. We also use adjusted gross margin, adjusted EBITDA, adjusted results from operating activities, adjusted net earnings, adjusted net earnings per share and trailing twelve months free cash flow when discussing results with the Board of Directors, analysts, investors, banks, and other interested parties. See “Non-IFRS measures” section.

OUR RESULTS ARE ADJUSTED AS FOLLOWS:

Income (loss) (In thousands of dollars)	**Q3 2024**			Q3 2023		
	Sugar	**Maple Products**	**Total**	Sugar	Maple Products	Total
Mark-to-market on:						
Sugar futures contracts	**(7,240)**	**-**	**(7,240)**	3,857	-	3,857
Foreign exchange forward contracts	**540**	**(550)**	**(10)**	611	972	1,583
Total mark-to-market adjustment on derivatives	**(6,700)**	**(550)**	**(7,250)**	4,468	972	5,440
Cumulative timing differences	**(3,858)**	**1**	**(3,857)**	810	523	1,333
Total adjustment to costs of sales	**(10,558)**	**(549)**	**(11,107)**	5,278	1,495	6,773

Income (loss) (In thousands of dollars)	**YTD 2024**			YTD 2023		
	Sugar	**Maple Products**	**Total**	Sugar	Maple Products	Total
Mark-to-market on:						
Sugar futures contracts	**(8,776)**	**-**	**(8,776)**	7,574	-	7,574
Foreign exchange forward contracts	**1,815**	**103**	**1,918**	1,180	616	1,796
Total mark-to-market adjustment on derivatives	**(6,961)**	**103**	**(6,858)**	8,754	616	9,370
Cumulative timing differences	**(8,370)**	**15**	**(8,355)**	(2,169)	2,195	26
Total adjustment to costs of sales	**(15,331)**	**118**	**(15,213)**	6,585	2,811	9,396

Fluctuations in the mark-to-market adjustment on derivatives are due to the price movements in the Raw #11 sugar market (“Raw #11”) and foreign exchange variations.

We recognize cumulative timing differences, as a result of mark-to-market gains or losses, only when sugar is sold to a customer. The gains or losses on sugar and related foreign exchange paper transactions are largely offset by corresponding gains or losses from the physical transactions, namely sale and purchase contracts with customers and suppliers.

The above-described adjustments are added to or deducted from the mark-to-market results to arrive at the total adjustment to cost of sales. For the third quarter of the current year, the total cost of sales adjustment is a loss of $11.1 million to be added to the consolidated results versus a gain of $6.8 million to be deducted from the consolidated results for the comparable quarter last year. For the first nine months of fiscal 2024, the total cost of sales adjustment is a loss of $15.2 million to be added to the consolidated results compared to a gain of $9.4 million to be deducted from the consolidated results for the same period last year.

See the "Non-IFRS measures" section for more information on these adjustments.

SEGMENTED INFORMATION

Segmented Results (In thousands of dollars)		**Q3 2024**			Q3 2023	
	Sugar	**Maple Products**	**Total**	Sugar	Maple Products	Total
Revenues	**252,453**	**56,638**	**309,091**	215,831	46,454	262,285
Gross margin	**31,304**	**5,331**	**36,635**	35,772	5,913	41,685
Administration and selling expenses	**11,003**	**2,833**	**13,836**	7,811	2,675	10,486
Distribution costs	**6,137**	**347**	**6,484**	6,821	370	7,191
Results from operating activities	**14,164**	**2,151**	**16,315**	21,140	2,868	24,008
Adjustment to cost of sales(2)	**10,558**	**549**	**11,107**	(5,278)	(1,495)	(6,773)
Adjusted gross margin(1)	**41,862**	**5,880**	**47,742**	30,494	4,418	34,912
Adjusted results from operating activities(1)	**24,722**	**2,700**	**27,422**	15,862	1,373	17,235
EBITDA(1)	**19,553**	**3,819**	**23,372**	26,002	4,521	30,523
Adjusted EBITDA(1)	**30,111**	**4,368**	**34,479**	20,724	3,026	23,750
Additional information:						
Additions to property, plant and equipment and intangible assets, net of disposals	**20,971**	**19**	**20,990**	12,236	330	12,566
Increase in asset retirement obligation provision included in property, plant and equipment	**5,892**	**-**	**5,892**	-	-	-
Additions to right-of-use assets	**290**	**-**	**290**	645	-	645

(1) See "Non-IFRS Measures" section for definition and reconciliation to IFRS measures

(2) See "Adjusted results" section

Segmented Results (In thousands of dollars)		**YTD 2024**			YTD 2023	
	Sugar	**Maple Products**	**Total**	Sugar	Maple Products	Total
Revenues	**725,218**	**173,516**	**898,734**	637,253	159,424	796,677
Gross margin	**107,710**	**18,430**	**126,140**	108,885	15,649	124,534
Administration and selling expenses	**31,197**	**8,510**	**39,707**	25,547	8,202	33,749
Distribution costs	**18,415**	**889**	**19,304**	17,223	1,414	18,637
Results from operating activities	**58,098**	**9,031**	**67,129**	66,115	6,033	72,148
Adjustment to cost of sales(2)	**15,331**	**(118)**	**15,213**	(6,585)	(2,811)	(9,396)
Adjusted Gross margin(1)	**123,041**	**18,312**	**141,353**	102,300	12,838	115,138
Adjusted results from operating activities(1)	**73,429**	**8,913**	**82,342**	59,530	3,222	62,752
EBITDA(1)	**74,047**	**14,034**	**88,081**	80,567	11,114	91,681
Adjusted EBITDA(1)	**89,378**	**13,916**	**103,294**	73,982	8,303	82,285
Additional information:						
Additions to property, plant and equipment and intangible assets, net of disposals	**50,171**	**628**	**50,799**	27,202	699	27,901
Increase in asset retirement obligation provision included in property, plant and equipment	**5,892**	**-**	**5,892**	-	-	-
Additions to right-of-use assets	**3,046**	**109**	**3,155**	1,611	45	1,656

(1) See "Non-IFRS Measures" section for definition and reconciliation to IFRS measures

(2) See "Adjusted results" section

Sugar

IMPACT OF LABOUR DISRUPTION AT VANCOUVER REFINERY

On February 1, 2024, the unionized employees of the Vancouver sugar refinery, represented by the Public and Private Workers of Canada Local 8, ratified a new five-year collective agreement, concluding a strike that began on September 28, 2023. The unionized employees have returned to work and the Vancouver refinery is now operating at its normal capacity. The overall unfavourable impact of the strike which occurred mainly in the first two quarters of the current fiscal year is a net reduction in volume of approximately 23,500 metric tonnes, and a reduction of adjusted EBITDA estimated at $5.4 million.

LEAP PROJECT

On August 11, 2023, the Board of Directors of Lantic approved the LEAP Project. This investment is expected to provide approximately 100,000 metric tonnes of incremental refined sugar capacity to the growing Canadian market. The LEAP Project is expected to be completed in the first half of fiscal 2026 and its initial cost was estimated at $200 million.

The planning and design phases associated with the LEAP Project are now completed and the construction phase has begun. Site preparation and permitting processes are completed for the main construction site in Montréal. Detailed planning for the Toronto portion of the project is currently in the final stages. Orders for sugar refining equipment and other large production and logistic-related equipment have been placed with suppliers.

In the third quarter, we identified incremental costs to the LEAP Project, primarily due to design changes, market-driven price increases for construction, and new safety regulations. Despite these challenges, we remain confident in the investment's value, which is supported by the robust economic fundamentals of the sugar industry in Canada. We expect to provide a revised cost estimate for the LEAP Project in the fall of 2024.

We are funding the construction costs of the LEAP Project, including the expected incremental costs, using a combination of debt, equity and our existing revolving credit facility. In connection with the financing plan of the LEAP Project, RSI issued new common shares in the second quarter of 2024, for net proceeds of $112.5 million. In the second half of 2023, also in connection with the financing of the LEAP Project, Lantic entered into two secured loan agreements with Investissement Québec for up to $65 million. We anticipate drawing funds from the approved loans from Investissement Québec at the beginning of fiscal 2025.

As at June 29, 2024, $43.2 million, including $1.2 million in interest costs, has been capitalized in construction in progress on the balance sheet for the LEAP Project. Thus far, most of the costs incurred are related to the design and planning phases of the project, the site preparation in Montréal and deposits paid on sugar refining, production, and logistic equipment ordered from suppliers. For the first nine months of fiscal 2024, $32.0 million has been capitalized in connection with the LEAP Project, while $11.2 million was capitalized in fiscal 2023.

REVENUES

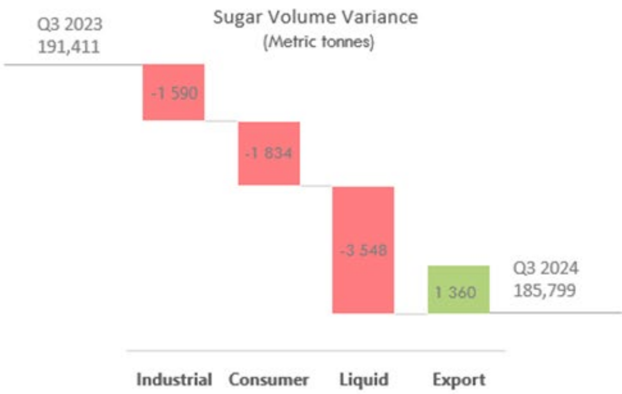
	Q3 2024	Q3 2023	Δ	**YTD 2024**	YTD 2023	Δ
(In thousands of dollars)	**252,453**	215,831	36,622	**725,218**	637,253	87,965

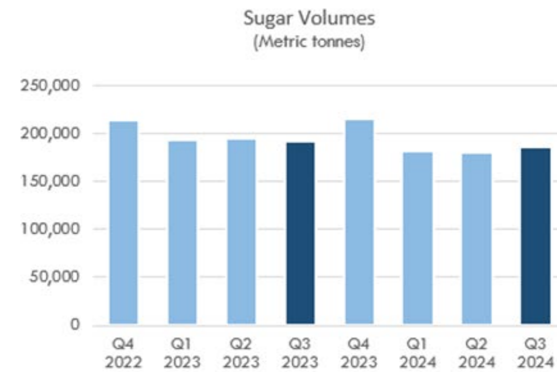
In the third quarter of fiscal 2024, revenue increased by $36.6 million compared to the same period last year, largely driven by higher contribution from refining related activities. In the first nine months of fiscal 2024, revenue increased by $88.0 million compared to the same period last year. The positive variance was largely driven by higher average price for Raw #11 and higher contribution from refining related activities, partially offset by lower sales volume.

The average prices for Raw #11 increased by US 0.9 cents per pound to US 22.6 cents per pound for the first nine months of the current fiscal year, when compared to the same period last year.

The demand trends for sugar in the long-term remain strong. However, in the third quarter of fiscal 2024, sugar sales volume totaled approximately 185,800 metric tonnes, a decrease of approximately 3% or 5,600 metric tonnes compared to the same period last year. This was driven by the following:

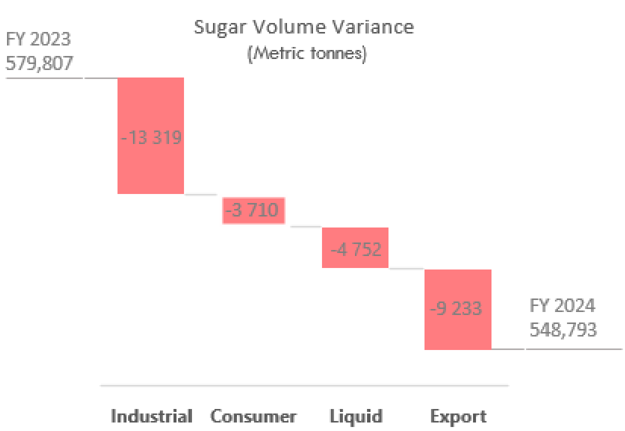
- Lower volume from the industrial customer segment of approximately 1,600 metric tonnes, reflecting a small reduction in North American demand attributable to external macroeconomic factors including food inflation and high prices of other related commodities such as cocoa.
- Lower liquid volume sold of approximately 3,500 metric tonnes, mainly related to a temporary reduction in purchases from specific customers, along with timing of orders.
- Lower volume from the consumer retail segment of approximately 1,800 metric tonnes attributable mainly to timing of orders and promotions by large retail customers.
- Higher export volume of approximately 1,300 metric tonnes, related to opportunistic sales demand in other markets.

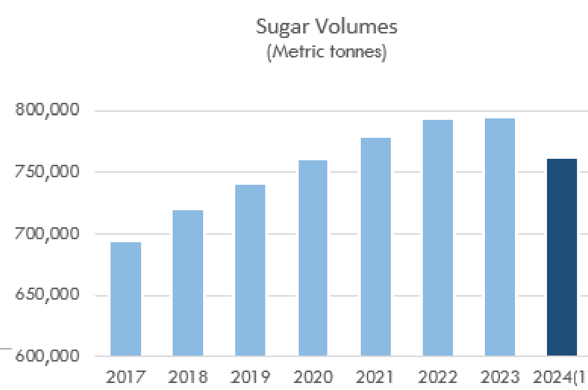




In the first nine months of fiscal 2024, sugar volume totaled approximately 548,800 metric tonnes, a decrease of approximately 5.5% or 31,000 metric tonnes compared to the same period last year, driven mainly by the unfavourable net impact of the labour disruption at the Vancouver refinery, estimated at approximately 23,500 metric tonnes, as well as lower sales volume across our domestic segments in the third quarter, for the reasons explained above. The specific impacts by customer segment were as follows:

- Industrial volume decreased by approximately 13,300 metric tonnes.
- Liquid volume decreased by approximately 4,800 metric tonnes.
- Consumer volume decreased by approximately 3,700 metric tonnes.
- Export volume decreased by approximately 9,200 metric tonnes. In the first half of fiscal 2024 we focussed our sales efforts on serving the domestic market throughout the labour disruption in Vancouver. In the third quarter, we pivoted to meet opportunistic sales demand in other markets.





(1) See Outlook section, sugar sales volume is expected to amount to 762,000 metric tonnes in fiscal 2024.

GROSS MARGIN

(In thousands of dollars, except per metric tonne information)	**Q3 2024**	Q3 2023	Δ	**YTD 2024**	YTD 2023	Δ
Gross margin	**31,304**	35,772	(4,468)	**107,710**	108,885	(1,175)
Total adjustment to cost of sales[2]	**10,558**	(5,278)	15,836	**15,331**	(6,585)	21,916
Adjusted gross margin[1]	**41,862**	30,494	11,368	**123,041**	102,300	20,741
Adjusted gross margin per metric tonne[1]	**225**	159	66	**224**	176	48
Included in gross margin:						
Depreciation of property, plant and equipment and right-of-use assets	**4,267**	3,878	389	**12,585**	11,374	1,211

(1) See "Non-IFRS Measures" section for definition and reconciliation to IFRS measures

(2) See "Adjusted results" section

Gross margin was $31.3 million and $107.7 million for the third quarter and the first nine months of fiscal 2024, and includes a loss of $10.6 million and $15.3 million, respectively, for the mark-to-market of derivative financial instruments. For the same periods last year, gross margin was $35.8 million and $108.9 million, respectively, with a mark-to-market gain of $5.3 million and $6.6 million.

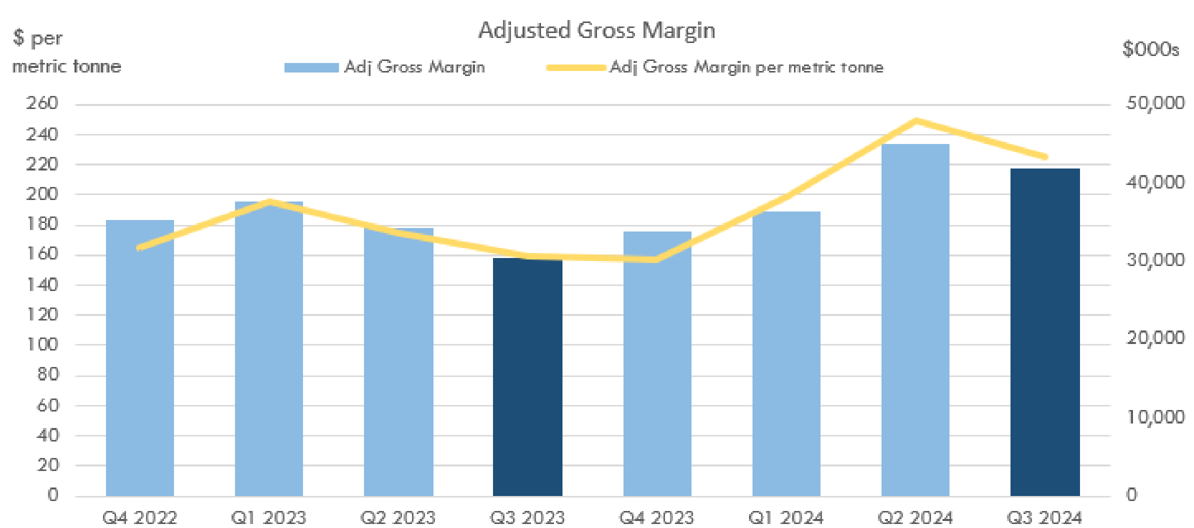
Adjusted gross margin was $41.9 million and $123.0 million for the third quarter and for the first nine months of fiscal 2024, respectively, as compared to $30.5 million and $102.3 million in the same periods last year.

Adjusted gross margin increased by $11.4 million in the third quarter compared to the same period last year mainly as a result of higher sugar sales margin from increased average pricing on sugar refining related activities. This positive variance was partially offset by higher production costs mainly driven by increased maintenance activities and market based inflationary pressure on costs, along with the unfavourable impact of lower sales volume, as described above.

On a per-unit basis, adjusted gross margin for the third quarter was $225 per metric tonne, higher than last year by $66 per metric tonne. The favourable variance was mainly due to the increase in overall margin from improved selling prices, partially offset by higher production costs.

Adjusted gross margin for the first nine months of fiscal 2024 was $20.7 million higher than in the comparable period last year as a result of higher sugar sales margin from increased average pricing on sugar refining related activities. This positive variance was partially offset by higher production costs mainly driven by increased maintenance activities and market based inflationary pressure on costs, along with the unfavourable impact of lower sales volume, as described above.

On a per-unit basis, for the first nine months of fiscal 2024, adjusted gross margin amounted to $224 per metric tonne compared to $176 per metric tonne for the same period last year. The favourable variance was mainly due to the increase in overall margin from improved selling prices, partially offset by higher production costs.



OTHER EXPENSES

(In thousands of dollars, except per metric tonne information)	**Q3 2024**	Q3 2023	Δ	**YTD 2024**	YTD 2023	Δ
Administration and selling expenses	**11,003**	7,811	3,192	**31,197**	25,547	5,650
Distribution costs	**6,137**	6,821	(684)	**18,415**	17,223	1,192
Included in Administration and selling expenses:						
Depreciation of property, plant and equipment and right-of-use assets	**180**	196	(16)	**575**	735	(160)
Included in Distribution costs:						
Depreciation of right-of-use assets	**942**	789	153	**2,789**	2,344	445

In the third quarter of fiscal 2024, administration and selling expenses were higher by $3.2 million compared to the same quarter last year. The variance was mainly due to higher cash-settled share-based compensation expense of $1.3 million, driven by a higher variation in share price used to value the associated liability in the current quarter, along with market-based incremental compensation costs and related employee benefits of $1.0 million, as compared to the same period last year.

Distribution costs were lower by $0.7 million compared to the same quarter last year, mainly due to a lower transfer of sugar to our beet sugar facility in Taber compared to the same period last year, as our cane sugar facilities were supporting lower-than-expected production volume from our beet sugar facility in fiscal 2023.

For the first nine months of fiscal 2024, administration and selling expenses were $5.7 million higher than the comparable period last year. The variance was mainly due to market-based incremental compensation costs and related employee benefits of $3.5 million, compared to the same period last year, along with higher cash-settled share-based compensation expense of $0.3 million, driven by a higher variation in share price used to value the associated liability in the current year.

Distribution costs for the first nine months of fiscal 2024 increased by $1.2 million compared to the same period last year, mainly due to higher transfer of sugar between our facilities to support the needs of our customers, including costs associated with our mitigation strategy related to the labour disruption in Vancouver. This was partially offset by lower transfer of sugar to our facility in Taber compared to the same period last year as our cane sugar facilities were supporting lower-than-expected production volume from our beet sugar facility in fiscal 2023.

RESULTS FROM OPERATING ACTIVITIES AND ADJUSTED EBITDA

(In thousands of dollars)	**Q3 2024**	Q3 2023	Δ	**YTD 2024**	YTD 2023	Δ
Results from operating activities	**14,164**	21,140	(6,976)	**58,098**	66,115	(8,017)
Total adjustment to cost of sales (2)	**10,558**	(5,278)	15,836	**15,331**	(6,585)	21,916
Adjusted results from operating activities(1)	**24,722**	15,862	8,860	**73,429**	59,530	13,899
Depreciation of property, plant and equipment, right-of-use assets, and amortization of intangible assets	**5,389**	4,862	527	**15,949**	14,452	1,497
EBITDA(1)	**19,553**	26,002	(6,449)	**74,047**	80,567	(6,520)
Adjusted EBITDA(1)	**30,111**	20,724	9,387	**89,378**	73,982	15,396

(1) See "Non-IFRS Measures" section for definition and reconciliation to IFRS measures
(2) See "Adjusted results" section

Results from operating activities for the third quarter and the first nine months of fiscal 2024 year were $14.2 million and $58.1 million, respectively, a decrease of $7.0 million and $8.0 million respectively, compared to same periods last year. These results include gains and losses from the mark-to-market of derivative financial instruments.

Adjusted results from operating activities in the third quarter were $8.9 million higher than the same period last year, mainly due to higher adjusted gross margin and lower distribution costs, partially offset by higher administration and selling expenses. Adjusted results from operating activities for the first nine months of fiscal 2024 were $13.9 million higher than in the same period last year as a result of higher adjusted gross margin, partially offset by higher distribution costs and administration and selling expenses.

EBITDA for the third quarter and the first nine months of fiscal 2024 were $19.6 million and $74.0 million, respectively, a decrease of $6.4 million and $6.5 million, respectively, compared to the same periods last year. These results include gains and losses from the mark-to-market of derivative financial instruments.

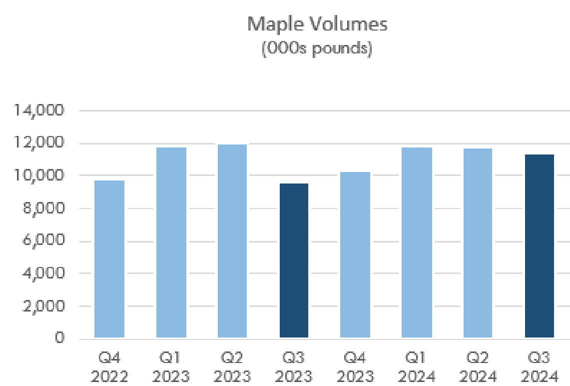
Adjusted EBITDA for the third quarter increased by $9.4 million compared to the same period last year, largely as a result of higher adjusted gross margin and lower distribution costs, partially offset by higher administration and selling expenses. Adjusted EBITDA for the first nine months of fiscal 2024 increased by $15.4 million largely due to higher adjusted gross margin, partially offset by higher distribution costs and administration and selling expenses, as described above.

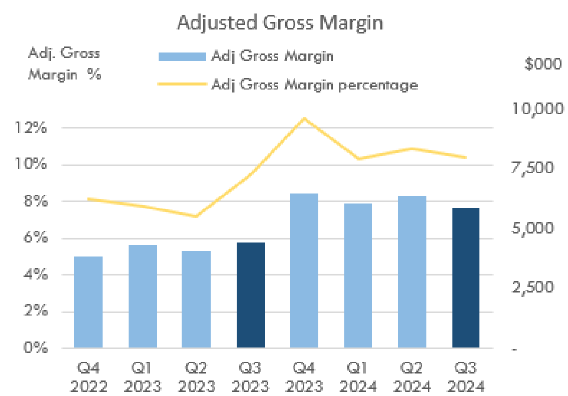
Maple Products

REVENUES

	Q3 2024	Q3 2023	Δ	YTD 2024	YTD 2023	Δ
(In thousands of dollars, except volume)						
Volume (000 pounds)	**11,392**	9,630	1,762	**35,021**	33,508	1,513
Revenues	**56,638**	46,454	10,184	**173,516**	159,424	14,092

Revenues for the third quarter were $10.2 million higher than in the same period last year, due to higher average selling price and higher sales volume. For the first nine months of fiscal 2024, revenues were $14.1 million higher than in the same period last year due to higher average selling price and higher sales volume.





GROSS MARGIN

	Q3 2024	Q3 2023	Δ	YTD 2024	YTD 2023	Δ
(In thousands of dollars, except adjusted gross margin rate information)						
Gross margin	**5,331**	5,913	(582)	**18,430**	15,649	2,781
Total adjustment to cost of sales (1) (2)	**549**	(1,495)	2,044	**(118)**	(2,811)	2,693
Adjusted gross margin (1)	**5,880**	4,418	1,462	**18,312**	12,838	5,474
Adjusted gross margin percentage (1)	**10.4%**	9.5%	0.9%	**10.6%**	8.1%	2.5%
Included in Gross margin:						
Depreciation of property, plant and equipment and right-of-use assets	**784**	776	8	**2,354**	2,448	(94)

(1) See "Non-IFRS Measures" section for definition and reconciliation to IFRS measures

(2) See "Adjusted results" section

Gross margin was $5.3 million and $18.4 million for the third quarter and the first nine months of fiscal 2024 and includes a loss of $0.5 million and a gain of $0.1 million respectively, for the mark-to-market of derivative financial instruments. For the same periods last year, gross margin was $5.9 million and $15.6 million, respectively, with mark-to-market gains of $1.5 million and $2.8 million respectively.

Adjusted gross margin for the third quarter and the first nine months of fiscal 2024 was $5.9 million and $18.3 million, respectively, an increase of $1.5 million and $5.5 million respectively, compared to the same periods last year. Adjusted gross margin percentage for the third quarter and the first nine months of fiscal 2024 were 10.4% and 10.6% respectively, as compared to 9.5% and 8.1%, respectively, for the comparable periods last year. These favourable variances were mainly related to higher average pricing, incremental sales volume and lower operating costs from savings related to continuous improvement and automation initiatives implemented in the later part of fiscal 2023.

OTHER EXPENSES

	Q3 2024	Q3 2023	Δ	YTD 2024	YTD 2023	Δ
(In thousands of dollars)						
Administration and selling expenses	**2,833**	2,675	158	**8,510**	8,202	308
Distribution costs	**347**	370	(23)	**889**	1,414	(525)
Included in Administration and selling expenses:						
Amortization of intangible assets	**884**	877	7	**2,649**	2,633	16

Administration and selling expenses for the third quarter and for the first nine months of fiscal 2024 were $0.2 million and $0.3 million higher than the comparable periods last year. These variances were largely due to market-based increases to compensation related expenses.

Distribution costs in the third quarter remained stable compared to the same period last year. Distribution costs for the first nine months of fiscal 2024 were lower by $0.5 million compared to the same period last year, mainly due to lower logistic costs and higher recovery of such costs from customers.

RESULTS FROM OPERATING ACTIVITIES AND ADJUSTED EBITDA

	Q3 2024	Q3 2023	Δ	YTD 2024	YTD 2023	Δ
(In thousands of dollars)						
Results from operating activities	**2,151**	2,868	(717)	**9,031**	6,033	2,998
Total adjustment to cost of sales (1)	**549**	(1,495)	2,044	**(118)**	(2,811)	2,693
Adjusted results from operating activities (1)	**2,700**	1,373	1,327	**8,913**	3,222	5,691
Depreciation and amortization	**1,668**	1,653	15	**5,003**	5,081	(77)
EBITDA (1)	**3,819**	4,521	(702)	**14,034**	11,114	2,921
Adjusted EBITDA (1)	**4,368**	3,026	1,342	**13,916**	8,303	5,614

(1) See "Non-IFRS Measures" section for definition and reconciliation to IFRS measures

(2) See "Adjusted results" section

Results from operating activities for the third quarter and the first nine months of fiscal 2024 were $2.2 million and $9.0 million, respectively, compared to $2.9 million and $6.0 million in the same period last year. These results include gains and losses from the mark-to-market of derivative financial instruments.

Adjusted results from operating activities for the third quarter and the first nine months of fiscal 2024 were respectively $1.3 million and $5.7 million higher than in the comparable period last year, due mainly to higher adjusted gross margin and lower distribution costs, partially offset by higher administration and selling expenses.

EBITDA for the third quarter and the first nine months of 2024 amounted to $3.8 million and $14.0 million respectively, compared to $4.5 million and $11.1 million for the same period last year. These results include gains and losses from the mark-to-market of derivative financial instruments.

Adjusted EBITDA for the third quarter of fiscal 2024 increased by $1.3 million compared to the same period last year, due mainly to higher adjusted gross margin as explained above. Adjusted EBITDA for the first nine months of fiscal 2024 increased by $5.6 million, compared to the same period last year, largely driven by higher adjusted gross margins and lower distribution costs as explained above.

OUTLOOK

Management continues to focus on optimizing the business and delivering growth in consolidated adjusted EBITDA. Considering the strong results of the first nine months of fiscal 2024 for both of our business segments, we anticipate delivering higher financial results in 2024 as compared to 2023. The stability of our operations in both segments, the continued positive outlook for the Sugar segment from a market demand and pricing point of view, and the recovery of our Maple segment over the last few quarters, should drive an increase in consolidated adjusted EBITDA for fiscal 2024 over fiscal 2023.

Sugar

We expect the Sugar segment to perform well in fiscal 2024 and to exceed the results of fiscal 2023, despite the unfavourable impact of the recent labour disruption in Vancouver that ended on February 1, 2024. Underlying North American demand for sugar and sugar containing products remains historically strong and supports our positive business outlook. The expected increase in sugar margin from recently negotiated agreements is having a positive impact on our financial results, allowing us to mitigate the recent inflationary pressures on costs, and the lower sales volume related mainly to the recent labour disruption in Vancouver.

The initial volume expectation for fiscal year 2024 was set at 800,000 metric tonnes, representing an increase of 4,700 metric tonnes over fiscal year 2023. Considering the impact of the labour disruption in Vancouver that impacted the first half of fiscal 2024, and the slight decrease in domestic demand observed in the third quarter, we expect volumes in fiscal 2024 to decrease from our initial outlook by 40,000 metric tonnes, to 760,000 metric tonnes.

In Taber, the harvest season delivered 115,000 metric tonnes of beet sugar, higher than the prior year production by 10,000 metric tonnes. The higher-than-expected production is attributable to the higher quality of the beets received in 2024 associated with favourable weather conditions during the growing season, and the improved performance of the plant throughout the slicing process. A total of 28,000 acres of sugar beets has been seeded for the next year crop, being the second year of the two-year agreement signed in April 2023. Negotiations with the Alberta Sugar Beet Growers Association for subsequent crops have begun and will continue over the next few months.

Production costs and maintenance programs at our three production facilities are expected to increase moderately in 2024; as such related expenditures continue to be impacted by the current market-based pressures on costs, and as we continue to perform the necessary maintenance activities to ensure a smooth production process to meet the needs of our customers. We are committed to managing our costs responsibly and have implemented optimization and control initiatives in all our plants.

Distribution costs are expected to increase slightly in 2024. These expenditures reflect the current market dynamics requiring the transfer of sugar produced between our refineries to meet demand from customers, and some of the costs associated with servicing customers with imported refined sugar.

Administration and selling expenses are expected to increase in 2024 compared to 2023, due mainly to market-based increases in compensation expenditures and prices of external services.

Considering the elements discussed above, we expect the Sugar segment adjusted EBITDA to increase in fiscal 2024 over fiscal 2023, reflecting the strong prevailing market dynamics and the stability of our operations.

We anticipate our financing costs to decrease in fiscal 2024 due mainly to the timing of the equity financing portion of the LEAP Project, which is providing a temporary increase in our available cash that will reduce the interest costs associated with our revolving credit facility. We have been able to mitigate the impact of recent increases in interest rates and energy costs through our multi-year hedging strategy. We expect our hedging strategy will continue to mitigate such exposure in fiscal 2024.

Spending on regular business capital projects is also expected to remain stable for fiscal 2024. We anticipate spending approximately $28.0 million on various initiatives related to our regular operations. This capital spending estimate excludes expenditures relating to our LEAP Project, which are currently estimated at $47.7million for fiscal 2024.

Maple

We expect financial results in our Maple segment to improve in 2024 over the prior year. Over the last few months, we focused on negotiating market-based price increases and optimizing our operations at our Granby and Dégelis plants through automation and continuous improvement initiatives. Such initiatives are supporting the recovery of our Maple business segment noted over the last four quarters.

The expected sales volume for fiscal 2024 at 45.4 million lbs is higher than last year's by approximately 1.5 million lbs. The sales volume expectation reflects the current market conditions, and the availability of new maple syrup from the producers. The 2024 maple syrup crop was significantly better than anticipated and will support the current market demand, while also allowing for the partial replenishment of the reserve held by the Producteurs et Productrices Acéricoles du Québec ("PPAQ"). The reserve of PPAQ has been depleted in recent years from below-average crops.

Considering the elements discussed above, we expect the Maple segment adjusted EBITDA to increase in fiscal 2024 over fiscal 2023, reflecting the benefits of the positive changes we implemented over the last year.

Capital investments in the Maple segment have decreased significantly in recent years. We expect to spend between $1.0 million and $1.5 million annually on capital projects in this segment. The main driver for the selected projects is improvement in productivity and profitability through automation.

See "Forward-looking Statements" section and "Risks and Uncertainties" section.

CONSOLIDATED RESULTS AND SELECTED FINANCIAL INFORMATION

(unaudited) (In thousands of dollars, except volume and per share information)	**Q3 2024**	Q3 2023	**YTD 2024**	YTD 2023
Sugar (metric tonnes)	**185,799**	191,411	**548,793**	579,807
Maple syrup (000 pounds)	**11,392**	9,630	**35,021**	33,508
Total revenues	**309,091**	262,285	**898,734**	796,677
Gross margin	**36,635**	41,685	**126,140**	124,534
Adjusted gross margin(1)	**47,742**	34,912	**141,353**	115,138
Results from operating activities	**16,315**	24,008	**67,129**	72,148
Adjusted results from operating activities(1)	**27,422**	17,235	**82,342**	62,752
EBITDA(1)	**23,372**	30,523	**88,081**	91,681
Adjusted EBITDA(1)	**34,479**	23,750	**103,294**	82,286
Net finance costs	**5,899**	5,361	**18,497**	17,890
Income tax expense	**3,036**	4,470	**13,464**	14,345
Net earnings	**7,379**	14,177	**35,167**	39,913
per share (basic)	**0.06**	0.13	**0.31**	0.38
per share (diluted)	**0.06**	0.12	**0.28**	0.35
Adjusted net earnings(1)	**16,337**	8,749	**47,841**	33,211
per share (basic)(1)	**0.13**	0.08	**0.42**	0.32
Dividends per share	**0.09**	0.09	**0.27**	0.27

(1) See "Non-IFRS Measures" section for definition and reconciliation to IFRS measures

Total revenues

Revenues increased by $46.8 million and $102.1 million respectively for the third quarter and the first nine months of fiscal 2024 compared to the same periods last year. The increase in revenue was mainly attributable to higher average pricing for refining-related activities in the Sugar segment, as well as higher pricing and an increase in sales volume in the Maple segment. These favorable variances were partially offset by lower sales volume in the Sugar segment.

Gross margin

Gross margin decreased by $5.1 million and increased by $1.6 million, respectively, for the third quarter and for the first nine months of fiscal 2024 compared to the same periods last year. Excluding the mark-to-market of derivative financial instruments, adjusted gross margin for the current quarter and the first nine months of 2024 increased by $12.8 million and $26.2 million, respectively, compared to the same period last year. These positive variances were mainly due to higher adjusted gross margin from both the Sugar and Maple segments.

For the Sugar segment, the adjusted gross margin per metric tonne for the third quarter and for the first nine months of fiscal 2024 were higher by $66 per metric tonne and $48 per metric tonne respectively, when compared to the same period last year. For the Maple segment, the adjusted gross margin percentage for the current quarter and the first nine months of fiscal 2024 were higher by 0.9% and 2.5%, respectively, when compared to the same period last year.

Results from operating activities

Results from operating activities for the third quarter were $16.3 million compared to $24.0 million in the same period last year, a decrease of $7.7 million. For the first nine months of fiscal 2024, results from operating activities were $67.1 million compared to $72.1 million for the same period last year, a decrease of $5.0 million. Excluding the mark-to-market of derivative financial instruments, adjusted results from operating activities for the third quarter amounted to $27.4 million compared to $17.2 million in the same period last year, an increase of $10.2 million. For the first nine months of fiscal 2024, adjusted results from operating activities were $82.3 million compared to $62.8 million for the same period last year, an increase of $19.5 million. The increase in adjusted results from operating activities in both periods was driven by higher contribution from both the Sugar and Maple segments in 2024.

Net finance costs

(In thousands of dollars)	**Q3 2024**	Q3 2023	Δ	**YTD 2024**	YTD 2023	Δ
Interest expense on convertible unsecured subordinated debentures, including accretion expense (1)	**2,147**	2,132	15	**6,433**	6,390	43
Interest on revolving credit facility	**689**	1,817	(1,128)	**3,959**	5,347	(1,388)
Interest on senior guaranteed notes (2)	**923**	926	(3)	**2,770**	2,722	48
Amortization of deferred financing fees	**333**	306	27	**995**	923	72
Interest on *Producteurs et Productrices Acéricoles du Québec* supplier balance	**426**	120	306	**1,166**	1,425	(259)
Other interest expense	**-**	10	(10)	**54**	21	33
Interest accretion on discounted lease obligations	**438**	253	185	**1,283**	740	543
Net change in fair value of interest rate swaps	**943**	(203)	1,146	**1,837**	322	1,515
Net finance costs	**5,899**	5,361	538	**18,497**	17,890	607

(1) Includes accretion expense of $270 and $804 for the three and nine months ended June 29, 2024 (July 1, 2023 - $256 and $761, respectively)

(2) Includes accretion expense of $53 and $160 for the three and nine months ended June 29, 2024 (July 1, 2023 - $56 and $112, respectively)

For the third quarter of 2024, net finance costs were higher by $0.5 million compared to the same period last year, largely driven by the market-based changes in fair value related to interest rate swaps, partially offset by lower interest expense on our revolving credit facility from lower average borrowing due mainly to the net cash proceeds received in connection with the issuance of common shares in March 2024.

For the first nine months of fiscal 2024, net finance costs were higher by $0.6 million compared to the same period last year. The increase was mainly due to market-based changes in fair value related to interest rate swap contracts and the increase in interest accretion on discounted lease obligations, partially offset by lower interest on the revolving credit facility from lower average borrowing due mainly to the net cash proceeds received in connection with the issuance of common shares in March 2024.

Taxation

(In thousands of dollars)	**Q3 2024**	Q3 2023	Δ	**YTD 2024**	YTD 2023	Δ
Current	**4,510**	3,062	1,448	**13,328**	11,070	2,258
Deferred	**(1,473)**	1,408	(2,881)	**137**	3,275	(3,138)
Income tax expense	**3,037**	4,470	(1,433)	**13,465**	14,345	(880)

The variation in current and deferred tax expense period-over-period is consistent with the variation in earnings before income taxes during the current quarter compared to the same quarter last year.

Deferred income taxes reflect temporary differences, which result primarily from the difference between the amount of depreciation claimed for tax purposes and the amount of depreciation recognized for financial reporting purposes, losses carried forward, employee future benefits and derivative financial instruments. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates anticipated to apply to income in the years in which temporary differences are expected to be realized or reversed. The effect of a change in income tax rates on future income taxes is recognized in income in the period in which the change occurs.

Net earnings

Net earnings in the third quarter and for the first nine month of fiscal 2024 were lower by $6.8 million and $4.7 million respectively, compared to the same periods last year.

Adjusted net earnings in the third quarter and the first nine months of fiscal 2024 at $16.3 million and $47.8 million, respectively, were higher by $7.6 million and $14.6 million, respectively, compared to the same periods last year, largely attributable to strong contribution from the Sugar and Maple segments.

Summary of quarterly results

The following is a summary of selected financial information of the unaudited condensed consolidated interim financial statements and non-IFRS measures of RSI for the last eight quarters:

(In thousands of dollars, except for volume and per share information)	QUARTERS(2)							
	2024			2023				2022
	Third	Second	First	Fourth	Third	Second	First	Fourth
Sugar Volume (MT)	**185,799**	180,618	182,376	215,500	191,411	195,547	192,849	214,672
Maple products volume (000 pounds)	**11,392**	11,777	11,852	10,363	9,630	12,059	11,819	9,838
Total revenues	**309,091**	300,944	288,699	308,036	262,285	272,949	261,443	267,406
Gross margin	**36,635**	44,861	44,644	41,192	41,685	41,659	41,191	28,472
Adjusted gross margin (1)	**47,742**	51,292	42,319	40,193	34,912	38,233	41,993	39,141
Results from operations	**16,315**	24,704	26,110	22,815	24,008	21,856	26,284	(38,346)
Adjusted results from operations (1)	**27,422**	31,135	23,785	21,816	17,235	18,431	27,086	22,324
EBITDA(1)	**23,372**	31,664	33,045	29,568	30,523	28,445	32,713	18,283
Adjusted EBITDA(1)	**34,479**	38,095	30,720	28,569	23,750	25,020	33,515	28,954
Net earnings (loss)	**7,379**	13,936	13,852	11,876	14,177	11,062	14,674	(45,503)
Per share - basic	**0.06**	0.13	0.13	0.12	0.13	0.11	0.14	(0.44)
Per share - diluted	**0.06**	0.11	0.11	0.09	0.12	0.10	0.13	(0.44)
Adjusted net earnings (1)	**16,337**	18,891	12,613	11,283	8,749	9,115	15,347	12,161
Per share - basic	**0.13**	0.17	0.12	0.11	0.08	0.09	0.15	0.12
Per share - diluted	**0.11**	0.15	0.10	0.10	0.08	0.09	0.14	0.11
Sugar - Adjusted gross margin rate per MT (1)	**225.31**	248.85	198.66	156.48	159.31	174.62	195.29	164.55
Maple - Adjusted gross margin percentage (1)	**10.4%**	10.9%	10.3%	12.5%	9.5%	7.2%	7.7%	8.1%

(3) See "Non-IFRS Measures" section for definition and reconciliation to IFRS measures

(4) All quarters are 13 weeks

Historically the first quarter (October to December) and the fourth quarter (July to September) of the fiscal year are the strongest quarters for the Sugar segment in terms of adjusted gross margin, adjusted EBITDA, and adjusted net earnings due to higher volume and favourable sales product mix associated with a higher proportion of consumer sales during these periods of the year. At the same time, the second quarter (January to March) and the third quarter (April to June) historically have lower volumes as well as a less favourable product sales mix, resulting in lower adjusted gross margins, adjusted EBITDA, and adjusted net earnings. From a sales volume perspective, the first three quarters of fiscal 2024 did not follow the historical trend due to the impact of reduced activities at our Vancouver sugar refinery in connection with the labour disruption, and the recent slight reduction in demand. From a profitability perspective, the current favourable trend associated with strong contribution from sugar refining activities during the first three quarters of fiscal 2024 reflects the strong fundamentals of this business segment.

Historically, there is minimal seasonality in the Maple products segment. However, over the last two years, we have experienced volatility in sales volumes partially attributable to the highly competitive market and the global volatility in economic conditions.

Financial condition

(In thousands of dollars)	**June 29, 2024**	July 1, 2023	September 30, 2023
Total assets	**$1,076,087**	$ 967,174	$960,901
Total liabilities	**658,464**	673,866	654,005

The increase in total assets of $108.9 million in the current fiscal quarter compared to the same quarter last year is mainly due to higher inventory of $50.1 million from higher volume of raw sugar associated with timing of arrival of vessels and an increase in property plant, and equipment of $47.6 million mainly associated with the LEAP Project. The favourable variance in total assets was also driven by an increase in trade and other receivables of $12.0 million from higher revenues and an increase in right of use assets of $7.7 million related to new leases for storage facilities and logistic related equipment. The increase in total assets was partially offset by a market-based decrease in derivative financial instruments assets of $8.4 million.

Total liabilities for the current fiscal quarter decreased by $15.4 million compared to the same quarter last year due mainly to a decrease of $40.0 million in the revolving credit facility partially attributable to the net cash proceeds received in connection with the issuance of common shares from the equity offering, which closed in March 2024. The reduction in total liabilities in the current quarter compared to the same period last year was also driven by a decrease in employee benefits of $16.4 million reflecting the market-based impact on the actuarial valuation performed at the end of fiscal 2023. This variance was partially offset by an increase in trade and other payables of $18.3 million largely associated with timing of payments to the PPAQ for maple syrup purchases, higher income tax payable of $5.2 million, higher lease obligations of $8.2 million associated with the increase in right of use assets and incremental provisions associated to asset retirement obligations of $5.9 million.

The increase in asset retirement obligations of $5.9 million recorded in the third quarter of the current year is a non-cash item related to the recent revision of our estimated liability related to future remediation costs associated with our Montréal facility.

Liquidity

Cash flow generated by Lantic is mainly paid to Rogers in the form of interest on the subordinated notes of Lantic held by Rogers, after taking a reasonable reserve for capital expenditures, debt reimbursement, and working capital. The cash received by Rogers is used to pay administrative expenses, interest on the convertible debentures, income taxes, and dividends to its shareholders. Lantic had no restrictions on distributions of cash arising from the compliance of financial covenants for the year.

	Q3 2024	Q3 2023	**YTD 2024**	YTD 2023
(In thousands of dollars)				
Net cash flow (used in) from operating activities	**1,151**	35,427	**(4,420)**	1,912
Cash flow (used in) from financing activities	**19,782**	(28,472)	**54,697**	19,887
Cash flow used in investing activities	**(18,652)**	(8,608)	**(44,589)**	(21,502)
Effect of changes in exchange rate on cash	**4**	1	**3**	(153)
Net increase (decrease) in cash	**2,285**	(1,652)	**5,691**	144

Cash flow from operating activities for the current quarter decreased by $34.3 million compared to the same period last year, due mainly to a negative working capital variance of $36.5 million and lower net earnings adjusted for non-cash items of $4.2 million. This variance was partially offset by lower interest and income taxes paid of $6.4 million. For the first nine months of 2024, cash flow used in operating activities increased by $6.3 million compared to the same period last year, largely driven by a negative non-cash working capital variation of $17.8 million. This variance was partially offset by higher net earnings adjusted for non-cash items of $1.3 million, and lower interest and income taxes paid of $10.2 million.

Cash flow from financing activities was higher by $48.3 million for the current quarter compared to the same quarter last year. The variance was largely driven by the decrease of our revolving credit facility of $52.0 million compared to last year, due mainly to the net proceeds of $112.5 million received in connection with the issuance of common shares in March 2024. This variance was partially offset by an increase of $2.1 million in the dividend paid in the current quarter.

For the first nine months of fiscal 2024, cash flow from financing activities increased by $34.8 million compared to same period last year. The variance was mainly related to the net proceeds of $112.5 million received in connection with the issuance of common shares of RSI in March 2024 to support the financing plan of the LEAP Project. The favourable impact of the net proceeds was partially offset by the use of the revolving credit facility to fund on-going working capital needs and capital investments supporting the operations and the LEAP Project, along with the incremental dividend of $2.2 million associated with the newly issued common shares.

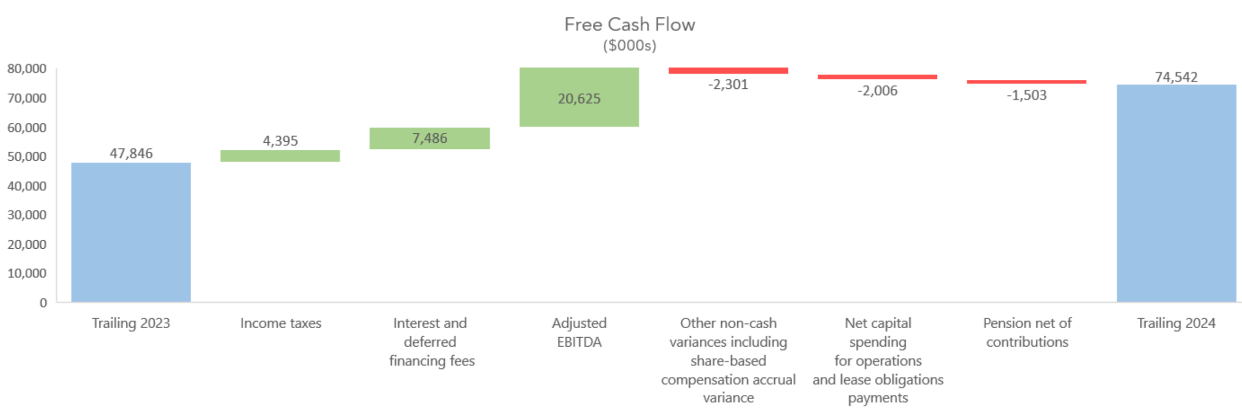
The cash flows used in investing activities for the current quarter and the first nine months of 2024 were higher by $10.0 million and $23.1 million respectively, compared to the same periods last year. The variances were mainly related to the capitalization of $11.4 million in the current quarter and $26.9 million for the first nine months of 2024 in expenditures in connection with the LEAP Project, as compared to $1.5 million and $6.9 million for the same periods last year.

Free cash flow

We believe it is appropriate to measure free cash flow that is generated by our normal operations and accordingly to exclude the elements related to the LEAP Project. Free cash flow is a non-IFRS measure and is defined as cash flow from operations excluding changes in non-cash working capital, mark-to-market and derivative timing adjustments and financial instruments' non-cash amounts, and including the payment of deferred financing fees, lease obligations, and capital expenditures and intangible assets, net of value-added capital expenditures. Free cash flow excludes expenditures associated with the LEAP Project.

	Trailing twelve months	
(In thousands of dollars)	**2024**	2023
Cash flow from operations	**37,986**	38,771
Adjustments:		
Changes in non-cash working capital	**52,858**	37,133
Mark-to-market and derivative timing adjustments	**16,252**	1,268
Payment of deferred financing fees	**(359)**	(1,488)
Financial instruments non-cash amount	**(1,150)**	1,202
Payment of lease obligations	**(6,482)**	(5,207)
Capital expenditures and intangible assets, excluding LEAP Project related capital expenditures	**(28,411)**	(28,522)
Value-added capital expenditures	**3,848**	4,689
Net capital expenditures and intangible assets for operations	**(24,563)**	(23,833)
Free cash flow(1)	**74,542**	47,846
Declared dividends	**41,942**	37,687

(1) See "Non-IFRS Measures" section for definition and reconciliation to IFRS measures.



Free cash flow for the trailing twelve months ended June 29, 2024, amounted to $74.5 million, representing an increase of $26.7 million compared to the same period last year. This increase in free cash flow was mainly related to higher adjusted EBITDA of $20.6 million, lower income taxes paid of $4.4 million, and lower payments of interest and deferred financing fees of $7.5 million. This variance was partially offset by higher capital expenditures and intangible assets related to normal operations of $0.7 million, higher payment of lease obligations of $1.3 million, the reduction of non-cash impact of $2.3 million related to the variance in the accrual for cash-settled share-based compensation of senior management, and higher pension expenditures of $1.5 million.

Capital and intangible asset expenditures related to on-going operations increased by $0.7 million compared to last year's rolling twelve months due mainly to timing in spending. Free cash flow is not reduced by value-added capital expenditures and LEAP related capital expenditures, as such expenditures are not necessary for the operation of the plants.

The decrease in the amount spent on value-added capital expenditures for the trailing twelve months ended June 29, 2024, amounted to $0.8 million and was largely driven by timing of projects.

Interest paid for the trailing twelve months ended June 29, 2024, decreased by $7.5 million compared to last year due mainly to timing of the interest payment on the convertible unsecured subordinated debentures, and lower interest paid on our revolving credit facility.

Deferred financing fees for the trailing twelve months ended June 29, 2024, decreased by $1.1 million compared to last year, largely due to costs incurred in the prior year in connection with amendments to our credit facility and private placement agreements, associated with the financing strategy of our LEAP Project.

The Board of Directors declared a quarterly dividend of 9.0 cents per common share every quarter, totalling 36.0 cents for both trailing twelve-month periods.

Changes in non-cash operating working capital represent year-over-year movements in current assets, such as accounts receivable and inventories, and current liabilities, such as accounts payable. Movements in these accounts are due mainly to timing in the collection of receivables, receipts of raw sugar, and payment of liabilities. Increases or decreases in such accounts are due to timing issues and therefore do not constitute free cash flow. Such increases or decreases are financed from available cash or from our available credit facility. Increases or decreases in bank indebtedness are also due to timing issues from the above and therefore do not constitute available free cash flow.

The combined impact of the mark-to-market and derivative timing adjustments and financial instruments non-cash amount of $15.1 million for the current rolling twelve months does not represent cash items as these contracts will be settled when the physical transactions occur, which is the reason for the adjustment to free cash flow.

Contractual obligations

There are no material changes in the contractual obligations table disclosed in the Management's Discussion and Analysis of the September 30, 2023, Annual Report, except for the capital commitments to complete the LEAP Project for a total value of $128.4 million to be incurred to fiscal 2026, and two interest rate swap agreements for $100.0 million each entered into in the third quarter of fiscal 2024. Details of such agreements are listed in the table below. In addition, in order to conform with the IBOR reform, we amended the terms of the two remaining interest rate swap agreements to match the exact same terms as for the new agreements that were entered in the current quarter.

The aggregate notional amount as at the reporting date of all the interest rate swap agreements all contracted under Daily compounded CORRA is as follows:

Fiscal year contracted	Date	Total value $
Fiscal 2020 (2)	February 24, 2020 to June 28, 2025 – 1.327% (September 30, 2023 and July 1, 2023 - 1.60%)	20,000
Fiscal 2020 (2)	June 28, 2024 to June 28, 2025 – 0.907% (September 30, 2023 and July 1, 2023 – 1.18%)	80,000
Fiscal 2024 (1)	December 30, 2024 to December 30, 2026 – 3.941%	100,000
Fiscal 2024 (1)	June 27, 2025 to June 27, 2027 – 3.695%	100,000

(1) Interest rate swap agreements entered in the third quarter of fiscal 2024.

(2) The terms of the interest rate swap agreements have been amended to conform with the IBOR reform. Comparative information is under CDOR.

As at June 29, 2024, Lantic had commitments to purchase a total of 1,461,000 metric tonnes of raw sugar, of which 265,000 metric tonnes had been priced for a total dollar commitment of $192.7 million.

Capital resources

As at June 29, 2024, Lantic had a total of $340.0 million available working capital under the revolving credit facility, which matures on October 31, 2027, from which it can borrow at prime rate, SOFR rate or under Adjusted Term CORRA loan (which is Term CORRA plus an adjustment varying between 30 to 32 basis points), plus 20 to 250 basis points, based on the achievement of certain financial ratios. As at June 29, 2024, a total of $746.7 million of assets had been pledged as security for the revolving credit facility, compared to $643.0 million as at July 1, 2023; including trade receivables, inventories and property, plant and equipment.

As at June 29, 2024, $136.0 million had been drawn from the revolving credit facility and $8.7 million in cash was also available.

As at June 29, 2024, the Company had $155.0 million total face value outstanding convertible unsecured subordinated debentures of which $57.4 million matures on December 31, 2024 (Sixth Series), and $97.6 million matures on June 30, 2025 (Seventh Series).

The outstanding balance of the convertible unsecured subordinated debentures of the Sixth Series amounting to $57.4 million is classified as short-term on the balance sheet, due to its term to maturity of less than 12 months. We are currently reviewing all available options regarding the maturity of the Sixth Series debentures, including conversion to common shares, payment at maturity from available cash or refinancing.

As at June 29, 2024, Lantic was in compliance with all the covenants under its revolving credit facility.

OUTSTANDING SECURITIES

On March 4, 2024, the Company issued 22,769,232 common shares at a price of $5.18 per common share for gross proceeds of $117.9 million pursuant to a bought deal public offering in Canada, and private offerings to Fonds de solidarité des travailleurs du Québec and an existing shareholder, Belkorp Industries Inc.

Share issuance costs of $5.4 million ($4.0 million after tax) were accounted for as a reduction in common equity on the consolidated statements of financial position.

Net proceeds from the issuance of common shares amounted to $112.5 million and will be used to finance the LEAP Project, in accordance with the use of proceeds stated in the prospectus supplement filed on February 28, 2024 in connection with this common share offering.

A total of 127,916,834 shares were outstanding as at June 29, 2024 and August 8,2024, compared with 105,096,120 as at July 1, 2023.

During the first nine months of fiscal 2024, 51,482 stock options were exercised for proceeds of $0.2 million, compared to 724,075 stock options exercised for proceeds of $3.5 million during the first nine months of fiscal 2023.

RISK AND UNCERTAINTIES

Rogers' business and operations are substantially affected by many factors, including prevailing margins on refined sugar and its ability to market sugar and maple products competitively, sourcing of raw material supplies, weather conditions, operating costs, and government programs and regulations.

Risk factors in our business and operations are discussed in the Management's Discussion and Analysis of our Annual Report for the year ended September 30, 2023. This document is available on SEDAR+ at www.sedarplus.ca. or on our website at www.LanticRogers.com.

The risk factors titled *Employees Relations with Unionized Employees* and *Recently Announced Eastern Capacity Expansion Project,* included in the Management's Discussion and Analysis section of our Annual Report for the year ended September 30, 2023, should be updated to consider the following as of the date of this MD&A.

Labour Disruption at Vancouver Sugar Refinery

On February 1, 2024, the unionized employees of the Vancouver sugar refinery represented by the Public and Private Workers of Canada Local 8 ratified a new five-year collective agreement, following a strike that began on September 28, 2023. The unionized employees have returned to work and the Vancouver refinery is now operating at its normal capacity. Throughout the labour disruption, production from our Taber and Montréal facilities was used to support our customers in Western Canada.

This recently resolved labour disruption has negatively impacted our financial results for 2024. The estimated impact of $5.4 million could increase in the future due to the potential long-term effect of the strike on customers, and the potential internal incremental costs associated with operating the Vancouver plant going forward.

LEAP Project

The completion of our LEAP Project is subject to several conditions and risks, certain of which are outside of the control of Lantic. The detailed engineering plan for the LEAP Project has been completed and includes estimates as it relates to costs, construction period, and incremental production capacity. The total cost of the project is now expected to exceed the initial estimate of approximately $200 million, with the extent of the incremental costs currently under review.

Delays and further cost overruns may occur in completing the LEAP Project. Several factors that could cause such delays or cost overruns include, without limitation, permitting delays, construction pricing escalation, changing engineering and design requirements, the performance of contractors, labour disruptions, adverse weather conditions, and the availability of financing. Even when complete, the new installed capacity and other related assets may not operate as planned due to design or manufacturing flaws, which may not all be covered by warranty. Mechanical breakdown could occur in equipment after the period of warranty has expired, resulting in loss of production as well as the cost of repair.

In addition, in order to complete the project, Lantic might need to further amend existing credit facilities and potentially enter into additional financing agreements in order to finance the construction. Lantic's ability to secure the overall financing for the project is related to several factors, including market demand for refined sugar, the final cost for the project, and the borrowing conditions in the financial market.

There can be no assurance that the LEAP Project will be completed, or that it will be completed in the expected timeframe of approximately two years, providing the expected incremental volume at the expected cost. Failure by Lantic to complete the LEAP Project under the expected conditions could have a material impact on the performance and financial results and conditions of Rogers.

NON-IFRS MEASURES

In analyzing results, we supplement the use of financial measures that are calculated and presented in accordance with IFRS with a number of non-IFRS financial measures. A non-IFRS financial measure is a numerical measure of a company's performance, financial position, or cash flow that excludes (includes) amounts or is subject to adjustments that have the effect of excluding (including) amounts that are included (excluded) in most directly comparable measures calculated and presented in accordance with IFRS. Non-IFRS financial measures are not standardized; therefore, it may not be possible to compare these financial measures with the non-IFRS financial measures of other companies having the same or similar businesses. We strongly encourage investors to review the audited consolidated financial statements and publicly filed reports in their entirety, and not to rely on any single financial measure.

We use these non-IFRS financial measures in addition to, and in conjunction with, results presented in accordance with IFRS. These non-IFRS financial measures reflect an additional way of viewing aspects of the operations that, when viewed with the IFRS results and the accompanying reconciliations to corresponding IFRS financial measures, may provide a more complete understanding of factors and trends affecting our business.

The following is a description of the non-IFRS measures we used in the MD&A:

- Adjusted gross margin is defined as gross margin adjusted for "the adjustment to cost of sales", which comprises the mark-to-market gains or losses on sugar futures and foreign exchange forward contracts as shown in the notes to the consolidated financial statements and the cumulative timing differences as a result of mark-to-market gains or losses on sugar futures and foreign exchange forward contracts.
- Adjusted results from operating activities are defined as results from operating activities adjusted for the adjustment to cost of sales and goodwill impairment.
- EBITDA is defined as earnings before interest, taxes, depreciation, amortization, and goodwill impairment.
- Adjusted EBITDA is defined as adjusted results from operating activities adjusted to add back depreciation and amortization expenses.
- Adjusted net earnings is defined as net earnings adjusted for the adjustment to cost of sales, goodwill impairment, and the income tax impact on these adjustments.
- Adjusted gross margin rate per MT is defined as adjusted gross margin of the Sugar segment divided by the sales volume of the Sugar segment.
- Adjusted gross margin percentage is defined as the adjusted gross margin of the Maple segment divided by the revenues generated by the Maple segment.
- Adjusted net earnings per share is defined as adjusted net earnings divided by the weighted average number of shares outstanding.
- Free cash flow is defined as cash flow from operations excluding changes in non-cash working capital, mark-to-market and derivative timing adjustments and financial instruments' non-cash amounts, and including the payment of deferred financing fees, lease obligations, and capital expenditures and intangible assets, net of value-added capital expenditures and LEAP Project related capital expenditures.

In the MD&A, we discuss the non-IFRS financial measures, including the reasons why we believe these measures provide useful information regarding the financial condition, results of operations, cash flows, and financial position, as applicable. We also discuss, to the extent material, the additional purposes, if any, for which these measures are used. These non-IFRS measures should not be considered in isolation, or as a substitute for, analysis of our results as reported under IFRS. Reconciliations of non-IFRS financial measures to the most directly comparable IFRS financial measures are as follows:

RECONCILIATION OF NON-IFRS FINANCIAL MEASURES TO IFRS FINANCIAL MEASURES

	Q3 2024			Q3 2023		
Consolidated results (In thousands of dollars)	**Sugar**	**Maple Products**	**Total**	Sugar	Maple Products	Total
Gross margin	**31,304**	**5,331**	**36,635**	35,772	5,913	41,685
Total adjustment to the cost of sales[1]	**10,558**	**549**	**11,107**	(5,278)	(1,495)	(6,773)
Adjusted gross margin	**41,862**	**5,880**	**47,742**	30,494	4,418	34,912
Results from operating activities	**14,164**	**2,151**	**16,315**	21,140	2,868	24,008
Total adjustment to the cost of sales[1]	**10,558**	**549**	**11,107**	(5,278)	(1,495)	(6,773)
Adjusted results from operating activities	**24,722**	**2,700**	**27,422**	15,862	1,373	17,235
Results from operating activities	**14,164**	**2,151**	**16,315**	21,140	2,868	24,008
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**5,389**	**1,668**	**7,057**	4,862	1,653	6,515
EBITDA[1]	**19,553**	**3,819**	**23,372**	26,002	4,521	30,523
EBITDA[1	**19,553**	**3,819**	**23,372**	26,002	4,521	30,523
Total adjustment to the cost of sales[1]	**10,558**	**549**	**11,107**	(5,278)	(1,495)	(6,773)
Adjusted EBITDA	**30,111**	**4,368**	**34,479**	20,724	3,026	23,750
Net earnings			**7,379**			14,177
Total adjustment to the cost of sales[1]			**11,107**			(6,773)
Net change in fair value in interest rate swaps[1]			**943**			(203)
Income taxes on above adjustments			**(3,092)**			1,548
Adjusted net earnings			**16,337**			8,749
Net earnings per share (basic)			**0.06**			0.13
Adjustment for the above			**0.07**			(0.05)
Adjusted net earnings per share (basic)			**0.13**			0.08

(1) See "Adjusted results" section

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO IFRS FINANCIAL MEASURES (CONTINUED)

	YTD 2024			YTD 2023		
Consolidated results (In thousands of dollars)	**Sugar**	**Maple Products**	**Total**	Sugar	Maple Products	Total
Gross margin	**107,710**	**18,430**	**126,140**	108,885	15,649	124,534
Total adjustment to the cost of sales[1]	**15,331**	**(118)**	**15,213**	(6,585)	(2,811)	(9,396)
Adjusted gross margin	**123,041**	**18,312**	**141,353**	102,300	12,838	115,138
Results from operating activities	**58,098**	**9,031**	**67,129**	66,115	6,033	72,148
Total adjustment to the cost of sales[1]	**15,331**	**(118)**	**15,213**	(6,585)	(2,811)	(9,396)
Adjusted results from operating activities	**73,429**	**8,913**	**82,342**	59,530	3,222	62,752
Results from operating activities	**58,098**	**9,031**	**67,129**	66,115	6,033	72,148
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**15,949**	**5,003**	**20,952**	14,452	5,081	19,533
EBITDA[1]	**74,047**	**14,034**	**88,081**	80,567	11,114	91,681
EBITDA[1]	**74,047**	**14,034**	**88,081**	80,567	11,114	91,681
Total adjustment to the cost of sales[1]	**15,331**	**(118)**	**15,213**	(6,585)	(2,811)	(9,396)
Adjusted EBITDA[1]	**89,378**	**13,916**	**103,294**	73,982	8,303	82,285
Net earnings			**35,167**			39,913
Total adjustment to the cost of sales[1]			**15,213**			(9,396)
Net change in fair value in interest rate swaps[1]			**1,837**			322
Income taxes on above adjustments			**(4,376)**			2,372
Adjusted net earnings			**47,841**			33,211
Net earnings per share (basic)			**0.31**			0.38
Adjustment for the above			**0.11**			(0.06)
Adjusted net earnings per share (basic)			**0.42**			0.32

(1) See “Adjusted results” section

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO IFRS FINANCIAL MEASURES (CONTINUED)

(In thousands of dollars, except for volumes and per share information)	QUARTERS[1][2]							
	2024			2023				2022
	Third	**Second**	**First**	Fourth	Third	Second	First	Fourth
Gross margin	**36,635**	**44,861**	**44,644**	41,192	41,685	41,658	41,191	28,472
Total adjustment to the cost of sales[2]	**11,107**	**6,431**	**(2,325)**	(999)	(6,773)	(3,425)	802	10,669
Adjusted gross margin	**47,742**	**51,292**	**42,319**	40,193	34,912	38,233	41,993	39,141
Results from operating activities	**16,315**	**24,704**	**26,110**	22,815	24,008	21,856	26,284	(38,345)
Total adjustment to the cost of sales[2]	**11,107**	**6,431**	**(2,325)**	(999)	(6,773)	(3,425)	802	10,669
Goodwill impairment	**-**	**-**	**-**	-	-	-	-	50,000
Adjusted results from operating activities	**27,422**	**31,135**	**23,785**	21,816	17,235	18,431	27,086	22,324
Results from operating activities	**16,315**	**24,704**	**26,110**	22,815	24,008	21,856	26,284	(38,345)
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**7,057**	**6,960**	**6,935**	6,753	6,515	6,589	6,429	6,628
Goodwill impairment	**-**	**-**	**-**	-	-	-	-	50,000
EBITDA	**23,372**	**31,664**	**33,045**	29,568	30,523	28,445	32,713	18,283
EBITDA	**23,372**	**31,664**	**33,045**	29,568	30,523	28,445	32,713	18,283
Total adjustment to the cost of sales[2]	**11,107**	**6,431**	**(2,325)**	(999)	(6,773)	(3,425)	802	10,669
Adjusted EBITDA	**34,479**	**38,095**	**30,720**	28,569	23,750	25,020	33,515	28,952
Net (loss) earnings	**7,379**	**13,936**	**13,852**	11,876	14,177	11,062	14,674	(45,502)
Total adjustment to the cost of sales[2]	**11,107**	**6,431**	**(2,325)**	(999)	(6,773)	(3,425)	802	10,669
Goodwill impairment	**-**	**-**	**-**	-	-	-	-	50,000
Net change in fair value in interest rate swaps[2]	**943**	**236**	**658**	201	(203)	479	46	(328)
Income taxes on above adjustments	**(3,092)**	**(1,712)**	**428**	205	1,548	999	(175)	(2,678)
Adjusted net earnings	**16,337**	**18,891**	**12,613**	11,283	8,749	9,115	15,347	12,161

(1) All quarters are 13 weeks

(2) See "Adjusted results" section

CRITICAL ACCOUNTING ESTIMATES

For the third quarter of fiscal 2024, there were no significant changes in the critical accounting estimate as disclosed in our Management's Discussion and Analysis of the September 30, 2023 Annual Report.

CHANGES IN ACCOUNTING PRINCIPLES AND PRACTICES NOT YET ADOPTED

New standards and interpretations were adopted during the fiscal year 2024 beginning on October 1, 2023. The adoption of these amendments did not have an impact on the consolidated interim financial statements. A number of new standards, and amendments to standards and interpretations, are not yet effective and have not been applied in preparing the unaudited condensed interim financial statements for the third quarter of fiscal 2024. Management has reviewed such new standards and proposed amendments and does not anticipate that they will have a material impact on Rogers' financial statements, to the exception of IFRS18, for which the impact is being assessed by management. Refer to note 3 of the unaudited condensed interim financial statements and to note 3 (q) of the 2023 audited consolidated financial statements for details.

CONTROLS AND PROCEDURES

In accordance with Regulation 52-109 respecting certification of disclosure in issuers' interim filings, the Chief Executive Officer and Chief Financial Officer have designed or caused it to be designed under their supervision, disclosure controls, and procedures ("DC&P").

In addition, the Chief Executive Officer and Chief Financial Officer have designed or caused it to be designed under their supervision internal controls over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes.

The Chief Executive Officer and Chief Financial Officer have evaluated whether or not there were any changes to Rogers' ICFR during the period beginning on March 31, 2024 and ended on June 29, 2024 that have materially affected, or are reasonably likely to materially affect, Rogers' ICFR. No such changes were identified through their evaluation.

FORWARD-LOOKING STATEMENTS

This report contains statements or information that are or may be "forward-looking statements" or "forward-looking information" within the meaning of applicable Canadian Securities laws. Forward-looking statements may include, without limitation, statements and information which reflect our current expectations with respect to future events and performance. Wherever used, the words "may," "will," "should," "anticipate," "intend," "assume," "expect," "plan," "believe," "estimate," and similar expressions and the negative of such expressions, identify forward-looking statements. Although this is not an exhaustive list, we caution investors that statements concerning the following subjects are, or are likely to be, forward-looking statements:

- Future demand and related sales volume for refined sugar and maple syrup;
- our LEAP Project;
- future prices of Raw #11;
- expected inflationary pressures on costs;
- natural gas costs;
- beet sugar production forecast for our Taber facility;
- the level of future dividends;
- the status of government regulations and investigations; and
- projections regarding future financial performance.

Forward-looking statements are based on estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Actual performance or results could differ materially from those reflected in the forward-looking statements, historical results or current expectations. Readers should also refer to the section "Risks and Uncertainties" in this MD&A for additional information on risk factors and other events that are not within our control. These risks are also referred to in our Annual Information Form in the "Risk Factors" section.

Although we believe that the expectations and assumptions on which forward-looking information is based are reasonable under the current circumstances, readers are cautioned not to rely unduly on this forward-looking information as no assurance can be given that it will prove to be correct. Forward-looking information contained herein is made as at the date of this MD&A and we do not undertake any obligation to update or revise any forward-looking information, whether a result of events or circumstances occurring after the date hereof, unless so required by law.