ROGERS SUGAR INC.

Annual Information Form

For the Year Ended September 28, 2024
Dated November 27, 2024

ANNUAL INFORMATION FORM

TABLE OF CONTENTS

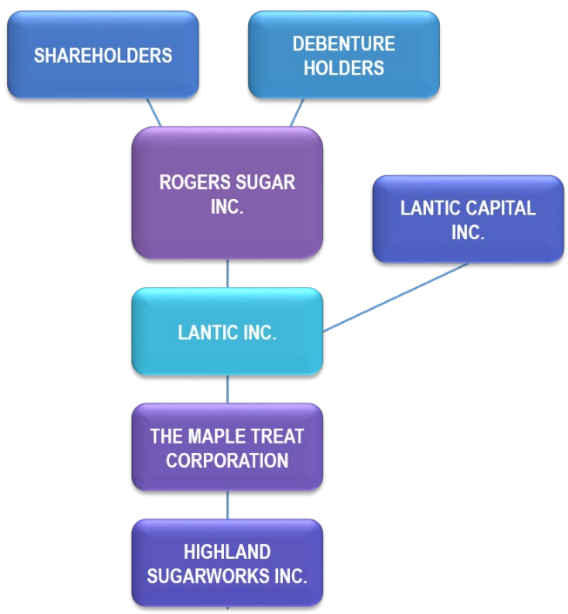
ROGERS SUGAR INC.

The principal and head office of Rogers Sugar Inc. (the "**Corporation**" or "**Rogers**") is located at 123 Rogers Street, Vancouver, British Columbia, V6B 3N2. The administrative offices of the Corporation are located at 4026 Notre-Dame Street East, Montreal, Québec, H1W 2K3. The principal activities of Rogers are to hold all of the common shares of Lantic Inc. ("**Lantic**") (the common shares of Lantic, collectively with any other equity securities held by or on behalf of the Corporation from time to time, are referred to as the "**Common Shares**") and the past and current subordinated unsecured notes of Lantic (collectively with any other debt securities held by or on behalf of the Corporation from time to time, the "**Notes**"). To the maximum extent possible, Rogers pays to holders (the "**Shareholders**") of common shares of Rogers (the "**Shares**") by way of dividends in amounts representing the amounts received by Rogers by way of dividends or return of capital on the Common Shares, and interest and repayments of principal on the Notes after expenses, interest on the Debentures (as defined below) of the Corporation (see "Rogers Sugar Inc. - Debt Instruments") and any cash redemptions of common shares or convertible debentures, amounts paid or required by the Corporation to purchase Shares (or other securities of Rogers which may be issued and outstanding from time to time), income taxes and amounts required for the operations of the Corporation.

On January 1, 2011, Rogers completed its conversion from an income trust to a corporation pursuant to a plan of arrangement (the "**Arrangement**") under section 192 of the Canada Business Corporations Act (the "**CBCA**"). Rogers is governed by the CBCA. Pursuant to the Arrangement, holders (the "**Unitholders**") of units (the "**Units**") of Rogers Sugar Income Fund (the "**Fund**") exchanged each Unit of the Fund for a Share on a one-for-one basis.

Corporate Structure

The following chart illustrates the current primary structural and contractual relations among the Shareholders, Rogers, Lantic, The Maple Treat Corporation ("**Maple Treat**") and Highland Sugarworks Inc. (collectively with Maple Treat, "**TMTC**") and Lantic Capital Inc. ("**Lantic Capital**").



For a detailed discussion of the structural and contractual relations among Rogers, Lantic and Lantic Capital, see "Rogers Sugar Inc. - Administration".

Administration

Administration Agreement

Pursuant to the Arrangement, the then-existing administration agreement (the "**Former Administration Agreement**") was terminated and replaced by a new administration agreement dated January 1, 2011 and amended on December 8, 2017 (the "**Administration Agreement**"). The Administration Agreement is on the same terms and conditions as the Former Administration Agreement whereby Lantic acts as administrator of the Corporation. The administrator provides or arranges for the provision of services required in the administration of the Corporation. These services include arranging for the annual audit and the regulatory public reporting services and costs, arranging for, and paying the costs of, legal counsel, monitoring and coordinating the activities of and paying the fees of the transfer agent and registrar for the Shares, arranging for distributions to the Shareholders, and providing reports to the Shareholders. In consideration for its services under the Administration Agreement, Lantic receives a fee of $50,000 per annum, plus reimbursement of certain out-of-pocket costs and expenses. The Administration Agreement is terminable on 180 days' notice, the insolvency or receivership of Lantic or default by Lantic in the performance of any material obligation which is not remedied within 30 days.

Governance Agreements

Under the terms of the Fund governance agreement (the "**Fund Governance Agreement**") dated March 8, 2002 among the Fund, Onex Corporation and Belkin Enterprises Ltd. (now Belkorp Industries Inc.) ("**Belkorp**"), the Fund was required to nominate for election as trustees at each annual meeting of the Fund one nominee of Onex Corporation and one nominee of Belkorp, provided that they each beneficially own or exercise control or direction over at least five percent (5%) of the outstanding Units of the Fund, directly or indirectly. As a consequence of the closing of a secondary offering of Units as at July 4, 2003, Onex Corporation's direct and indirect ownership of Units dropped below five percent (5%) of the outstanding Units on a fully-diluted basis. As a result, the Fund was no longer obligated to nominate for election as a trustee at each annual meeting of the Fund one nominee of Onex Corporation. However, Belkorp continued to hold more than five percent (5%) of the outstanding Units on a fully-diluted basis and, therefore, the Fund continued to be obligated to nominate for appointment as a trustee at each annual meeting of the Fund one nominee of Belkorp Industries Inc. In connection with the completion of the Arrangement and the subsequent termination of the Fund, the Fund Governance Agreement was replaced by an amended and restated governance agreement dated January 1, 2011 (the "**Governance Agreement**"), which includes substantially the same terms as the Fund Governance Agreement, with the necessary adaptations, as applicable. Therefore, Belkorp continues to have the right to nominate one director of the Corporation for election at the annual meetings of the Shareholders, for so long as it continues to hold more than five percent (5%) of the outstanding Shares.

The Fund, Lantic and Lantic Capital entered into a corporate governance agreement (the "**Former Lantic Governance Agreement**") on June 30, 2008. In connection with the completion of the Arrangement and the subsequent termination of the Fund, the Former Lantic Governance Agreement was replaced by an amended and restated corporate governance agreement dated January 1, 2011 (the "**Lantic Governance Agreement**"), which includes substantially the same terms as the Former Lantic Governance Agreement, with the necessary adaptations, as applicable. Lantic Capital, as holder of two Class C shares of Lantic, is entitled to elect five of seven members of the Board of Directors of Lantic. The Corporation has the right to terminate Lantic Capital's right to elect a majority of the Directors of Lantic if a take-over bid is made for all of the issued and outstanding Shares and, on completion thereof, the offeror thereunder holds more than sixty percent (60%) of the issued and outstanding Shares. The Lantic Governance Agreement also terminates upon the earliest to occur of (i) the date on which Lantic Capital and its affiliates collectively beneficially own, directly or indirectly, or exercise control or direction over less than five percent (5%) of the outstanding Shares (calculated on a fully-diluted basis), (ii) the date on which the agreement is terminated by agreement of the parties to that effect and (iii) the date on which all of the obligations of the Corporation thereunder relating to certain restrictions on the ability of the Corporation to make changes to the articles of Lantic and the election of Lantic Capital's nominees to the Board of Directors of Lantic expire or terminate. The Lantic Governance Agreement provides that the Corporation will not vote for any amendment to Lantic's articles or by-laws, including an amendment with respect to the number of Directors of Lantic, without Lantic Capital's approval.

The Lantic Governance Agreement also provides that, in the event that a bona fide take-over bid has been made for all of the issued and outstanding Shares and the Board of Directors of the Corporation has publicly recommended that holders of Shares accept such take-over bid, the Boards of Directors of Lantic, Lantic Capital and the Corporation will consent to a reorganization of the Corporation and Lantic in the manner determined by the Corporation, including an amalgamation of the Corporation and Lantic, provided that (i) such reorganization has been approved, if required by law, by the requisite number of Shareholders of the Corporation; (ii) such reorganization is necessary and advisable, in the sole discretion of the Board of Directors of the Corporation, in order to avoid adverse tax consequences for the Corporation or the Shareholders; and (iii) such reorganization is effected in a manner in which it is certain that, immediately after the reorganization is effective, the offeror under the take-over bid will acquire more than 60% of the issued and outstanding Shares and any support agreement relating to the take-over bid contains a covenant to complete the reorganization and take-over bid in such a manner. Such reorganization will be made effective immediately prior to the taking-up and payment of Shares by the offeror under the take-over bid described above.

Capital Structure

The authorized capital of the Corporation consists of: (i) an unlimited number of Shares; and (ii) a number of preferred shares issuable in series, at all times limited to fifty percent (50%) of the Shares outstanding at the relevant time, provided that no such preferred shares shall be used to block any takeover. The following is a summary of the rights, privileges, restrictions and conditions attaching to the securities of the Corporation which comprise the share capital of the Corporation, and its convertible debt instruments.

Shares

Holders of Shares are entitled to one vote per Share at meetings of Shareholders of the Corporation, to receive dividends if, as and when declared by the Board of Directors of the Corporation and to receive on a pro rata basis the remaining property and assets of the Corporation upon its dissolution or winding-up, subject to the rights of any other class of shares having priority over the Shares.

As of September 28, 2024, 127,916,834 Shares were issued and outstanding. The Shares are listed and posted for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "RSI".

Preferred Shares

Each series of preferred shares shall consist of such number of shares and having such rights, privileges, restrictions and conditions as may be determined by the Board of Directors of the Corporation prior to the issuance thereof. Holders of preferred shares, except as required by law, will not be entitled to vote at meetings of Shareholders of the Corporation. With respect to the payment of dividends and distribution of assets in the event of liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the preferred shares are entitled to preference over the Shares and any other shares ranking junior to the preferred shares from time to time and may also be given such other preferences over the Shares and any other shares ranking junior to the preferred shares as may be determined at the time of creation of such series.

The number of issuable preferred shares shall at all times be limited to fifty percent (50%) of the Shares outstanding at the relevant time. No such preferred shares shall be used to block any takeover.

As of September 28, 2024, no preferred shares of the Corporation were issued and outstanding.

Debt Instruments

<u>Sixth Series Debentures</u>

On July 28, 2017, Rogers completed the issuance and sale of an aggregate of $57,500,000 principal amount of Sixth Series 5.0% Convertible Unsecured Subordinated Debentures (the "**Sixth Series Debentures**"). The gross proceeds of $57.5 million were used to partly fund the Maple Treat Acquisition (as defined below).

The Sixth Series Debentures were issued pursuant to a seventh supplemental indenture dated July 28, 2017 between the Corporation and Computershare Trust Company of Canada (now known as Computershare Investor Services Inc.), supplementing a trust indenture dated as of March 8, 2002 (the "**Indenture**"). The Sixth Series Debentures mature on December 31, 2024 and bear interest at an annual rate of 5.0%, payable semi-annually on June 30 and December 31 in each year, commencing on December 31, 2017.

The Sixth Series Debentures are convertible into fully paid and non-assessable Shares at the option of the holder at any time prior to the close of business on the earlier of December 31, 2024 and the business day immediately preceding the date specified by the Corporation for redemption of the Sixth Series Debentures, at a conversion price of $8.26 per Share (the "**Sixth Series Conversion Price**"). Prior to December 31, 2022, the Sixth Series Debentures were redeemable by the Corporation at a price equal to the principal amount thereof plus accrued and unpaid interest, provided that the weighted average trading price of the Shares for the 20 consecutive trading days ending on the fifth trading day preceding the date upon which the notice of redemption was to be given, was at least 125% of the Sixth Series Conversion Price. Since December 31, 2022, the Sixth Series Debentures are redeemable at a price equal to the principal amount thereof plus accrued and unpaid interest.

During fiscal 2024, holders of the Sixth Series Debentures have not converted any Sixth Series Debentures into Shares. As a result, the total amount outstanding under the Sixth Series Debentures is still $57,425,000.

The Corporation intends to repay the Sixth Series Debentures which mature in December 2024 using a combination of available cash on hand and available borrowing under the Corporation's revolving credit facility.

The Sixth Series Debentures are listed and posted for trading on the TSX under the symbol "RSI.DB.E".

Seventh Series Debentures

On March 28, 2018, Rogers issued an aggregate of $85,000,000 principal amount of Seventh Series 4.75% Convertible Unsecured Subordinated Debentures (the "**Seventh Series Debentures**"). Then, on April 3, 2018, Rogers issued an additional $12,750,000 principal amount of Seventh Series Debentures pursuant to the exercise in full of the over-allotment option granted by Rogers. The gross proceeds of $97,750,000 were used to repay the Fifth Series 5.75% Convertible Unsecured Subordinated Debentures of Rogers (the "**Fifth Series Debentures**") and a portion of Lantic's revolving credit facility.

The Seventh Series Debentures were issued pursuant to an eighth supplemental indenture dated March 28, 2018 between the Corporation and Computershare Trust Company of Canada (now known as Computershare Investor Services Inc.), supplementing the Indenture. The Seventh Series Debentures mature on June 30, 2025 and bear interest at an annual rate of 4.75%, payable semi-annually on June 30 and December 31 in each year, commencing on June 30, 2018.

The Seventh Series Debentures are convertible into fully paid and non-assessable Shares at the option of the holder at any time prior to the close of business on the earlier of June 30, 2025 and the business day immediately preceding the date specified by the Corporation for redemption of the Seventh Series Debentures, at a conversion price of $8.85 per Share (the "**Seventh Series Conversion Price**"). The Seventh Series Debentures were not redeemable by the Corporation prior to June 30, 2021. On or after June 30, 2021, and prior to June 30, 2023, the Seventh Series Debentures were redeemable at a price equal to the principal amount thereof plus accrued and unpaid interest, provided that the weighted average trading price of the Shares for the 20 consecutive trading days ending on the fifth trading day preceding the date upon which the notice of redemption was to be given, was at least 125% of the Seventh Series Conversion Price. Since June 30, 2023, the Seventh Series Debentures are redeemable at a price equal to the principal amount thereof plus accrued and unpaid interest.

During fiscal 2024, holders of the Seventh Series Debentures have not converted any Seventh Series Debentures into Shares. As a result, the total amount outstanding under the Seventh Series Debentures is $97,575,000.

The Seventh Series Debentures are listed and posted for trading on the TSX under the symbol "RSI.DB.F".

Debentures - Other considerations

The payment of the principal of, and interest on, the Sixth Series Debentures and the Seventh Series Debentures (collectively, the "**Debentures**") will be senior to the payment of any dividends on the Shares but subordinated to the prior payment of any indebtedness of the Corporation.

On redemption or at maturity, the Corporation will repay the indebtedness of the Debentures by paying an amount equal to the principal amount of the outstanding Debentures, together with accrued and unpaid interest thereon. The Corporation may, at its option, elect to satisfy its obligation to repay the principal amount of the Debentures, which are to be redeemed or which have matured, by issuing Shares to the holders of the Debentures. The number of Shares to be issued will be determined by dividing $1,000 of principal amount of Debentures by 95% of the weighted average trading price of the Shares on the TSX for the 20 consecutive trading days ending on the fifth trading day preceding the date for redemption or the maturity date, as the case may be.

Upon the occurrence of a change of control of the Corporation involving the acquisition of voting control or direction over 66 2/3% or more of the outstanding Shares and the termination of the Governance Agreement, holders of the Debentures may require the Corporation to purchase the Debentures at a price equal to 100% of the principal amount of the Sixth and Seventh Series Debentures.

Pursuant to the Indenture, any of the following shall constitute an Event of Default (as such term is defined in the Indenture):

(a) failure, for 15 days, to pay interest on the Debentures when due;

(b) failure to pay principal or premium, if any, on the Debentures, whether at maturity, upon redemption, by declaration or otherwise; or

(c) certain events of bankruptcy, insolvency or reorganization of the Corporation under bankruptcy and insolvency laws.

The Sixth and Seventh Series Debentures provide for the adjustment of the Sixth and Seventh Series Conversion Price, respectively, in certain events, including: (a) the subdivision or consolidation of the outstanding Shares; (b) the distribution of Shares to Shareholders by way of distribution or dividend, other than an issue of securities to Shareholders who have elected to receive distributions in securities of the Corporation in lieu of receiving cash distributions paid in the ordinary course; (c) the issuance of options, rights or warrants to Shareholders entitling them to acquire Shares or other securities convertible into Shares at less than 95% of the then-current market price of the Shares; (d) a distribution by the Corporation to all or substantially all the Shareholders of (i) shares of any class other than shares distributed to Shareholders who have elected to receive dividends or distributions in the form of such Shares in lieu of dividends or distributions paid in the ordinary course, (ii) rights, options, or warrants (excluding rights, options or warrants entitling the holders thereof for a period of not more than 45 days to subscribe for or purchase Shares or securities convertible into Shares), (iii) evidences of its indebtedness, or (iv) assets (excluding dividends or distributions paid in the ordinary course); and (e) the payment of a cash dividend or distribution to all or substantially all the Shareholders in excess of $0.10 per Share per calendar quarter (or the equivalent thereof if the Corporation changes the frequency of payment of its dividends) (or the issuance of securities of the Corporation in lieu thereof in certain circumstances). There will be no adjustment of the Sixth and Seventh Series Conversion Price in respect of any event described in (a), (b), (c), (d) or (e) above if, subject to prior regulatory approval, holders of Sixth and Seventh Series Debentures are allowed to participate as though they had converted their Sixth and Seventh Series Debentures prior to the applicable record date or effective date. The Corporation will not be required to make adjustments in the Sixth and Seventh Series Conversion Price unless the cumulative effect of such adjustments would change the Sixth and Seventh Series Conversion Price by at least 1%.

LANTIC INC. AND ITS SUBSIDIARIES

Lantic is a corporation which amalgamated under the CBCA on June 30, 2008. Lantic was formed from the amalgamation (the "**Amalgamation**") of Rogers Sugar Ltd. ("**RSL**") and Lantic Sugar Limited ("**Lantic Sugar**"). As at June 30, 2008, Lantic possessed all of the property, rights and assets of RSL and Lantic Sugar and assumed all of their obligations. The registered and principal office of Lantic is located at 4026 Notre-Dame East, Montreal, Québec, H1W 2K3. Lantic is the administrator of Rogers. For a detailed discussion of the administrative relationship between Rogers and Lantic, see "Rogers Sugar Inc. - Administration". On August 5, 2017, Lantic completed the L.B. Maple Treat Corporation Acquisition (the "**Maple Treat Acquisition**"), for approximately $166.4 million, after closing adjustments. Lantic is the holder of 100% of the shares of TMTC. On November 18, 2018, Maple Treat completed the acquisition of 9020-2292 Québec Inc. ("**Decacer**") (the "**Decacer Acquisition**") for approximately $43.0 million, after closing adjustments. Maple Treat was the holder of 100% of the shares of Decacer until September 28, 2019. Then, on September 29, 2019, Maple Treat and Decacer amalgamated to continue their operations as The Maple Treat Corporation.

Share Capital

The share capital of Lantic consists of 2,000 issued and outstanding Common Shares owned by Rogers, 575,610,870 issued and outstanding Class A shares owned by Rogers, 44,500,000 issued and outstanding Class B shares owned by Belkorp and two issued and outstanding Class C shares owned by Lantic Capital. The Class A shares have been issued pursuant to the Exchange Agreement (as defined below). Please see section *Notes* hereunder for additional information.

Each Common Share entitles its holder to receive notice of and to attend all meetings of shareholders of Lantic, and to one vote at such meetings. Rogers, as the holder of all of the Common Shares is, at the discretion of the Board of Directors of Lantic and subject to applicable legal restrictions, entitled to receive out of any or all profits or surplus of Lantic properly available for the payment of dividends any dividends declared by the Board of Directors of Lantic on the Common Shares and payable in cash or by way of the issuance of additional Common Shares. In the event of the liquidation, dissolution or winding-up of Lantic or other distribution of its assets among its shareholders, the holder of the Common Shares is entitled to receive, after payment of all of the liabilities of Lantic and subject to the prior rights of the holders of the Class B shares and Class C shares, all of the assets of Lantic.

The Class A shares do not confer any voting or dividend rights to their holder. Lantic may redeem the Class A shares for the consideration received by Lantic upon the issuance thereof, if such Class A shares have been issued for money, or the fair market value thereof, if such Class A shares have been issued for a consideration other than money.

The holder of the Class B shares is entitled to vote, on a pro rata basis to the number of Class B shares held, in all circumstances such that the total votes attaching to the Class B Share shall be equal to 10.01% of the aggregate votes of all classes of shares entitled to vote at a meeting of shareholders of Lantic. Under the terms of a voting trust agreement between Belkorp and Rogers, Rogers is entitled to vote the Lantic Class B shares so long as they remain outstanding.

The two Class C shares are redeemable by Lantic for $1 each upon the termination of the Lantic Governance Agreement. The Class C shares entitle their holder to elect five of the seven Directors of Lantic, but do not confer any other voting rights at any meetings of shareholders of Lantic, except as may be required by law.

Notes

Lantic Series A and Series C Notes

Pursuant to a note indenture dated March 8, 2002, as amended and restated on June 3, 2003 and January 1, 2004, made between Lantic Sugar and Computershare Trust Company of Canada (now known as Computershare Investor Services Inc.), as note trustee (the "**Lantic Note Indenture**"), $190,850,000 unsecured subordinated Series A notes (the "**Lantic Series A Notes**") and $48,500,000 unsecured subordinated Series C notes (the "**Lantic Series C Notes**" and, collectively with the Lantic Series A Notes, the "**Lantic Notes**") were issued on March 8, 2002, in the case of the Lantic Series A Notes and February 20, 2003, in the case of the Lantic Series C Notes. Pursuant to a first supplemental indenture following the Amalgamation, dated June 30, 2008, Lantic assumed all obligations, indebtedness and liabilities of Lantic Sugar under the Lantic Note Indenture.

As at September 26, 2024, Rogers was the holder of all of the issued and outstanding Lantic Notes. On September 27, 2024, Lantic prepaid, among other Notes, the Lantic Series C Notes through the issuance of 48,500,000 Class A shares to Rogers at a nominal value of $1 each, in accordance with the terms of an exchange agreement dated the same day between Lantic and Rogers (the "**Exchange Agreement**"). As a result, Lantic no longer has any obligations towards the Lantic Series C Notes, which have been terminated and cancelled.

The Lantic Series A Notes will mature on October 15, 2027. Interest is payable quarterly on or about the 15th day of January, April, July and October in each year to holders of record. Notwithstanding the foregoing, Lantic may, in its sole discretion, pay interest on the Lantic Series A Notes by way of monthly installments of the quarterly interest payment under such notes not yet due. The Lantic Series A Notes bear interest at a variable rate determined by Lantic and Rogers in advance at such times as considered appropriate, but at least annually and no more frequently than quarterly, taking into account such circumstances as the parties may consider relevant, including but not limited to Lantic's earnings before taxes, depreciation, amortization and interest on the Lantic Series A Notes, subject to a maximum rate of 13.25% per annum on the Lantic Series A Notes and a maximum rate of 10% per annum on the Lantic Series C Notes, with all such notes having a minimum rate of 6% per annum.

From time to time, the Board of Directors of Lantic and, if Rogers holds, directly or indirectly, at least 25% of the aggregate principal amount of the Lantic Series A Notes, the Board of Directors of Rogers, shall jointly review the companies facilities and operations, the economic conditions relating to the sugar industry and the business prospects of Lantic with a view to determining whether it is likely that the indebtedness of Lantic evidenced by the Lantic Series A Notes could be refinanced on the same terms and conditions upon maturity. If, in the opinion of either the Board of Directors of Lantic or Rogers, it is unlikely that Lantic could refinance the Lantic Series A Notes on the same terms and conditions upon maturity, then Lantic shall commence principal repayments of the Lantic Series A Notes. The last review of Lantic was performed as at September 27, 2014, and on November 18, 2014, the Boards of Directors of Lantic and Rogers concluded that Lantic could refinance the Lantic Series A Notes on the same terms and conditions upon maturity. As a result, the maturity date of the Lantic Series A Notes will remain October 15, 2027.

The Lantic Series A Notes are unsecured debt obligations of Lantic and are subordinate in the right of payment to all secured and unsecured indebtedness and liabilities of Lantic.

The Lantic Series A Notes provide that any of the following shall constitute an Event of Default (as such term is defined in the Lantic Note Indenture):

(a) default in payment of the principal of the Lantic Series A and Series C Notes when the same becomes due;

(b) the failure to pay interest obligations of the Lantic Series A and Series C Notes when the same become due, subject to Lantic's right to defer payment of interest for up to 18 months;

(c) material default upon indebtedness for borrowed money exceeding $10 million;

(d) certain events of winding-up, liquidation, bankruptcy, and solvency, receivership, general assignment for the benefit of creditors, or proceedings with respect to a compromise or an arrangement under the Companies' Creditors Arrangement Act (Canada) (the "**CCAA**");

(e) the taking of possession by an encumbrance of all or substantially all of the property of Lantic;

(f) ceasing to carry on business in the ordinary course;

(g) defaults in performing any material agreement whereby any material property or rights of Lantic may be forfeited or terminated; or

(h) default in the observance or performance in any material covenant or condition of the Lantic Note Indenture and contained in such default for a period of 30 days after a notice in writing has been given by the note trustee under the Lantic Note Indenture to Lantic specifying such default and requiring Lantic to rectify the same.

RSL Notes

Pursuant to a note indenture (the "**RSL Note Indenture**") dated October 8, 1997, and amended and restated as of February 8, 2001 and January 1, 2004, between RSL and Montreal Trust Company of Canada (now Computershare Investor Services Inc.), as note trustee, RSL was authorized to issue an unlimited amount of notes (the "**RSL Notes**") which were set to mature on October 15, 2027, subject to prepayment from time to time, as considered advisable by the Board of Directors of RSL and subject to extension for an additional 10-year term in certain circumstances. Pursuant to a first supplemental indenture dated June 30, 2008 and following the Amalgamation, Lantic assumed all obligations, indebtedness and liquidities of RSL under the RSL Note Indenture. Pursuant to a second supplemental indenture dated September 27, 2024, the prepayment provision of the RSL Notes was modified to allow the prepayment of the RSL Notes under certain conditions, including those set forth in Lantic's senior debt.

As at September 26, 2024, Rogers was the holder of $278,260,870 principal amount of RSL Notes, being all of the issued and outstanding RSL Notes. On September 27, 2024, pursuant to the Exchange Agreement, Lantic prepaid the RSL Notes through the issuance of 278,260,870 Class A shares to Rogers at a nominal value of $1 each. As a result, Lantic no longer has any obligations towards the RSL Notes, which have been terminated and cancelled.

RSL Series A and Series B Notes

Pursuant to a note indenture dated March 8, 2002, and amended and restated as of January 1, 2004, between RSL and Computershare Trust Company of Canada (now known as Computershare Investor Services Inc.), as note trustee (the "**RSL Series A and Series B Note Indenture**"), RSL was authorized to issue $7,500,000 aggregate principal amount of unsecured, subordinated Series A notes of RSL and $25,000,000 aggregate principal amount of unsecured, subordinated Series B Notes of RSL (collectively, the "**RSL Series A and Series B Notes**"). Pursuant to a first supplemental indenture dated June 30, 2008 and following the Amalgamation, Lantic assumed all obligations, indebtedness and liquidities of RSL under the RSL Note Indenture. Pursuant to a second supplemental indenture dated September 27, 2024, the prepayment provision of the RSL Series A and Series B Notes was modified to allow the prepayment of the RSL Series A and Series B Notes under certain conditions, including those set forth in Lantic's senior debt.

As at September 26, 2024, Rogers was the holder of all of the issued and outstanding RSL Series A and Series B Notes. On September 27, 2024, pursuant to the Exchange Agreement, Lantic prepaid the RSL Series A and Series B Notes through the issuance of 32,500,000 Class A shares to Rogers at a nominal value of $1 each. As a result, Lantic no longer has any obligations towards the RSL Series A and Series B Notes, which have been terminated and cancelled.

Lantic Term Notes

On August 4, 2017, Lantic issued a term note (the "**Lantic Term Note**") to Rogers for $71,000,000. On March 28, 2018, Lantic issued a term note (the "**Lantic Term Note A**") to Rogers for $20,750,000 and on April 3, 2018, Lantic issued another note (the "**Lantic Term Note B**") to Rogers for $12,100,000, together collectively referred to as the "**Lantic Term Notes**".

As at September 26, 2024, Rogers was the holder of all of the Lantic Term Notes. On September 27, 2024, pursuant to the Exchange Agreement, Lantic prepaid the Lantic Term Notes through the issuance of 103,850,000 Class A shares to Rogers at a nominal value of $1 each. As a result, Lantic no longer has any obligations towards the Lantic Term Notes, which have been terminated and cancelled.

TMTC Term Notes

On August 4, 2017, TMTC issued a Term Note A for $71,000,000 and a Term Note B for $50,000,000 (together, the "**TMTC Term Notes**") to Lantic. Interest on the TMTC Term Notes was payable quarterly on or about the 15th day of January, April, July and October in each year to holders of record. Notwithstanding the foregoing, TMTC may, in its sole discretion, pay interest on the TMTC Term Notes by way of monthly installments of the quarterly interest payment under such notes not yet due.

On August 4, 2021, TMTC repaid Term Note A and Term Note B to Lantic through the issuance of 121 million of common shares at a nominal value of $1 each.

Lantic Promissory Note

On February 27, 2024, Lantic issued a Promissory Note for $112,500,000 (the "**Lantic Promissory Note**") to Rogers due on February 26, 2029. On September 27, 2024, pursuant to the Exchange Agreement, Lantic repaid the Lantic Promissory Note through the issuance of 112,500,000 Class A shares at a nominal value of $1 each.

Credit Facility

On June 29, 2013, Lantic entered into a five-year agreement for the establishment of a revolving credit facility (the "**Revolving Facility**") to support its financial and operational needs. The Revolving Facility is syndicated with six Canadian chartered banks and includes an accordion feature allowing for an increase in the amount available to be borrowed to an aggregate amount of $400 million. The Revolving Facility has been amended and extended from time to time. The Revolving Facility is subject to covenants and is secured by the assets of Lantic and TMTC. As of September 28, 2024, the approved amount available for borrowing was $340 million, of which $100 million was drawn.

As at September 28, 2024, Lantic had a total of $340.0 million of available working capital from its revolving credit facility, from which it can borrow at prime rate, SOFR rate or under Adjusted Daily compounded or Term CORRA loan (which is Daily compounded or Term CORRA plus an adjustment varying between 30 to 32 basis points), plus 20 to 250 basis points, based on achieving certain financial ratios. As at September 28, 2024, a total of $722.8 million of assets have been pledged as security for the revolving credit facility, compared to $630.0 million as at September 28, 2023; including trade receivables, inventories and property, plant and equipment.

As at September 28, 2024, Lantic was in compliance with all the covenants under its Revolving Facility.

In order to fix the interest rate on a substantial portion of the expected drawdown of the Revolving Facility, Lantic enters into interest rate swap agreements. The following table provides the outstanding swap agreements as at September 28, 2024 as well as their respective value, interest rate and time period:

Fiscal year contracted	Date	Total value $
Fiscal 2020 (2)	February 24, 2020 to June 28, 2025 – 1.327%	20,000
Fiscal 2020 (2)	June 28, 2024 to June 28, 2025 – 0.907%	80,000
Fiscal 2024 (1)	December 30, 2024 to December 30, 2026 – 3.94%	100,000
Fiscal 2024 (1)	June 27, 2025 to June 27, 2027 – 3.70%	100,000

(1) Interest rate swap agreements entered in fiscal 2024

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

Senior Guaranteed Notes

On April 30, 2021, Lantic issued $100 million in senior guaranteed Notes (the "**Senior Guaranteed Notes**") under a note purchase agreement as a private placement with certain institutional investors (collectively, the "**Noteholders**"). The Senior Guaranteed Notes are guaranteed and rank *pari passu*, with the existing Revolving Facility. The respective rights of the lenders under the Revolving Facility, and of the Noteholders under the Senior Guaranteed Notes, are governed by the terms of an intercreditor agreement.

Net proceeds from the issuance of the Senior Guaranteed Notes were used to repay existing debt of Lantic.

The Senior Guaranteed Notes carry an interest rate of 3.49% and are due on April 30, 2031 with interest payable in equal semi-annual amounts on the 30th day of each of April and October.

IQ Loans

A first loan in the amount of up to $40 million was made to Lantic and TMTC under the ESSOR program, a Québec government program designed to provide financing to Québec businesses (the "IQ Essor Loan"). The IQ Essor Loan is to be used by Lantic and TMTC for the acquisition of certain new equipment in the context of the expansion project aimed at enhancing the production and logistic capacity of the Eastern sugar refining operations in Montreal and Toronto (formerly referred to as the "**Expansion Project**" and now referred to as the "**LEAP Project**"). Lantic and TMTC, as borrowers, will benefit from a 36-month capital repayment moratorium period as of the date of the first disbursement of the IQ Essor Loan. At the end of such moratorium period, Lantic and TMTC will repay the principal of the IQ Essor Loan in 60 consecutive monthly installments.

A second term loan in the amount of $25 million was extended to Lantic and TMTC by Investissement Québec (the "IQ Term Loan", and collectively with the IQ Essor Loan, the "IQ Loans"), such IQ Term Loan to be used to finance certain expenses and other acquisition of equipment in connection with the LEAP Project. Lantic and TMTC, as borrowers, will benefit from a 24-month capital repayment moratorium period as of the date of the first disbursement of the IQ Term Loan. At the end of such moratorium period, Lantic and TMTC will repay the principal of the IQ Term Loan in 20 consecutive quarterly installments.

The IQ Loans are subject to covenants and are to be secured by assets of Lantic and TMTC acquired using the IQ Loans. No amount had been drawn on the IQ Loans as at September 28, 2024. On November 26, 2024, a first draw of $7.4 million was received under the IQ Loans, $5 million of which was borrowed under the Essor Loan and $2.4 million was borrowed under the IQ Term Loan.

REVIEW OF OPERATIONS AND BUSINESS

The Corporation

The assets of the Corporation consist of the Common Shares as well as the Notes. To the maximum extent possible, the Corporation pays a quarterly dividend to Shareholders from amounts received by the Corporation by way of dividends or return of capital on the Common Shares and interest and repayments of principal on the Notes after expenses, interest on the Debentures of the Corporation (see "Rogers Sugar Inc. — Debt Instruments"), income taxes and any cash redemptions of Shares, amounts paid or required by the Corporation to purchase Shares (or other securities of the Corporation which may be issued and outstanding from time to time) and amounts required for the operations of the Corporation. Prior to the conversion to a corporation on January 1, 2011, the Fund was paying monthly distributions to Unitholders on or about the 29th day of the following month to the Unitholders of record as of the last day of the month for which such distributions were declared. Since January 1, 2011, Rogers has declared quarterly dividends for Shareholders of record as at the end of each calendar quarter, on or about the 60th day following the end of the calendar quarter.

Quarterly dividends per Shares declared by Rogers in fiscal 2022, 2023 and 2024 were as follows:

	2024	2023	2022
October	—	—	—
November	$0.09	—	$0.09
December	—	$0.09	—
January	—	—	—
February	$0.09	$0.09	$0.09
March	—	—	—
April	—	—	—
May	$0.09	$0.09	$0.09
June	—	—	—
July	—	—	—
August	$0.09	$0.09	$0.09
September	—	—	—

Lantic - Sugar

Lantic has been in the sugar business for over 135 years and is the leading refiner, processor, distributor and marketer of sugar products in Canada. As the sole sugar processor in Western Canada, Lantic supplies approximately 95% of the demand for refined sugar in that region. In Eastern Canada, Lantic is one of the two major sugar refiners, with Lantic supplying approximately 49% of the demand for refined sugar in that region. Overall, Lantic's share of supply of refined sugar in Canada is approximately 56%. Lantic has two cane sugar processing facilities, one in Montreal, Québec and one in Vancouver, British Columbia. Lantic also has a beet sugar processing facility in Taber, Alberta. Lantic's sugar products are marketed primarily under the "Rogers" trade name in Western Canada, and under the "Lantic" trade name in Eastern Canada, and include granulated, icing, cube, yellow and brown sugars, liquid sugars and specialty syrups.

The Sugar Industry

Per capita consumption of refined sugar in Canada, being at approximately 35 kilograms per year, has been fairly stable over the last five years. Growth in total consumption is primarily linked to population increases.

Lantic purchases raw cane sugar ("**raws**") on the basis of world prices established by the market for No. 11 sugar ("**Raw #11**") quoted on the New York Intercontinental Exchange ("**ICE**"). Lantic adds a refining margin to the raw sugar purchase price to set a base-selling price for refined sugar.

Raw sugar prices are not a major determinant of the profitability of Lantic's cane sugar operations as the price at which it both purchases and sells sugar is related to the world price and all transactions are hedged, except if some sugar premiums are charged over the Raw #11 market, as a result of tightness in the marketplace. The profitability of Lantic's cane sugar operations is affected primarily by competitive conditions in the marketplace. There is currently no shortage of raw cane sugar in the international market, and none is anticipated in the foreseeable future.

High fructose corn syrup ("**HFCS**") is a sweetener derived from the milling of corn. It is competitive with refined sugar in liquid applications in the industrial market. A relatively high world raw sugar price and/or relatively low price of corn will reduce the competitive position of refined cane sugar in Canada as compared to HFCS.

In fiscal 2024, the price of raw sugar fluctuated between US 17.57 cents per pound and US 27.95 cents per pound and closed at US 22.79 cents per pound at the end of the fiscal year.

TMTC

On August 5, 2017, Lantic acquired all of the issued and outstanding shares of Maple Treat, for approximately $166.4 million, after closing adjustments. Then, on November 18, 2017, Maple Treat acquired all of the issued and outstanding shares of Decacer, for approximately $43.0 million, after closing adjustments. The Maple Treat and Decacer Acquisitions made the Corporation the world's largest branded and private label maple syrup bottling and distribution company.

Maple Syrup and Maple Products Industry

Maple syrup is a natural sweetener and is viewed as an alternative to traditional sweeteners. Maple syrup is extracted mainly from two types of maple trees: sugar maple and red maple. The biggest concentration of maple trees is located in Québec, New Brunswick, Ontario, Vermont, Maine, New York and New Hampshire.

The production of maple syrup takes place over a period of 6 to 8 weeks during the months of March and April of each year. The syrup takes its origin from the sap which is collected from the maple tree. Through photosynthesis, sugar maple and red maple convert the starch stored during the warmer seasons into sugar. This sugar then combines with the water absorbed by the tree's roots and in the spring, when temperatures rise, the sweet sap in the trunk and roots expands, creating pressure inside the tree to ultimately push sap out of the maple tree.

The sap generally travels from the trees by gravity or through a vacuum collector system attached to the trees by small taps and connected to larger conveyance tubes that are themselves connected to the sugar shack, where it is ultimately boiled into maple syrup.

Global Supply and Demand

Canada remains the largest producer of maple syrup, with over 80% of the world's production. The United States ("**US**") is the only other major producing country in the world, producing approximately 20% of the global supply. Québec represented approximately 70% of the world's production.

Regulatory Regime in Québec

The maple syrup producers in Québec are represented by the Producteurs et Productrices Acéricoles du Québec ("**PPAQ**"), a body created in 1966 to support the interests of maple syrup producers. The PPAQ generally regulates the buying and selling of bulk maple syrup. The PPAQ represents approximately 13,500 producers and 8,400 individual businesses.

The PPAQ, in its capacity as bargaining and sales agent for the producers of maple syrup in Québec as well as the body empowered pursuant to Québec legislation to regulate and organize the production and generic marketing of maple syrup, and the bulk buyers of maple syrup, represented by the Conseil de l'industrie de l'érable (the Maple Industry Council ("**CIE**")) have entered into a marketing agreement (the "**Marketing Agreement**"), which is expected to be renewed on an annual basis.

Pursuant to the Marketing Agreement, authorized buyers must pay a minimum price to the PPAQ for any maple syrup purchased from the producers. The purchase price is fixed on an annual basis and depends on the grade of the maple syrup. In addition, a premium is added to the minimum price for any organic maple syrup. Pursuant to the Marketing Agreement, authorized buyers must buy maple syrup from the PPAQ in barrels corresponding to the "anticipated volume". The anticipated volume must be realistic and in line with volumes purchased in previous years and anticipated sales forecasts.

Producers of maple syrup in Québec are required to operate within the framework provided for by the Act respecting the Marketing of Agricultural, Food and Fish Products (Québec) (the "**Marketing Act**"). Pursuant to the Marketing Act, producers, including producers of maple syrup, can take collective and organized control over the production and marketing of their products (i.e. a joint plan). Moreover, the Marketing Act empowers the marketing Board responsible for administering a joint plan, that is the PPAQ in the case of maple syrup, with the functions and role otherwise granted to the Régie des marchés agricoles et alimentaires du Québec, the governing body created by the Government of Québec to regulate, among other things, the agricultural and food products in Québec. As part of its regulating and organizing functions, the PPAQ may establish arrangements to maintain fair prices for all producers and may manage production surpluses and their storage to provide security of supply and price stability of maple syrup.

Pursuant to the applicable regulation in Québec, the PPAQ is responsible for the marketing of bulk maple syrup in Québec. Therefore, any container that contains 5L or more of maple syrup must be marketed through the PPAQ as the exclusive selling agent for the producers. Bulk maple syrup may be handed over to the PPAQ or delivered to "authorized buyers" accredited by the PPAQ. Maple syrup producers may hand over unsold inventory to the PPAQ before October 30 of each year. The PPAQ then arranges for the sale of such unsold inventory to authorized buyers. In Québec, nearly 90% of the total production of maple syrup is sold through the PPAQ Sales Agency to authorized buyers, leaving only approximately 10% of the total production being sold directly by the producers to consumers at the farm, at farmers' markets or direct store delivery to local grocery stores.

Quality Control

In Québec, maple syrup delivered in barrels is systematically inspected by an independent company. Every year, approximately 400,000 barrels of maple syrup are verified, inspected and graded through this process. This inspection system ensures a high quality control on maple syrup that is produced and sold in Québec. Pursuant to the quality control process set up by the PPAQ, the verification, inspection and grading is performed at the PPAQ plant in Laurierville, Québec, or at authorized buyers' facilities. The quality control system established by the PPAQ also facilitates the certification of Québec maple syrup as "organic", as it provides the ability to trace maple syrup back to the origin maple farm.

The PPAQ Strategic Reserve

In 2002, the PPAQ set up a strategic maple syrup reserve in order to mitigate production fluctuations imputable to weather conditions and prevent such fluctuations from causing supply disruption and maple syrup prices to spike or drop significantly. The reserve was initially established to set aside a production quantity equivalent to half of the then-annual demand. Each year, the PPAQ may organize a sale of a portion of its accumulated reserve. This allows bottlers to respond to supply shortages in the event of a poor harvest or unplanned growth and demand. As of October 2024, the PPAQ had about 40 million pounds of bulk maple syrup in its strategic reserve, which represents approximately 40% of the 100 million pounds target established by the industry.

The Quota System

In 2004, the PPAQ adopted a policy with respect to production and marketing quotas which resulted in an annual production volume allocated to each maple syrup business. The main objective of the policy is to adjust the supply of maple syrup in response to consumer demand, and more specifically, to stabilize selling prices for producers and, ultimately, the buying price for consumers, foster investments in the maple industry and maintain a steady number of maple producing businesses in operation, regardless of their size.

Authorized Buyer Status and Relationship with the PPAQ

TMTC is an authorized buyer with the PPAQ. An authorized buyer is authorized to receive maple syrup in bulk (i.e. in barrels) directly from Québec maple syrup producers. TMTC is an active member of the MIC, which represents approximately 60 authorized buyers, in negotiating the Marketing Agreement with the PPAQ. Of the 60 authorized buyers, five represent over 85% of the volume purchased through the PPAQ, one of which is TMTC.

TMTC has relationships with more than 1,400 maple syrup producers, mainly in Québec and Vermont. Most of these producers sell 100% of their production to TMTC. Through its strong relationship with such producers, TMTC was able to develop a leading position in sourcing maple syrup.

Sourcing of Maple Syrup outside of Québec

Outside of Québec, the maple syrup industry is generally organized through producer-based organizations or associations, which promote maple syrup in general and its industry and serve as the official voice for maple syrup producers with the public.

Three-Year History

The Corporation's fiscal year ends on the Saturday closest to the end of September.

Fiscal 2024

On November 27, 2024, Lantic announced that the revised estimated cost of the LEAP project was expected to range between $280 million and $300 million, representing an expected increase of 40% to 50% over the initial $200 million estimate announced in August 2023. The Corporation also anticipates the LEAP Project to be in-service at the end of fiscal 2026, representing a delay of approximately six months over the initial schedule. See "Risks Factors – LEAP Project".

On September 28, 2024, an agreement was ratified between Lantic and the unionized employees of the Toronto Distribution Centre. The agreement is for a period of 6 years, expiring in 2030.

On September 27, 2024, Lantic prepaid, the Lantic Series C Notes, the RSL Notes, the RSL Series A Notes, the RSL Series B Notes, the Lantic Term Notes and the Lantic Promissory Note through the issuance of 575,610,870 Class A shares to Rogers at a nominal value of $1 each, in accordance with the terms the Exchange Agreement. Please see section *Notes* above for additional information.

On June 4, 2024, Rogers released a report titled "Fighting against forced labour & child labour in supply chain" pursuant to the Fighting Against Forced Labour & Child Labour in Supply Chain Act (the "**2024 Labour Report**"). The 2024 Labour Report can be found under the Corporation's profile on SEDAR+ at www.sedarplus.ca or on the Corporation's website at www.lanticrogers.com.

On May 21, 2024, Rogers released its fourth environmental, social and governance ("**ESG**") report (the "**2023 ESG Report**"). The 2023 ESG Report can be found under the Corporation's profile on SEDAR+ at www.sedarplus.ca or on the Corporation's website at www.lanticrogers.com.

On March 4, 2024, Rogers announced the completion of its previously announced $57.5 million bought deal public offering (the "**Public Offering**") of Shares, after giving effect to the exercise by the underwriters of the over-allotment option, and $60.4 million concurrent non-private placements with Fonds de solidarité des travailleurs du Québec (F.T.Q.) and Belkorp Industries Inc. in the respective amounts of $50 million and $10.4 million (the "**Concurrent Private Placements**" and, collectively with the Public Offering, the "**Equity Offerings**"), for aggregate proceeds to the Corporation of approximately 117.9 million. The net proceeds of the Equity Offerings will be used to fund a portion of the LEAP Project along with the IQ Loans.

On February 26, 2024, Rogers announced the Equity Offerings.

On February 1, 2024, Rogers announced that unionized workers at its Vancouver refinery had ratified a five-year collective agreement, bringing an end to a strike that had begun on September 28, 2023. The new five-year agreement provides for market-based increase in wages and benefits and includes several new provisions to enhance production through various measures that will be put in place over the course of the agreement. During the strike, the Vancouver refinery, which represents approximately 17% of the Corporation's production of refined sugar, operated at approximately a third of its capacity.

On November 1, 2023, Lantic amended its Revolving Facility, by extending the term to October 31, 2027, and by increasing the amount available for working capital and for the LEAP Project by $75 million to $340 million.

Fiscal 2023

On August 11, 2023, the Board of Directors of Lantic approved the LEAP Project. The total investment for the LEAP Project includes investments in sugar refining technology and equipment, as well as logistical infrastructure at Lantic's Montreal sugar refinery and in the Greater Toronto Area ("**GTA**") to serve the Ontario market. The LEAP Project is made up of three key components: (i) the expansion of refining capacity with the addition of new sugar refining equipment at the Montreal plant; (ii) the construction of a new bulk rail loading section in Montreal to serve increased shipments to the Ontario market; and (iii) the expansion of logistics and storage capacity in the GTA.

On August 14, 2023, Rogers filed of a short-form base shelf prospectus in connection with expected financing initiatives over the next two years.

On July 7, 2023, Rogers released its third ESG report (the "**2022 ESG Report**"). The 2022 ESG Report can be found under the Corporation's profile on SEDAR+ at www.sedarplus.ca or on the Corporation's website at www.lanticrogers.com.

On April 24, 2023, Rogers announced a two-year agreement with the Alberta Sugar Beet Growers (the "**Growers**") for the supply of sugar beets to its Taber sugar refining plant. The new agreement covers the 2023 and 2024 crops and provides security of supply and a balanced investment relationship for both parties.

On January 20, 2023, Lantic amended its Revolving Facility, increasing the amount available for working capital and capital expenditures from $200 million to $265 million.

Fiscal 2022

On August 11, 2022, Lantic announced it's preliminary intention to proceed with the LEAP Project.

On August 9, 2022, Lantic signed a multi-year supply partnership agreement with Raízen, the largest individual raw sugar exporter on the international market based in Brazil, to source certified non genetically modified organism ("non-GMO") raw sugar for Eastern Canada operations. This new supply agreement will allow the Montreal facility to provide non-GMO refined sugar to the Corporation's valued customers.

In June, 2022, the Corporation published its second ESG report (the "**2021 ESG Report**"). The 2021 ESG Report can be found under the Corporation's profile on SEDAR+ at www.sedarplus.ca or on the Corporation's website at www.lanticrogers.com.

On April 14, 2022, Lantic reached an agreement to renew the collective labour agreement with the union of its Taber facility for a period of five years.

On March 30, 2022, the Canadian Border Services Agency (the "CBSA") issued a notice of the conclusion of its re-investigation concerning dumped sugar from the US, Denmark, Germany, the Netherlands and the UK and subsidized sugar from the EU. The CBSA determined that anti-dumping duties will continue to apply to imports of dumped sugar from the US, Denmark, Germany, the Netherlands and the UK and ruled that a countervailing duty will continue to apply to imports of subsidized EU sugar.

On November 23, 2021, Lantic exercised its option to extend the maturity of its Revolving Facility to November 23, 2026 and amended the Revolving Facility by reducing the available credit by $65 million to $200 million.

On October 27, 2021, Lantic reached an agreement for the renewal of the collective labour agreement with the main union at its Montreal facility for a period of five years ending May 2026.

Sugar Facilities

Lantic is the largest refined sugar producer in Canada, with annual nominal production capacity of approximately 1,000,000 metric tonnes.

Cane Sugar Operations, Montreal, Québec

Lantic owns and operates a cane sugar refinery located on a 12-acre site in the east end of Montreal. The original facility was built in the late 1880s and was acquired in 1984 from St-Lawrence Sugar. Numerous improvements have been made to the building and processing areas of the plant over the years, including a major expansion completed in 2001.

The Montreal refinery has a nominal capacity to produce approximately 545,000 metric tonnes of refined sugar per year. A full line of cane sugar products including granulated, liquid and icing sugars are produced and packed in different formats at the facility.

On August 11, 2023, the Board of Directors of Lantic approved the LEAP Project, consisting of an investment in the expansion of its Eastern Canada capacity. LEAP is expected to provide approximately 100,000 metric tonnes of incremental refined sugar capacity to the growing Canadian market and includes sugar refining assets, along with logistic assets to increase the delivery capacity to the Ontario market.

The planning and design phases associated with the LEAP Project are now mostly 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 now completed. Orders for sugar refining equipment and other large production and logistic-related equipment have been placed with suppliers, with several pieces of equipment already on site.

On November 27, 2024, Lantic announced that the revised estimated cost of the LEAP project was expected to range between $280 million and $300 million, representing an expected increase of 40% to 50% over the initial $200 million estimate announced in August 2023. The Corporation also anticipates the LEAP Project to be in-service at the end of fiscal 2026, representing a delay of approximately six months over the initial schedule. See "Risks Factors – LEAP Project".

Cane Sugar Operations, Vancouver, British Columbia

Lantic owns and operates a cane sugar refinery located on a 15-acre site in Vancouver British Columbia. The original facility was built in 1891. Numerous improvements have been done over the years.

The Vancouver refinery has the nominal capacity to produce approximately 230,000 tonnes of refined sugar per year. A full line of cane sugar products including granulated, liquid, and icing sugars are produced and packed in different formats at the facility.

Beet Sugar Operations, Taber, Alberta

Lantic owns a beet sugar manufacturing facility situated on a 121-acre site in Taber, Alberta, approximately 50 kilometers east of Lethbridge. Production is dependent upon the quantity of sugar beets processed. The facility can process 6,000 tonnes of beets per day.

Annually, Lantic estimates the quantity of sugar required to meet the demand in the Prairie region and enters into contracts with individual farmers to supply sugar beets from a specific acreage. The sugar beets are harvested and delivered to the factory in September and October. The factory operates without interruption for a three-to-six-month period, until all sugar beets have been processed. The beet sugar factory produces granulated, liquid and icing sugars. Sales of by-products, consisting of dried beet pulp sold as animal feed and molasses, make an important contribution to the economics of the beet sugar operation.

For the 2024 crop, Lantic contracted 28,000 acres from the Growers and received the expected quantity of sugar beets in September and October. Following the harvest season, the Taber sugar beet plant facility began the slicing and processing stage of the crop. This stage should be completed by the end of February 2025. Currently, based on the Corporation’s early assessment, the 2024 crop is expected to deliver between 105,000 metric tonnes and 110,000 metric tonnes of beet sugar. The volume expectations align with the acreage contracted with the ASBG and the volume of sugar beets received.

Distribution Centre, Toronto, Ontario

Lantic also owns and operates a distribution centre located on a one-acre site in Toronto, Ontario. This distribution centre allows Lantic to better serve customers located in Ontario. Shipments of refined sugar are made mainly by railcar from the Montreal facility to the Toronto distribution centre, where it is warehoused and later distributed to customers.

Approximately 25% of the sugar produced in Montreal is shipped to Lantic’s distribution centre in Toronto to serve the Southwestern Ontario Market. The LEAP Project includes investments in logistical infrastructures for the Toronto distribution centre, allowing Lantic to increase the volume of sugar shipped from Montreal to serve the Ontario market in the future.

Sugar Refining Costs

There are three components to Lantic’s refining costs: processing, packaging and maintenance.

Processing costs are generally variable and consist mainly of labour, material and energy costs. Labour is the largest costs item followed by energy. All production employees are full-time unionized employees. The Taber beet factory operates continually until all sugar beets have been sliced and processed into refined sugar or beet thick juice. The Vancouver refinery acts as a swing refinery and its production level is largely influenced by the Taber beet operations. The Montreal refinery operates on a continuous basis in order to maximize production and reduce employee downtime associated with plant shutdowns and start-ups. Processing materials consist mainly of agents used in the refining process. Energy costs are affected by the fluctuations in natural gas and oil prices.

Lantic uses large amounts of natural gas in its refineries. Lantic has a hedging strategy in place with forward contracts to mitigate the impact of large fluctuations in natural gas prices. Lantic has hedged positions for fiscal 2024 to 2029. Lantic will continue to closely monitor the natural gas market in order to reduce volatility and maintain an overall market competitiveness. Lantic’s forward hedging policy mitigates but does not fully eliminate the impact of year-over-year trends in natural gas prices.

Provincial application of some form of carbon tax has been increasingly important across Canada. Lantic’s two cane refineries and its beet factory are subject to levies pertaining to their respective jurisdiction.

Packaging costs relate to all products except bulk and liquid sugar. Such costs consist mainly of labour and packaging materials.

Maintenance costs are generally fixed. Preventive maintenance programs are in place to ensure maximum efficiency in the processing stage and to reduce costs related to mechanical breakdown.

Maple Segment Facilities and Costs

TMTC currently operates three plants in Québec, namely, in Granby, Dégelis and in St-Honoré-de-Shenley, and one in Websterville, Vermont, and eleven operating lines allocated amongst the four plants.

The single most important costs to the operation of TMTC is related to the syrup, representing approximately 80% of its cost of sales.

Use of Financial Derivatives for Hedging

Cane Sugar

In order to protect itself against fluctuations in the world raw sugar market, Lantic follows a rigorous hedging program for all purchases of raw cane sugar and sales of sugar.

The world raw sugar market (# 11) is only traded on the ICE. Sugar futures can be traded forward for a period of three years against four specific contract months per year (March, May, July and October). The contract month values are used to determine the price settlement upon the receipt of a raw sugar vessel or the delivery of sugar to Lantic's customers. The ICE rules are strict and are governed by the New York Board of Trade. Any amount owed, due to the movement of the commodity being traded, has to be settled by cash the following day (margin call payments/receipts).

For the purchasing of raw sugar, Lantic enters into long-term supply contracts with reputable raw sugar suppliers. These long-term agreements will, amongst other things, specify the yearly volume (in metric tonnes) to be purchased, the delivery period of each vessel, the contract month against which the sugar will be priced, and the freight rate to be charged for each delivery. The price of raw sugar will be determined later by a mutual agreement between Lantic and the seller, based upon the delivery period. The delivery period will correspond to the contract month against which the sugar will be priced. As an example, a vessel to be shipped in January would be priced against the next contract month being March of that year (each contract month expires on the last day of the previous month). Therefore, Lantic has the ability to price throughout the duration of the contract any volume to be shipped against a specific contract month. When the seller price a certain quantity, he must immediately secure a futures position for Lantic on the ICE (selling a future in this case) for the same volume and price. The futures contract value taken will become the price Lantic will pay the seller for the raw sugar upon delivery. As an example, the seller may want to price on September 28, 2024, 1,000 metric tonnes for delivery in January 2025 against the March 2025 contract month. The price as at October 1 is US $0.22 per pound, or US$485 per metric tonne. This is called "firming" the price of raw sugar. A vessel of 33,000 metric tonnes may have been priced on many different dates, but for each transaction, Lantic would have sold a futures position for the same price and volume on the Intercontinental Exchange.

The selling of refined sugar by Lantic is also done under the world raw sugar market (# 11). When a sales contract is negotiated with a customer, the sales contract will determine the period of the contract, the expected delivery period against specific contract months and the refining margin and freight rate to be charged over and above the value of the sugar. The price of the sugar is not yet determined but needs to be fixed by the customer prior to delivery. The customer will make the decision to fix the price of the sugar when he feels the sugar market is favourable, against the sugar contract month as per the anticipated delivery period.

As an example, customer "A" negotiates a contract with Lantic from July 2024 to June 2025, for delivery of 1,000 metric tonnes of sugar per month, for a total of 12,000 metric tonnes. In August 2024, customer "A" decides to firm the price of the sugar to be delivered in January 2025 (against the March contract month). That day in August, the price of sugar for March 2025 contract month is US$0.21 per pound or US$463 per metric tonne. As customer "A" prices this sugar with the Lantic trading desk, Lantic will at the same time buy a futures position for the same volume and price on the futures market to hedge Lantic and protect itself from any fluctuations in the sugar market.

The following describes how, from the above examples, Lantic protected itself against fluctuations in the market. Lantic sold 1,000 metric tonnes to customer "A" for January 2025, which had been priced at US$0.21 per pound or US$463 per metric tonne. Lantic had also purchased 1,000 metric tonnes of sugar, which had been priced at US$0.22 per pound or US$485 per metric tonne. Both of these transactions were hedged against the March 2025 contract month. Upon receipt and delivery of the sugar, these transactions would be recorded at their cost.

On the physical transaction, Lantic sold 1,000 metric tonnes of sugar at US$0.21 per pound (before refining margin), which it had bought from the seller at US$0.22 per pound. On the physical transaction, Lantic would incur a loss of US$0.01 per pound or US$22.10 per metric tonne for 1,000 tonnes, for a total loss of US$22,100.

On the futures side (paper transaction), Lantic will liquidate all of its position by the 15th of the month preceding the delivery month, on February 15, 2025. For the above transactions, Lantic sold a future position of 1,000 metric tonnes for US$0.22 per pound and bought a future position of 1,000 metric tonnes for US$0.21 per pound. On the liquidation date, the March contract month trades at US$0.24 per pound. Therefore, Lantic will buy back the US$0.22 (original sell position) for US$0.24, losing US$0.02 per pound. On the other hand, Lantic will sell the original buy position of US$0.21 for US$0.24, making US$0.03 per pound on this transaction. In total, Lantic will make US$0.01 per pound or US$22.10 per metric tonne for a total, on 1,000 metric tonnes of US$22,100 on the liquidation of the futures transaction. The loss incurred on the physical transaction is therefore totally offset by the gain earned on the liquidation of the futures position, due to the hedging of the transaction.

Inefficiencies could occur and a small gain or loss could be incurred on hedged transactions. Every year, Lantic estimates sales patterns against the receipt of sugar deliveries. Any discrepancies in these estimates may result in a small gain or loss on hedged transactions. A customer may be taking more or less sugar than determined under its contract, and a small gain or loss may be incurred on the hedged transaction.

Lantic mitigates the impact of the above by reviewing on a daily basis the total hedged position to ensure that in total, all sugar transactions are hedged. Lantic will also prepare a hedged transaction report by contract month periods to ensure there is no straddle within each contract month period. In the event that a straddle position exists due to circumstances discussed above, Lantic will immediately convert the straddle and record immediately any gain or loss incurred in correcting the straddled position. In addition, if a customer is late in taking delivery of its “priced” sugar, and if Lantic needs to roll forward the un-drawn quantity to the following contract month period, Lantic can invoice the customer for all costs incurred in rolling forward the un-drawn volume.

Beet Sugar

Lantic purchases sugar beets from the Growers under a fixed price formula. Except for sales to the US under the export quota, most sales are made under the same formula as cane sugar, following the world raw sugar price.

Lantic’s Board of Directors has authorized management to hedge forward up to 80% of the Taber sales to be made under the raw sugar formula as long as a beet sugar contract was signed with the Growers for those years. This was done to allow Lantic to benefit from a sudden rise in the raw sugar market. Any gains (if a sales contract is entered at a lower raw value) or losses (if a sales contract is entered at a higher raw value) incurred when those positions are unwound, will be recognized in the period when that quantity of beet sugar is delivered.

Variation Margins (Margin Calls)

For all hedged sugar on the futures market, Lantic must settle with its commodity broker on the following day any gains or losses incurred on the net hedged position of these commodities, based on the trading values at closing of the day. These daily requirements are called “margin calls”.

When sugar prices are on the rise, Lantic’s sugar suppliers will typically price in advance large quantities of sugar in order to benefit from these higher prices. On the other hand, Lantic’s customers will typically only price forward small quantities, hoping for a downward correction in the marketplace. This will result in Lantic having a “short” paper position. As the price of sugar continues to rise, Lantic has to pay margin calls on a regular basis. These margin calls are paid back to Lantic when the price of sugar declines or upon receipt or delivery of sugar.

Natural Gas

The Board of Directors of Lantic approved an energy hedging policy to mitigate the overall price risks in the purchase of natural gas.

On average, Lantic will purchase between 3.5 million gigajoules and 4.0 million gigajoules of natural gas per year to be used in its refining operations. To protect itself against large and unforeseen fluctuations, Lantic can hedge forward up to 90% of its estimated usage over the next 12 months, and lower percentages of its estimated usage on a longer term basis. Lantic will hedge close to its maximum level allowed if natural gas prices are below a certain percentage of last year’s average price and therefore lock-in year-over-year savings. Lantic could fully hedge its fiscal year position as market opportunities arise.

These gas hedges are unwound in the months that the commodity is used in the operations, at which time any gains or losses incurred are then recognized.

The Montreal refinery operates under a firm gas contract as opposed to an interruptible gas contract. This firm gas contract eliminates incremental energy costs relating to service interruptions as a result of cold winter conditions.

Foreign Exchange

Raw sugar transactions are based on the US dollar. Lantic also buys natural gas in US dollars, and will have some sales to the US or in Canada, to customers transacting in US dollars. In order to protect itself against the movement of the Canadian dollar versus the US dollar, Lantic, on a daily basis, reconciles all of its exposure to the US dollar and will hedge (against various forward months estimated from the date of the various transactions) the net position.

Certain export sales of maple syrup are denominated in US dollars, in Euros or other currencies. In order to mitigate against the movement of the Canadian dollar versus such currencies, TMTC enters into foreign exchange hedging contracts with certain customers. These foreign exchange hedging contracts are unwound when the money is received from the customer, at which time any gains or losses incurred are then recognized for the determination of adjusted gross margins and earnings. Foreign exchange gains or losses on any unhedged sales contracts are recorded when realized.

Accounting for Financial Instruments

In the normal course of business, Lantic uses derivative financial instruments consisting of sugar futures, foreign exchange forward contracts, natural gas futures and interest rate swaps. Lantic has designated as effective hedging instruments its natural gas futures and its interest rate swap agreements entered into in order to protect itself against natural gas prices and interest rate fluctuations as cash flow hedges. Derivative financial instruments pertaining to sugar futures and foreign exchange forward contracts continue to be marked-to-market at each reporting date and are charged to the consolidated statement of earnings. In addition, the derivative financial instruments pertaining to foreign exchange forward contracts on maple syrup sales were marked-to-market as of September 28, 2024 and also charged to the consolidated statement of earnings. The unrealized gains/losses related to natural gas futures and interest rate swaps are accounted for in other comprehensive income. The amount recognized in other comprehensive income is removed and included in net earnings under the same line item in the 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 derivative hedging instruments.

Even though Lantic is rigorously hedging all its sugar transactions, the accounting standards can cause large fluctuations in the financial results for each reporting period. None of these adjustments impacts cash, as they are non-cash transactions.

The above description of financial derivatives shows how financial derivatives are used to provide adjusted income results.

Distribution and Marketing

Sugar

Lantic's sugar products include granulated, icing, cube, yellow and brown sugars, liquid sugars, and specialty syrups. These products are marketed in Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland (collectively "**Eastern Canada**") mainly under the "Lantic" trade name and in British Columbia, Alberta, Saskatchewan and Manitoba (collectively "**Western Canada**") mainly under the "Rogers" trade name. In recent years, Lantic has co-branded its products under both the "Lantic" and the "Rogers" trade names.

Sales from the industrial sugar segment during the last two fiscal years amounted to approximately 82% in fiscal 2024 and 81% fiscal 2023. The consumer sugar segment sales amounted to 12% in fiscal 2024 and fiscal 2023. The export sugar segment sales amounted to 6% in fiscal 2024 and 7% in fiscal 2023.

No single customer accounted for 15% or more of the revenues from the Sugar segment in fiscal 2024 and fiscal 2023.

Maple Products

TMTC's products are comprised of the following: bottled maple syrup, bulk maple syrup and derived maple products such as maple sugar and maple flakes.

Bottled maple syrup is packaged in a variety of ways and sizes, including bottles, plastic jugs and the traditional cans. Bottled maple syrup is available in all commercial grades and in organic and non-organic varieties. The majority of the maple syrup is purchased from Québec producers and is bottled at one of TMTC's plants in Québec or in Websterville, Vermont.

Bulk maple syrup is mainly sold in containers of 4L or 17L, barrels and totes to foodservice retailers as well as other wholesalers. Bulk maple syrup is also sold for industrial use for bottling or for use in food production.

During fiscal 2024 and fiscal 2023, one customer of TMTC accounted for more than 15% of total revenue of the Maple segment. The loss of this significant customer could have material impact on Lantic's revenues and profitability.

Trademarks and Trade Names

Lantic uses the "Lantic" and "Rogers" trade names on its products. These trademarks have been registered and Lantic is the only entity that can use them with respect to sugar, syrup, beet pulp and molasses products. Lantic has also registered the trademarks for "Nature's Raw" and "Rogers Golden Syrup". Lantic does not have any material patents or licenses.

TMTC's bottled maple syrup is sold mainly under retail private label brands and under a variety of house brands.

Competition

Lantic is the largest sugar refiner in Canada. Lantic's share of sales of refined sugar in Canada amounted to about 56% in 2024 and has been fairly stable over the last five years.

In Eastern Canada, Lantic is one of two major sugar refiners. Redpath Sugar Ltd. Is based in Toronto, Ontario and operates a single refinery with a straight-time melt capacity that Lantic management estimates to be of approximately 600,000 tonnes per year.

The market shares by volume of Eastern Canada shipments of domestic cane refiners since 2019 are as follows:

	2024	2023	2022	2021	2020	2019
Lantic	49.0	49.0	48.0	46.5	47.0	47.3
Redpath Sugar Ltd.	51.0	51.0	52.0	53.5	53.0	52.7

SOURCE: CANADIAN SUGAR INSTITUTE (CSI)

Market share data is estimated by the Canadian Sugar Institute ("**CSI**"), not all sugar refiners or importers are reported by the CSI.

In addition to Redpath Sugar Ltd., in Eastern Canada, Lantic's competition includes smaller regional distributors, which source their refined sugar from either domestic or foreign suppliers. Over the last five years, the aggregate share held by these distributors has varied from approximately three to five percent of sugar consumption in Eastern Canada.

Competition in Western Canada comes mainly from imports in the industrial and consumer segments and from HFCS for liquid substitutable products. Competition from Eastern Canada refiners is somewhat mitigated by the cost of transportation from Eastern Canada to the Prairie Provinces and Vancouver.

In addition to sugar, the overall sweetener market also includes corn-based sweeteners, such as HFCS, an alternative liquid sweetener, which can be substituted for liquid sugar in soft drinks and certain other applications; and non-nutritive, high intensity sweeteners such as aspartame, sucralose and stevia. Differences in functional properties and prices have tended to impact the use of these various sweeteners. For example, HFCS is limited to certain applications where a liquid sweetener can be used. Non-nutritive sweeteners are not interchangeable in all applications. The substitution of other sweeteners for sugar has occurred in certain products, such as soft drinks. It is not possible to predict the availability, development or potential use of these sweeteners and their possible impact on the operations of Lantic.

A sugar processor's competitiveness is dependent on a number of factors, including reliability of supplies, cost-effective distribution channels and consistent quality of products.

For the Maple products segment, TMTC is the largest private label and branded maple syrup bottling and distributing company in the world. TMTC has five major competitors located in Canada and also competes against a multitude of bottlers and distributing companies in the US.

Legislative Issues

Exportation of Refined Sugar

As part of a regulated sugar program, the US restricts imports of refined sugar. In October 1995, the US assigned a specific sugar quota of 10,300 tonnes to Canada. The Canadian government has ruled that Canada's participation in its refined sugar quota must be with domestically grown sugar, i.e. beet sugar. As Lantic is the only beet sugar producer in Canada, it has filled the available Canada specific quota to the US every year.

On November 30, 2018, a new North American Free Trade Agreement ("**NAFTA**") deal was signed by Canada, the US and Mexico – the Canada-United States-Mexico Agreement ("**CUSMA**"), known as USMCA in the US and T-MEX in Mexico. Through seven rounds of negotiations, the Canadian Sugar Institute ("**CSI**") advanced Canada's sugar industry interest in securing improved US market access for Canadian sugar and sugar-containing products ("**SCPs**") and addressing outdated quota rules for SCPs. The implementation of CUSMA provides Canada a combined 19,200 metric tonnes of new access consisting of two separate tariff rate quotas; one for 9,600 metric tonnes of Canadian origin refined beet sugar and a second for 9,600 metric tonnes of SCPs, with more flexible rules to allow full quota utilization. As the only producer of Canadian origin sugar, Lantic's Canadian-specific sugar quota increased from 10,300 metric tonnes to 19,900 metric tonnes. This agreement was ratified by all three countries and took effect on July 1, 2020, with the quotas taking effect on that date on a pro-rated basis. A trilateral review of the agreement is scheduled to take place in 2026. In preparation for this review, the CSI will continue to engage in consultations to advance the interests of the Canadian sugar industry.

The Canada-European Union Comprehensive Economic and Trade Agreement ("**CETA**") entered into force provisionally on September 21, 2017 and includes an SCP quota set at 30,000 metric tonnes annually through 2022. The quota is allocated 90% to Canadian refiners on an equal share basis. Depending on quota utilization, the volume has the potential to increase in five-year increments to reach 51,840 metric tonnes over 15 years. Canada's sugar industry has yet to benefit from the new access to the EU given the October 1, 2017 removal of EU domestic sugar quotas and ongoing domestic subsidies which generate substantial surplus sugar supplies and reduce market prices. Regardless, Lantic is committed to ensure maximum utilization of this new export opportunity in a well-developed market which will be beneficial to Lantic in the future.

Canada has entered into free trade agreements ("**FTAs**") with numerous countries on a bilateral or regional basis, however, few beyond the CUSMA and CETA offer significant market potential for Canadian sugar and SCPs. There are a number of reasons why these FTAs have not provided Lantic with meaningful export gains. In many cases, the FTA country is not a logical export market, such as Jordan which is distant from Canada and closer to EU suppliers or Colombia that is a large surplus sugar producer and exporter relative to Canada. FTAs with countries such as Honduras, Peru and Panama are also not significant markets for high quality Canadian sugar and negotiated outcomes provide for minimal tariff rate quota quantities. Other more recent FTAs, including with the Republic of Korea and the Ukraine, excluded refined sugar from tariff improvements. "Rules of origin" in almost all FTAs limit Canadian sugar benefits to beet sugar grown in Canada and processed at the Taber beet factory. Some limited opportunities under the Canada-Costa Rica FTA are available for both refined beet and cane sugar.

The CSI will continue to monitor Canada's exploratory discussions and formal negotiations for any meaningful developments that may be of value to Canada's sugar industry while also monitoring potential threats. Lantic continues to remain concerned that the inclusion of refined sugar in Canada's various regional and bilateral negotiations may result in substantial new duty-free imports from these countries, while not providing offsetting export market opportunities. The Canada-Mercosur free trade negotiations are an example (includes Argentina, Brazil, Paraguay and Uruguay). An FTA with the ASEAN region, which Canada is currently negotiating, would also have limited export prospects, given Thailand's large surplus production and dominance in the region.

The real potential for significant, long-term export gains is via a global agreement through the World Trade Organization ("WTO"). The WTO agriculture negotiations have not advanced since they stalled in July 2008, however like-minded WTO members including Canada are actively collaborating to find ways to strengthen and modernize the WTO to ensure there remains a strong rules-based multilateral trading system in the face of rising global protectionism. Efforts by Canada and other like-minded countries are essential to maintain and reform this international body while continuing to provide an effective dispute settlement and appeals process.

Reaffirming the critical value of a modernized WTO along with growing regional integration through comprehensive and ambitious FTAs provide the best medium to long term prospect of improved export opportunity for the Canadian sugar industry. All of these agreements involve significant input from the CSI and the Canadian sugar refiners to ensure the long-term stability of the Canadian refined sugar industry and its ability to support a vibrant food processing industry in Canada.

Importation of Refined Sugar

In 1995, Canada Revenue Agency ("**CRA**") made a final determination that there was dumping of refined sugar from the US, Denmark, Germany, the UK, the Netherlands and the Republic of Korea into Canada, and that subsidized refined sugar was being imported into Canada from the EU. The CITT conducted a follow-up inquiry and ruled that the dumping of refined sugar from the US, Denmark, Germany, the UK and the Netherlands as well as the subsidizing from the EU was threatening material injury to the Canadian sugar industry. The ruling resulted in the imposition of protective duties on these unfairly traded imports.

Under Canadian laws, these duties must be reviewed every five years. The tariffs and countervailing duties have been maintained over the years through further reviews conducted in 2000, 2005, 2010 and 2015. On August 6, 2021, the CITT issued a decision to continue its orders against dumped and subsidized sugar from the US, EU, and the UK. The anti-dumping and countervailing duties will continue to be applied on imported sugar from these regions. The next review of the duties is scheduled for 2026.

The duties on imports of US, EU and UK refined sugar are important to Lantic and to the Canadian refined sugar industry in general because they protect Canadian producers from the adverse effects of unfairly traded imports from these sources. The government support and trade distorting attributes of the US and EU sugar regimes continue to generate surplus refined sugar production and exports that threaten the Canadian sugar industry.

Human Resources

The Corporation has no employees. Lantic and TMTC have a total of 956 employees.

The Montreal refinery's Eastern operation has 392 employees, 251 of whom are unionized and separated into four locals. The CSN, a confederation of Québec union locals represents three locals, the main local of the production employees and the smaller locals of the sugar boilers and of the laboratory technicians. The Bakery, Confectionery and Tobacco Workers International Union represents the other smaller local comprised of powerhouse employees. In 2021, an agreement was ratified between Lantic and the main unions representing the employees of the Montreal refinery. The agreement is for a period of five years expiring in May 2026.

There are a total of 33 employees at the Toronto distribution center, 12 of whom are unionized and represented by Local Union 419 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America. On September 28, 2024, an agreement was ratified between Lantic and the unionized employees of the Toronto Distribution Centre. The agreement is for a period of 6 years, expiring in 2030.

There are a total of 195 employees at the Vancouver refinery, 144 of whom are unionized and represented by PPWC. On February 1, 2024, an agreement was ratified between Lantic and the unionized employees of the Vancouver refinery, bringing an end to a strike that had began on September 28, 2023. The new agreement will expire in February 2028.

There are a total of 158 employees at the Taber beet sugar plant, 113 of whom are represented by the United Food and Commercial Workers Union. In fiscal 2022, a five-year labour agreement was ratified and is scheduled to expire in March 2027. In addition, the Taber beet processing facility hires approximately 260 seasonal employees for the beet processing campaign.

TMTC employs a total of approximately 178 employees in its facilities in Québec and Vermont. Approximately 58 of TMTC's employees, namely in the TMTC division in Granby, Québec, are under a collective bargaining agreement, which has been renewed in September 2023 and is scheduled to expire in August 2028.

Capital Expenditures

Lantic's and TMTC's capital expenditures are comprised of maintenance and investment requirements. Maintenance capital expenditures are additions or replacements to fixed assets required to maintain the facilities at current operating levels. Value added capital represents capital investments which offer substantial operational savings or enhanced revenue opportunities.

Over the past five years, the Lantic's and TMTC's capital expenditures have been as follows:

	For the fiscal years				
Capital expenditures (In thousands of dollars)	**2024**	**2023**	**2022**	**2021**	**2020**
Maintenance capital	29,303	22,443	18,546	14,696	14,878
Increase in asset retirement obligation provision included in property, plant and equipment	9,670	350	100	3,231	—
Value added capital	3,750	3,017	5,360	7,090	11, 275
Capital expenditures in connection with the LEAP Project	42,615	11,200	—	—	—
Total	85,338	37,010	24,006	25,017	26,153

Environmental, Social and Governance ("ESG")

The Corporation and its Board of Directors recognize the importance of corporate governance in effectively managing the Corporation, protecting employees and shareholders, and enhancing shareholder value. The Corporation believes that its corporate governance practices are in compliance with applicable Canadian requirements for TSX-listed issuers. The Company is committed to monitoring governance developments to ensure its practices remain current and appropriate.

The Board of Directors of the Corporation has appointed an environmental, social and governance committee (the "**ESG Committee**") responsible for:

- overseeing and assessing the functioning of the Board of Directors of the Corporation and the committees thereof;
- developing, recommending to the Board of Directors, implementing and assessing effective governance principles;
- overseeing and advising the Board of Directors on management of the Corporation's strategy, initiatives, risks, opportunities and reporting in respect of material ESG matters;
- as may be required, identifying candidates for director and recommending to the Board of Directors of the Corporation qualified director candidates for election at the next annual meeting of shareholders of the Corporation; and
- reviewing and/or approving any other matter specifically delegated to it by the Board of Directors of the Corporation and undertake on behalf of the Board of Directors such other governance initiatives as may be necessary or desirable to enable the Board of Directors to provide effective governance for the Corporation and contribute to the success of the Corporation

The ESG Committee is composed of four members: Dean Bergmame (Chair), Dallas Ross, Gary Collins and Stephanie Wilkes, all of whom are considered independent within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators ("NI 58-101). Bill Maslechko, who sits on the Lantic Board of Directors and has extensive governance expertise, attends all meetings of the ESG Committee as guest, and is also considered independent within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrator.

The Corporation's governance and business management systems are designed to monitor compliance with relevant environmental regulatory standards. The Corporation complies, in all material respects, with environmental laws and regulations and maintains an open dialogue with regulators and the various levels of government, with respect to awareness and adoption of new environmental standards. The economic and reputational importance of energy and natural resources in the Corporation's business is managed with a continuous improvement mindset, which includes the review of new available technologies and business practices that minimize the Corporation's environmental footprint and in parallel, when possible, strengthen the Corporation's financial position. The Corporation has made significant commitments over the past years to leverage new technologies and process improvements to recover waste energy, improve energy efficiency and lower energy intensity.

With respect to potential environmental remediation of the Corporation's properties, which could occur in the event of a building demolition or a sale, it is worth noting that the Vancouver and Montréal facilities have a lengthy history of industrial use, and fill materials have been used on the properties in the normal course of business. The Corporation recorded provisions under asset retirement obligations for known and quantifiable potential remediation activities in connection with these properties. No assurance can be given that material expenditures will not be required in excess of the current asset retirement obligation provisions in connection with contamination from such industrial use or fill materials.

Although the Corporation is not aware of any specific problems at the Toronto distribution centre, the Taber plant and any of the TMTC properties, no assurance can be given that expenditures will not be required to deal with known or unknown contamination at these properties or other facilities or offices currently or formerly owned, used or controlled by Lantic.

The Corporation is engaged socially and promotes core values aligned with environmental stewardship, respect, diversity, equity and inclusion. The Corporation promotes a workplace that focuses on workplace safety, empowerment, leadership, accountability, and recognition. The Corporation expects all suppliers, including contractors, agents, and consultants, to adhere to the business ethics and behaviours described in the code of conduct, and to comply with all applicable and relevant labour, employment, health and safety, and environmental laws and regulations.

The Board of Directors of the Corporation has overall responsibility for monitoring, evaluating, and contributing to the strategic and operational direction of the business. This includes establishing a governance framework to support the business and meet all the applicable regulatory and legal requirements. Since 2022, the Corporation has had an ESG team within its management group to support the ESG strategy.

During the third quarter of 2024, we published our annual ESG report. The report can be accessed on SEDAR or on our website at www.Lanticrogers.com.

ESG Reports

In May 2024, the Corporation published its 2023 ESG Report, which incorporates key performance indicators from the Agricultural Products Sustainability Accounting Standard Board (SASB). This report builds on the 2022 ESG Report and the previous two ESG Reports and includes more information around our sustainability program, including the efforts to improve ethical and sustainable sourcing, reduce the environmental footprint, and conserve energy and other resources.

In fiscal 2023, the Corporation continued to prioritize the reduction of its environmental footprint. Total energy consumption for the year was 3,990,319 gigajoules ("**GJ**"), with 233,759 tonnes CO2e of greenhouse gas ("**GHG**") emissions from Scope 1 and Scope 2 activities. The decrease in the emission intensity from 0.325 tCO2e/ MT of product in fiscal 2022 to 0.295 tCO2e/ MT product in fiscal 2023 reflects ongoing efficiency improvements and investments in cleaner technologies.

The Corporation's waste diversion rate rose to 98.5%, an improvement driven by enhanced recycling efforts at the Vancouver and Taber facilities, and operational waste initiatives across all sites. Water use efficiency also improved, with total water withdrawals decreasing from 30.7 million cubic meters in fiscal 2022 to 28.7 million cubic meters in fiscal 2023.

Key initiatives included the implementation of the first phase of Vancouver Strategic Energy Management program, which reduced natural gas consumption by 37,788 GJ and electricity use by 418,197 kWh.

Rogers is committed to addressing climate risks through systematic efforts to reduce our carbon footprint. The 2023 ESG Report also introduced expanded reporting on Scope 3 emissions, offering a more complete picture of our climate impact, particularly from upstream agricultural activities.

The Corporation's sustainable packaging initiative continues to advance, with the successful transition to recycle-ready mono-polyethylene packaging for Nature's RAW and the removal of black caps from our maple syrup products. These steps are part of our broader strategy to meet increasing regulatory demands from initiatives such as the Canada Plastics Pact.

Rogers maintained a strong focus on social responsibility in fiscal 2023. Charitable donations amounted to $350,000, and the proportion of women in management roles increased to 28%, reflecting ongoing efforts to enhance diversity and inclusion. Health and safety remain top priorities, and all facilities continue to maintain Global Food Safety Initiative certification, ensuring robust safety standards across our operations.

Effective governance is fundamental to Rogers' sustainability efforts and to support these efforts, Management's incentive pay is linked to ESG-related objectives, underscoring our commitment to integrating sustainability into our corporate culture.

Rogers also made significant progress in responsible sourcing. The Corporation continues to pursue its target of certified sustainable raw sugar. In fiscal 2023, the Corporation partnered with Raízen, a Bonsucro-certified supplier, for its Eastern Canada operations, a key milestone in sustainable sourcing.

Copies of the ESG Reports are available on the Corporation's website at www.lanticrogers.com or under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

RISKS FACTORS

The Corporation is committed to proactive risk governance and oversight practices. The Corporation Board of Directors is responsible for reviewing and assessing material risks associated with the business. The governance process ensures that the Corporation's implemented systems to effectively identify, manage and monitor the principal risks associated with both of its business segments and to mitigate or reduce their potential negative impacts. Management provides periodic updates to the Board of Directors on these risks and the related mitigation strategies and activities. Responsibility for risk management is shared across the organization and is an integral part of the management reporting system of the Corporation.

The Corporation maintains policies and a Code of Business Conduct (the "Code"), applicable to all Directors, officers, and employees, as well as consultants and contractors. Such documents are reviewed at least annually by the Board of Directors. These policies and the Code aim to promote sound risk management throughout the organization, delegate appropriate authority among officers and set limits for authorizations required to approve and execute certain business transactions. On November 29, 2023, the Board of Directors of the Corporation approved a revised Code. The Code addresses specifically the measures put forward by the Corporation to prevent corruption, anti-competitive practices, and unethical behaviors. It also includes clear directions to govern relationships with customers, suppliers, and other stakeholders. The Code is available on the Corporation's website at www.lanticrogers.com or under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

The Corporation business and operations are substantially affected by many factors and as such, are exposed to various risks and uncertainties. The Corporation has outlined below the risks and uncertainties that could currently be material. There may also exist additional risks and uncertainties that are not currently known or that are not considered material at this time. Those risks could have a material adverse effect on the Corporation business, operation, financial conditions, and results.

Dependence Upon Lantic

The Corporation is entirely dependent upon the operations and assets of Lantic through its ownership of securities of this company. Accordingly, interest payments to debenture holders and dividends to Shareholders are dependent upon the ability of Lantic and/or TMTC to pay its interest obligations under the subordinated notes and to declare and pay dividends on or return capital in respect of the common shares. The terms of Lantic's bank and other indebtedness restricts its ability to pay dividends and make other distributions on its shares or make payments of principal or interest on subordinated debt, including debt which may be held, directly or indirectly, by Rogers, in certain circumstances. In addition, Lantic may defer payment of interest on the subordinated notes at any given time for a period of up to 18 months.

No Assurance of Future Performance

Historic and current performance of the business of Rogers, Lantic and TMTC may not be indicative of success in future periods. The future performance of the business may be influenced by economic downturns and other factors beyond the control of Rogers, Lantic and TMTC. As a result of these factors, the operations and financial performance of Lantic and TMTC may be negatively affected, which may materially adversely affect performance, and financial results and conditions.

Government Regulations and Foreign Trade Policies with regard to the Sugar Segment

In July 1995, CRA made a determination that there was dumping of refined sugar from the US, Denmark, Germany, the UK, the Netherlands and the Republic of Korea into Canada, and that subsidized refined sugar was being imported into Canada from the EU. The CITT conducted an inquiry and ruled that the dumping of refined sugar from the US, Denmark, Germany, the UK and the Netherlands, as well as the subsidizing of refined sugar from the EU, was threatening material injury to the Canadian sugar industry. The ruling resulted in the imposition of protective duties on these unfairly traded imports.

Under Canadian laws, these duties must be reviewed every five years. In August 2021, the CITT concluded its fifth review of the 1995 findings and issued its decision to continue the duties for another five-year period against (i) dumped sugar from the US, Denmark, Germany, the Netherlands, and the UK, and (ii) subsidized sugar from the EU. The CSI and its members, including Lantic, participated fully in the review and submitted detailed evidence and witness testimony to the CITT. The CITT agreed that imports of dumped and subsidized sugar would likely cause material injury to the Canadian industry if the duty protection was removed.

Following the CITT's review, the CBSA concluded a re-investigation in March 2022 to update the levels of duty protection applicable to dumped sugar from the US, Denmark, Germany, the Netherlands, and the UK and subsidized sugar from the EU. The CBSA determined that anti-dumping duties will continue to apply to imports of dumped sugar from the US, Denmark, Germany, the Netherlands and the UK and ruled that a countervailing duty will continue to apply to imports of subsidized EU sugar.

The duties on imports of US, EU, and UK refined sugar are important to Lantic and to the Canadian refined sugar industry in general because they protect the market from the adverse effects of unfairly traded imports from these sources. The government support and trade distorting attributes of the US and EU sugar regimes continue to generate surplus refined sugar production and exports that threaten the Canadian sugar industry.

Although the ruling is for a period of five years, it could be challenged by market participants for review if there is a material change in market conditions. If the duties were to be eliminated or significantly reduced in the future, there could be a material financial impact to Lantic and other members of the Canadian refined sugar industry.

The Sugar segment exports some sugar directly to the US and sells sugar to industrial customers in Canada that are exporting sugar containing products to the US. These sales are subject to inherent risks, including change in the free flow of food products between Canada and the US, discriminatory fiscal policies, unexpected changes in local regulations and laws and the uncertainty of enforcement of remedies. On November 25, 2024, President-elect Donald Trump announced his intention to impose a 25% tariff on imports from Canada into the US. In the event the US were to so change the current structure for these transactions and impose such tariffs, or otherwise modify the current flow of these transactions, there could be a material financial impact to Lantic and its industrial customers exporting sugar containing product in the US.

Supply of Raw Cane Sugar

There are approximately 183 million metric tonnes of sugar produced worldwide. Of this, approximately 56 million metric tonnes of sugar are traded on the world market. Lantic, through its cane refining plants, buys approximately 0.7 million metric tonnes of raw sugar per year. Even though worldwide raw sugar supply is much larger than Lantic's yearly requirements, concentration of supply in certain countries like Brazil, combined with an increase in cane refining operations in certain countries, may create tightness in raw sugar availability at certain times of the year. To prevent any raw sugar supply shortage, Lantic normally enters into long-term supply contracts with reputable suppliers. For raw sugar supply not under contract, significant premiums may be paid on the purchase of raw sugar on a nearby basis, which may have a material impact on performance, and financial results and conditions.

Changes in General Economic Conditions

Changes in general economic conditions could have a material effect on the profitability of both of the Corporation's business segments and on the assessment of the value of its assets, affecting the ability to execute its business strategy. The current inflationary pressures are increasing operating costs and there is no assurance that the Corporation will be able to recover the extent of such costs with timely commensurate increases in price to its customers.

The potential for worsening of the global economy could impact the performance, and the financial results and conditions of Rogers.

Supply and Quality of Sugar Beets in Alberta

The availability of sugar beets to be processed in Taber, Alberta is dependent on a supply contract with the Growers, and on the Growers planting the necessary acreage every year. In the event that sufficient acreage is not planted in a certain year, or that Lantic and the Growers cannot agree on a supply contract, sugar beets might not be available for processing, thus requiring transfer of products from Lantic's cane refineries to the Prairies' market, normally supplied by Taber. This would increase Lantic's distribution costs and may have a material impact on performance, and financial results and conditions.

Sugar beets, as is the case with most other crops, are affected by weather conditions during the growing season. Additionally, weather conditions during the harvesting and processing season could affect Lantic's total beet supply and sugar extraction from beets stored for processing. A significant reduction in the quantity or quality of sugar beets harvested due to adverse weather conditions, disease or other factors could result in decreased production, with negative financial consequences to Lantic.

Raw #11 Price and Foreign Exchange Risk for Sugar Segment

The price of raw sugar cane purchased for the Montreal and Vancouver refineries is based on the Raw #11 sugar market traded on the ICE. The price of refined sugar sold to customers is also based on the Raw #11 sugar market. All purchase of raw cane sugar and sales of refined sugar are economically hedged with financial instruments such as future contracts to mitigate risk, thus eliminating the impact of volatility in Raw #11 sugar price.

These purchases of raw cane sugar and sales of refined sugar are denominated in US dollars and could potentially expose the Corporation to fluctuation in the value of the Canadian dollar. The Corporation strategy is to hedge the foreign exchange exposure of these transactions using available financial instruments, such as future contracts, to eliminate the impact of volatility.

There can be no assurance that the Corporation will be able to continue to mitigate efficiently this exposure to Raw #11 price and related foreign exchange risk in the future. If effective financial instruments were not available to mitigate such exposures, there could be material impacts on the Corporation's performance, its financial results and conditions.

LEAP Project

The completion of LEAP Project is subject to several conditions and risks, certain of which are outside of the control of Lantic. The planning and design phases associated with the LEAP Project are now mostly completed and the construction phase has begun. Sugar refining equipment and other large production and logistic-related equipment orders have been placed with suppliers, with several pieces of equipment already on site. Based on recent developments, the expected construction costs of the LEAP Project, initially estimated at $200 million has been revised. Based on the work performed over recent months, and considering the most recent data available, the Corporation now estimates the expected total project cost to range between $280 million and $300 million, representing an increase of 40% to 50% over the initial estimate.

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, 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 by the revised expected in-service timeframe, currently estimated to be the end of fiscal 2026. Furthermore, there can be no assurance that the LEAP Project will provide 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.

Competition in the Sugar Segment

For the Sugar segment, Lantic faces domestic competition from Redpath Sugar Ltd. and smaller regional operators and or distributors of both foreign and domestic refined sugar, such as Sucro Sourcing LLC. Differences in proximity to various geographic areas within Canada and elsewhere result in differences in freight and shipping costs, which in turn affect pricing and competitiveness in general.

In addition to sugar, the overall sweetener market also includes corn-based sweeteners, such as HFCS, an alternative liquid sweetener, which can be substituted for liquid sugar in soft drinks and certain other applications; and non-nutritive, high intensity sweeteners such as aspartame, sucralose and stevia. Differences in functional properties and prices have tended to define the use of these various sweeteners. The substitution of other sweeteners for sugar has occurred in certain products in the past. The Company is not able to predict the availability, development or potential use of these sweeteners and their possible impact on Lantic's business.

Price of Natural Gas

Natural gas represents an important cost in refining operations. The three sugar refineries consume natural gas in their refining process. The Taber beet factory production also includes agricultural processing and as a result, uses more energy in its operations than the cane facilities in Vancouver and Montreal, principally from the need to heat the sliced sugar beets, to evaporate water from juices containing sugar, and to dry wet beet pulp. The Maple segment bottling plants also use natural gas in their process although to a lesser extent.

Changes in the costs and sources of energy may affect the financial results of Lantic's operations. In addition, all natural gas purchased is priced in US dollars. Therefore, fluctuations in the Canadian/US dollar exchange rate will also impact the cost of energy. Lantic hedges a portion of its natural gas price exposure through the use of natural gas contracts to lessen the impact of fluctuations in the price of natural gas. Provincial application of some form of carbon tax has been increasingly important across Canada and for some provinces with a carbon tax, rates have been increasing, which could increase the overall energy costs for Lantic.

Regulatory Regime Governing the Purchase and Sale of Maple Syrup in Québec

Producers of maple syrup in Québec are required to operate within the framework provided for by the Marketing Act, which empowers the PPAQ to manage the production and marketing of maple syrup in Québec. As part of its regulating and organizing functions, the PPAQ is responsible for establishing and managing a governance framework aimed at maintaining supply to the market and fair prices for all producers for bulk maple syrup sold in container of five litres or more. This includes managing production surpluses and their storage to stabilize the pricing of maple syrup.

Bulk maple syrup may be sold to the PPAQ or to authorized buyers accredited by the PPAQ. In Québec, nearly 90% of the total production of maple syrup is sold through the PPAQ to the authorized buyers, leaving only approximately 10% of the total production being sold directly by the producers to consumers or grocery stores. TMTC is an authorized buyer with the PPAQ. The authorized buyer status is renewed on an annual basis.

The PPAQ, in its capacity as bargaining and sales agent for the producers of maple syrup in Québec sets the minimum purchase price for maple syrup for the authorized buyers. The PPAQ sets price based on market intelligence, available supply and expected demand. Prices must be negotiated with MIC and in an absence of an agreement, arbitrage by RMAQ. If the PPAQ increases the price of maple syrup significantly, there could be no assurance that TMTC will be able to recover such increase from its customers and therefore this could impact materially the performance, and financial results of the Maple segment.

Supply of Maple Syrup

The PPAQ set up a strategic maple syrup reserve to mitigate production fluctuations caused by weather conditions and prevent such fluctuations from causing maple syrup prices to spike or drop significantly. The PPAQ objective is to have in reserve the equivalent to half of year of production. The reserve fluctuates yearly based on the size of the crop. Each year, the PPAQ organize a sale of a portion of its accumulated reserve. There can be no assurance that TMTC will have access to some of such reserve to offset decreases in production due to weather conditions or that such reserve will be sufficient to cover a gap in the production in any given year. Any decrease in production or incapacity to purchase additional reserves from the PPAQ may affect TMTC's supply of its sales of maple syrup and other Maple products and, ultimately, its performance and financial results.

Maple Segment Relying Substantially on Exports

The size of the global market for maple syrup is currently estimated at US $1.5 billion, the US being by far the world's largest importer, followed by Japan and Germany. Despite the increase of sales of maple products that the Canadian market has experienced in recent years, the industry largely relies on the international market. Over the last few years, New York, Vermont and Maine have increased their production of maple syrup and have now become competitors of Québec, which however remains the largest producer and exporter of maple syrup in the world.

While the Corporation continues to develop its selling efforts outside of Canada, including increasing its sales efforts in countries where the demand for maple syrup is developing, the Corporation is facing strong competition from other bottlers and distributers, including from other Canadian and US companies, for its share of international demand.

The international operations of the Maple segment are also subject to inherent risks, including change in the free flow of food products between countries, fluctuations in currency values, discriminatory fiscal policies, unexpected changes in local regulations and laws and the uncertainty of enforcement of remedies in foreign jurisdictions. Such jurisdictions could impose tariffs, quotas, trade barriers and other similar restrictions on international sales and subsidize competing agricultural products. On November 25, 2024, US President-elect Donald Trump announced his intention to impose a 25% tariff on imports from Canada into the US. In the event that the US were to impose such higher tariffs, there could be a material financial impact to Lantic and its Maple segment.

All of these risks could result in increased costs or decreased revenues, either of which could materially adversely affect the performance and financial results of the Maple segment.

Competition in the Maple Segment

TMTC is the largest branded and private label maple syrup bottling and distributing company in the world. There are five major competitors located in Canada and we also competes against a multitude of US bottlers and distributing companies.

A large majority of the Maple segment's revenues are made under the private label line. The Corporation anticipates that for a foreseeable future, the relationships with its top private label customers will continue to be key and will continue to have a material impact on sales. Although the Corporation considers the relationships with its top private label customers to be excellent, the loss of, or a decrease in the amount of business from, such customers, or any default in payment on their part could significantly reduce sales and negatively impact the performance and financial results of the Maple segment.

Foreign Exchange Exposure of the Maple Segment

A significant portion of sales of maple syrup are exports and are denominated in US dollars, in Euros or in Australian dollars. Fluctuations in the value of the Canadian dollar impacts the profitability of these sales. In order to mitigate against the movement of the Canadian dollar versus the US dollar, Euro or Australian dollar, the Corporation enter into foreign exchange hedging contracts with certain customers to mitigate the currency risk.

There is no assurance that the Corporation will be able to continue to mitigate efficiently this exposure to foreign exchange risk in the future. If effective financial instruments were not available to mitigate such risk, there could be a material impact for the performance and financial results of the Maple segment.

Cybersecurity

The Corporation faces various security threats, including cybersecurity threats to gain unauthorized access to sensitive information, to render data or systems unusable, or otherwise affect the ability to operate. The Corporation business operations are dependent on various information technology systems. A cyber intrusion, such as, and not limited to, unauthorized access, confidential information leak (or identity theft), malicious software or other violations on systems that control production operations and financial management could severely disrupt or otherwise affect the Corporation business. Such attacks on data information systems and the inability to recover promptly could impact individuals, business partners, the Corporation's operation capabilities, generate unexpected expenses impacting profitability, damage reputation and result in additional liabilities.

The Corporation seeks to manage cybersecurity risk by continuing to invest in appropriate information technology systems, infrastructure, and security, including disaster plans, reviewing its existing technologies, processes and practices on a regular basis and ensuring employees understand and are aware of their role in protecting the integrity of the technological security and information. The Corporation relies on third-party products and services to assist in protecting the Corporation's information technology infrastructure and its proprietary and confidential information. The Corporation seeks to be proactive in the area of cybersecurity and consequently anticipate that it will continue to incur expenses in relation to these increasingly complex threats and risks.

The security measures put in place by the Corporation in that regard cannot provide absolute security, and its information technology infrastructure may be vulnerable to cyberattacks in the future. The impacts of such attack may subject the Corporation's operations to increased risks, as well as increased costs, and, depending on their ultimate magnitude, could materially and adversely affect operations, performance, and financial results and conditions.

Employee Relations with Unionized Employees

The majority of the Corporation operations are unionized, and agreements are currently in place in each unionized facility.

In the second quarter of 2024, the unionized employees of the Vancouver sugar refinery signed a new collective agreement, concluding a strike that began on September 28, 2023.

In the fourth quarter of 2024, the unionized employee of the distribution center in Toronto signed a new collective agreement.

There are contingency plans in place to mitigate the potential impact of labour disruptions at the Corporation's facilities. However, such potential disruptions in current and future years could restrict the Corporation's ability to service its customers in the affected regions, consequently affecting the performance and, financial results and conditions.

Interest Rate Fluctuations

The Corporation uses a revolving credit facility to finance day-to-day operations and a portion of the LEAP Project. The Corporation faces interest rate risks in respect to the floating rate nature of its revolving short term credit facility. The Corporation is mitigating the risk of volatility in short term interest rate by hedging a portion of its exposure using interest rate swap agreements. There is no assurance that effective interest rate swap agreements will be available to mitigate such risk in the future.

Pandemics, Epidemics or Other Public Health Emergencies

The Corporation's business, results of operations, financial conditions, cash flows and stock price can by adversely affected by pandemics, epidemics, or other public health emergencies. Such events could result in health or other government authorities requiring the closure of offices or other businesses and could also result in a general economic decline, impacting economic activity through disruption in supply and delivery chains.

Food Safety and Consumer Health

Sugar and Maple business segments are subject to risks that affect the food industry in general, including risks posed by accidental contamination, product tampering, consumer product liability, and the potential costs and disruptions of a product recall. The Corporation actively manages these risks by maintaining strict and rigorous controls and processes in its manufacturing facilities and distribution systems.

The Corporation's facilities are subject to audit by federal health agencies in Canada and similar institutions outside of Canada. The Corporation also performs its own audits designed to ensure compliance with its internal standards, which are generally at, or higher than, regulatory agency standards in order to mitigate the risks related to food safety.

Consumers, public health officials and government officials are increasingly concerned about the public health consequences of obesity, particularly among young people. In addition, some researchers, health advocates and dietary guidelines are suggesting that consumption of sugar, in various forms, is a primary cause of increased obesity rates and are encouraging consumers to reduce their consumption of sugar. Increasing public concern about obesity and other health conditions; possible new or increased taxes on products containing sugar, such as sugar-sweetened beverages by government entities to reduce consumption or to raise revenue; shift in consumer preferences from sugar to other types of sweeteners; additional governmental regulations concerning the marketing, labeling, packaging or sale of products and negative publicity may reduce demand for the Corporation's products and each of the aforementioned factors could materially adversely affect performance, financial results and conditions.

Health, Safety and Environmental Risks

The Corporation's operations carry inherent risk of liability related to employee health and safety and the environment, including the risk of government-imposed orders to remedy unsafe conditions or address potential environmental issues. Compliance with current and future health, safety and environmental laws remains material for the Corporation's business to operate efficiently. The Corporation has incurred and will continue to incur expenditures to comply with related federal, provincial, and municipal regulations to manage potential liability exposure.

The Corporation believes RSI and its subsidiaries are currently in compliance, in all material respects, with health, safety and environmental laws and regulations. This includes environmental regulations relating to the treatment and disposal of wastewater and cooling water, air emissions, contamination, and spills of substances. However, these regulations have become progressively more stringent, and the Corporation anticipates this trend will continue, potentially resulting in incremental compliance expenditures. Violation of these regulations can result in fines or other penalties, which in certain circumstances can include clean-up costs. Consequently, no assurance can be given that additional health, safety and environmental issues relating to currently known and unknown matters will not require expenditures in the future, or result in fines, penalties or other consequences material to the Corporation's business and operations and potentially impacting performance, financial results and conditions.

Global Climate Change

Global climate change, including the impacts of global warming and sudden change in weather conditions causing extreme weather events, represents a risk that could adversely affect both of the Corporation business segments. This risk has increased in recent years as average temperatures are rising and extreme weather events are more frequent.

The production of refined sugar for the Sugar segment is based on the availability of raw cane sugar and sugar beets. Extreme weather events create a risk of damage for the annual crops of sugar cane and sugar beet. The size and quality of the crops are directly impacted by weather conditions. The adverse effect of global climate change could result in supply disruption and or significant increase in purchase price for the Sugar segment.

The production of maple syrup takes place over a period of six to eight weeks during the months of March and April of each year. Maple syrup production is intimately tied to the weather as sap only flows when temperatures rise above freezing level during the day and drop below it during the night, such temperature difference creating enough pressure to push sap out of the maple tree. Given the sensitivity of temperature in the process of harvesting maple sap, climate change and global warming may have a material impact on such process as the maple syrup production season may become shorter. Reducing the production season for maple syrup may also have an impact on the level of production.

These risks associated with global climate change could result in lower sales, increased costs and market disruptions, which could materially adversely affect performance, and financial results and conditions.

Carbon Pricing Mechanisms

The Corporation operates three facilities that are regulated under provincial carbon pollution pricing in Canada, the Montreal and Vancouver refineries and the Taber sugar beet processing plant. The Corporation has completed a detailed risk assessment of the different provincial regulatory regimes to understand the level of risk and identify potential mitigation measures.

Potential future changes to the current rules and regulations, including increases to the current related taxation level could materially adversely affect the Corporation performance, and financial results and conditions.

Water Stress

The Corporation's sugar refining operations and the farming activities of its suppliers depend on the availability of usable water. To better understand this risk, the Corporation conducts water risk assessments periodically to prioritize actions and investments in its facilities, with the objective of optimizing the water consumption in the production process. The Corporation also engages with its suppliers relying on water for their farming activities to monitor its potential exposure and to ensure a steady and sustainable supply of raw material for the Corporation's production facilities.

Potential future changes to the current rules and regulations regarding the use of water, including increases to the current cost of water supporting the Corporation's production process could materially adversely affect the Corporation performance, and financial results and conditions.

Ability to Retain Officers and Key Employees or to Attract New Talent

The officers and other key employees of Rogers, Lantic and TMTC play a significant role in the Corporation's success. The Corporation's future performance and growth depend to a significant extent on the abilities, experience, and efforts of its management team. The ability to retain the Corporation's management team or to attract suitable replacements should key members of the management team leave is dependent on the competitive nature of the employment market.

The loss of services from key members of the management team or a limitation in their availability could adversely impact the performance, financial results, and condition of Rogers. Further, such a loss could be negatively perceived in the capital markets. The Corporation's success depends largely upon the continuing ability to attract, develop, and retain skilled employees to meet the needs of the business.

Income Tax Matters

The income of Rogers and its subsidiaries must be computed and is taxed in accordance with Canadian and US tax laws, all of which may be changed in a manner that could adversely affect the ability to pay dividends in the future. There can be no assurance that taxation authorities will accept the tax positions adopted including the determination of the amounts of taxable income, which could materially adversely affect dividends.

The corporate structure involves inter-company or similar debt, generating interest expense, which impacts earnings and therefore income tax payable. There can be no assurance that taxation authorities will not seek to challenge the amount of interest expense deducted currently and in prior years. If such a challenge were to succeed against Lantic, it could adversely affect the amount of cash transferred to Rogers for dividend payment. Management believes that the interest expense inherent in the structure is supportable and reasonable considering the terms of the debt owed by Lantic to Rogers.

Management and Operation of Lantic

The Board of Directors of Lantic is currently controlled by Lantic Capital, an affiliate of Belkorp Industries. As a result, holders of shares have limited say in matters affecting the operations of Lantic; if such holders disagree with the decisions of the Board of Directors of Lantic, they have limited recourse. The control exercised by Lantic Capital over the Board of Directors of Lantic may make it more difficult for others to attempt to gain control of or influence the activities of Lantic and Rogers.

DIVIDENDS

For a detailed table of the dividends per Share for each of the three most recently completed financial years, see "Review of Operations and Business" on page 14.

Since the Arrangement, the Corporation has been paying a quarterly dividend between \$0.085 and \$0.09 per Share; however, the Board of Directors of the Corporation can modify its dividend practice from time to time in its discretion, see "Review of Operations and Business — The Corporation".

MARKET FOR SECURITIES

The Shares, the Sixth Series Debentures and the Seventh Series Debentures are listed and posted for trading on the TSX under the symbols RSI, RSI.DB.E and RSI.DB.F, respectively.

The monthly trading volume and price ranges of the securities of the Corporation traded on the TSX over the last financial year are as follows:

Months	Shares			Sixth Series Debentures			Seventh Series Debentures		
	High	Low	Volume	High	Low	Volume	High	Low	Volume
October 2023	5.52	4.96	2,556,485	99.00	97.01	2,180	96.70	95.00	5,650
November 2023	5.55	5.08	2,234,279	99.60	96.57	2,990	97.99	95.00	4,210
December 2023	5.53	5.20	2,873,860	99.50	97.85	2,950	97.55	95.75	5,470
January 2024	5.70	5.32	2,572,785	99.25	98.00	9,460	99.48	97.55	8,600
February 2024	5.75	5.15	5,564,906	99.25	97.57	9,470	99.39	96.60	7,780
March 2024	5.45	5.15	5,859,982	99.17	97.80	6,090	98.97	97.00	6,240
April 2024	5.33	5.12	3,155,765	99.25	98.35	5,390	100.00	97.80	5,860
May 2024	5.98	5.18	6,322,628	99.80	98.27	4,110	99.00	97.40	7,680
June 2024	5.84	5.58	2,943,597	100.25	98.75	6,040	100.50	97.60	7,910
July 2024	5.81	5.51	2,277,545	99.80	98.81	6,440	99.94	97.75	8,860
August 2024	5.76	5.39	3,327,943	99.96	99.15	5,380	99.97	99.05	6,180
September 2024	5.855	5.46	3,159,518	100.00	99.50	10,230	99.84	99.00	8,670

PRIOR SALES

In fiscal 2024, the Corporation issued 11,109,000 Shares (after giving effect to the exercise in full of the over-allotment option granted in favour of the underwriters) at a price of $5.18 per Share (the "**Offering Price**"), on a bought-deal public offering basis. Concurrently with the closing of the Public Offering, the Company has completed private placements with Fonds de solidarité des travailleurs du Québec (F.T.Q.) and Belkorp Industries Inc., at the Offering Price, of 9,652,510 and 2,007,722 Shares, respectively. The Corporation received from these Equity Offerings aggregate proceeds of approximately 117.9 million. See "Recent Developments".

In fiscal 2024, the Corporation issued 51,482 Shares to executives of Lantic at a price of $4.68 per share. The shares were issued under the Corporation's Share Option Plan. The Corporation received $0.2 millions in proceeds from the issuance of the shares.

In fiscal 2023, the Corporation issued 724,075 Shares to executives of Lantic at a prince ranging between $4.28 per share and $5.85 per share. The shares were issued under the Corporation's Share Option Plan. The Corporation received $3.5 millions in proceeds from the issuance of the shares.

In fiscal 2022, the Corporation issued 685,122 Shares to executives of Lantic at a prince ranging between $4.59 per share and $5.61 per share. The shares were issued under the Corporation's Share Option Plan. The Corporation received $3.3 millions in proceeds from the issuance of the shares.

In December 2022, a total of 666,347 share options were granted at a price of $5.85 per common share to certain executives.

In December 2021, a total of 802,564 share options were granted at a price of $5.85 per common share to certain executives.

In March, 2020, the Corporation granted a total of 250,000 share options to an executive at an exercise price of $4.28 under the Share Option Plan.

In December 2019, the Corporation granted a total of 563,500 share options to certain executives at an exercise price of $4.68 under the Share Option Plan.

In December 2019, $75,000 of the Sixth Series Debentures and $175,000 of the Seventh Series Debentures were converted into 9,079 Shares and 19,774 Shares, respectively.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

To the knowledge of the Corporation, no Shares are held in escrow or subject to contractual restrictions on transfer.

DIRECTORS AND OFFICERS

Directors and Officers of Rogers

The names, provinces and country of residence and principal occupation for the five preceding years of the Directors of the Corporation are shown below. Mr. Ross has held office since September 15, 1997. Mr. Bergmame has held office since April 27, 2009. Messrs. Lafrance and Collins have held office since February 2, 2017. Mrs. Wilkes has held office since January 31, 2019. Mrs. Potts has held office since June 27, 2022.

The above mentioned Directors will serve until the next annual meeting of Shareholders or until their successors are duly elected or appointed.

Directors and Officers, and Province of Residence	**Office (Held Since)**	**Principal Occupation**
M. Dallas H. Ross(1) (3) (4) .... British Columbia, Canada	Director, 1997	Founder and General Partner, Kinetic Capital Limited Partnership, a private investment partnership
Dean Bergmame(2) (3) .... Québec, Canada	Director, 2009	Corporate Director
Gary M. Collins(2) (3) (4) .... British Columbia, Canada	Director, 2017	Corporate Director
Daniel Lafrance(2) (4) .... Québec, Canada	Director, 2017	Corporate Director
Shelley Potts.. Ontario, Canada	Director, 2022	Corporate Director
Stephanie Wilkes(3) .... Ontario, Canada	Director, 2019	Corporate Director
Michael Walton .... New-Brunswick, Canada	Officer, 2021	President and Chief Executive Officer, Lantic Inc. and Rogers Sugar Inc.
Jean-Sébastien Couillard .... Québec, Canada	Officer, 2020	Vice-President, Finance, Chief Financial Officer and Corporate Secretary, Lantic Inc. and Rogers Sugar Inc.

(1) Chairman of the Board of Directors of the Corporation.
(2) Member of the Audit Committee of the Board of Directors of the Corporation.
(3) Member of the Environmental, Social and Governance Committee of the Board of Directors of the Corporation.
(4) Member of the Human Resources and Compensation Committee of the Board of Directors of the Corporation.

The Directors and officers above have held the same principal occupation, business or employment for the previous five years, except for the following:

Jean-Sebastien Couillard: Prior to September 2020, was Executive Vice President and Chief Financial Officer of Uniboard Canada.

Michael Walton: Prior to October of 2021, was Chief Operating Officer at Lantic Inc. and President of TMTC, and prior to May 2020, was Vice President, Sales and Marketing of Lantic.

Gary M. Collins: Prior to June 2023, was senior advisor at Lazard Group.

Directors and Officers of Lantic

Lantic Capital holds the two Class C Shares of Lantic which entitles Lantic Capital to elect five (5) of the seven (7) Directors of Lantic. Therefore, Belkorp is indirectly entitled to nominate five (5) of the seven (7) Directors for election to the Board of Directors of Lantic.

The Board of Directors of Lantic currently consists of seven (7) Directors. The members of the Board of Directors of Lantic are Gary Collins, Michael Heskin, Donald Jewell, William Maslechko and Michael Walton, each of whom are nominees of Belkorp, and Daniel Lafrance and Dallas Ross, each of whom are nominees of Rogers. The above-mentioned Directors will serve until the next annual meeting of shareholders of Lantic or until their successors are duly elected or appointed.

The names, provinces and countries of residence and principal occupation for the five preceding years of the current Directors and officers of Lantic are set forth below.

Directors and Officers and Province of Residence	Office (Held Since)	Principal Occupation
M. Dallas H. Ross(1)(3)................................ British Columbia, Canada	Director, 1997	Founder and General Partner, Kinetic Capital Limited Partnership, a private investment partnership
Gary M. Collins(2)(3)................................ British Columbia, Canada	Director, 2017	Corporate Director
Michael A. Heskin(2)(3).............................. British Columbia, Canada	Director, 2003	Senior Vice-President, Belkorp Industries Inc., an investment holding company
Donald G. Jewell(3) .... British Columbia, Canada	Director, 2003	Managing Partner, RIO Industrial, a financial management services partnership
William Maslechko(3)............................... Alberta, Canada	Director, 2006	Partner Burnett, Duckworth & Palmer LLP, a law firm
Daniel Lafrance(2)(3) .... Québec, Canada	Director, 2013	Corporate Director
Michael Walton .... New Brunswick, Canada	Director and Officer, 2011	President and Chief Executive Officer, Lantic Inc. and Rogers Sugar Inc.
Jean-Sébastien Couillard .... Québec, Canada	Officer, 2020	Vice-President, Finance, Chief Financial Officer and Corporate Secretary, Lantic Inc. and Rogers Sugar
Patrick Dionne.. Québec, Canada	Officer, 2017	Vice-President, Operations Services and Supply Chain, Lantic Inc.
Jean-François Khalil .... Québec, Canada	Officer, 2015	Vice-President, Human Resources, Lantic Inc.
Rod Kirwan... Ontario, Canada	Officer, 2020	Vice-President, Sales and Marketing, Lantic Inc.
Adam James .... British Columbia, Canada	Officer, 2022	Vice-President, Sugar Manufacturing, Lantic Inc.
Louis Turenne(4).. Québec, Canada	Officer, 2022	Vice-President & General Manager, The Maple Treat Corporation

(1) Chairman of the Board of Directors of Lantic.
(2) Member of the Audit Committee of the Board of Directors of Lantic.
(3) Member of the Human Resources and Compensation Committee of the Board of Directors of Lantic.
(4) Mr. Turenne is an Officer of TMTC

The Directors and officers above have held the same principal occupation, business or employment for the previous five years, except for the following:

Jean-Sebastien Couillard: Prior to September 2020, was Executive Vice President and Chief Financial Officer of UniBoard Canada, and prior to February 2019 was Chief Financial Officer of ArcelorMittal Canada.

Patrick Dionne: Prior to September 2022, was Vice President, Operations and Supply Chain, Lantic.

Adam James: Prior to September 2022, was Director Sugar Manufacturing of Lantic, and prior to August 2019 was Performance Manager at British Sugar in the UK.

Rod Kirwan: Prior to November 2020, was Vice President and General Manager Canada for Ventura Foods.

Louis Turenne: Prior to September 2022, was General Manager of TMTC, and prior to February 2020 was Senior Director of Sales TMTC.

Michael Walton: Prior to October of 2021, was Chief Operating Officer at Lantic and President of TMTC, and prior to May 2020, was Vice President, Sales and Marketing of Lantic.

Gary M. Collins: Prior to June 2023, was senior advisor at Lazard Group.

Shareholdings of Directors and Executive Officers

To the knowledge of the Corporation, the Directors of the Corporation, the Directors of Lantic and the executive officers of Lantic together as a group, beneficially own or exercise control or direction over, directly or indirectly, 1,062,478 Shares, representing 0.83% of the issued and outstanding Shares, and no director of Rogers or Lantic beneficially owns or exercises control or direction over, directly or indirectly, voting securities of Lantic, other than Messrs. Collins, Heskin, Maslechko, Walton and Jewell, who are deemed to exercise control or direction over, directly or indirectly, the Class C shares of Lantic beneficially owned by Lantic Capital.

Audit Committee

The Corporation has an audit committee (the "Audit Committee") which is responsible to (i) oversee the integrity of the Corporation's financial statements and financial reporting process, including the audit process and the Corporation's internal accounting controls and procedures and compliance with related legal and regulatory requirements; (ii) oversee the qualifications and independence of the Corporation's external auditors who shall report directly to the Audit Committee; (iii) oversee the work of the Corporation's (and to the extent possible under the Administration Agreement, Lantic's (as administrator, the "Administrator") financial management and external auditors in these areas; and (iv) provide an open avenue of communication between the external auditors, the Board of Directors of the Corporation, the Administrator and the Administrator's financial management.

Composition and Education

As at September 28, 2024, the Audit Committee was composed of Dean Bergmame, Gary M. Collins and Daniel Lafrance. The education and experience of each Audit Committee member that is relevant to the performance of such members' responsibilities as a member of the Audit Committee are set forth below:

- Dean Bergmame: Mr. Bergmame was Senior Vice-President Finance and Chief Financial Officer of St. Lawrence Cement Inc. from 1998 to 2008. Prior to that, Mr. Bergmame held various senior finance positions with Redpath Industries Ltd., including Senior Vice-President Finance and Corporate Secretary, as well as with Domino Sugar Corporation. Mr. Bergmame is a Canadian Chartered Professional Accountant; he has completed the ICD.D program at the Rotman School of Management of the University of Toronto. Mr. Bergmame has a Bachelor's of Commerce from Concordia University.
- Gary M. Collins: From 2016 to 2023, Mr. Collins was Senior Advisor with Lazard Canada, a financial advisory and asset management firm. In addition to currently serving on the Boards of Directors of Rogers and Lantic, Mr. Collins is the Chairman of the Board of Directors of and acting CEO of DRI Healthcare Trust. Mr. Collins is also a director of Fiera Capital Corporation, where he serves as the Chair of the Audit Committee. He previously served on the Board of Directors of Catalyst Paper Corporation, Liquor Stores N.A. Ltd., D-BOX Technologies Inc., Stuart Olson and Chorus Aviation where he served on many audit committees. Throughout his career, Mr. Collins held senior executive positions with several organisations such as Coastal Contacts Inc., Belkorp Industries Inc. and Harmony Airways. Mr. Collins was also a member of the British Columbia Legislative Assembly from 1991 to 2004 and held the portfolio of Minister of Finance from 2001 to 2004.

- Daniel Lafrance: Mr. Lafrance is the Chairman of the Audit Committee of Lantic and Rogers. Mr. Lafrance was Chief Financial Officer and Senior Vice-President, Finance and Procurement & Secretary of Lantic and the Corporation from February 1992 until his retirement on August 3, 2013. In addition to currently serving on the Boards of Directors of Rogers and Lantic, Mr. Lafrance is a member of the Board of Directors of Innergex Renewable Energy Inc. Mr. Lafrance is a Canadian Chartered Professional Accountant and holds a Bachelor's degree in Accounting from the University of Ottawa.

The Directors of the Corporation have determined that each member of the Audit Committee is independent and financially literate. "Independent" means free from any direct or indirect material relationship with Rogers or its subsidiaries which could, in the view of the Directors of the Corporation, reasonably interfere with the exercise of a member's independent judgment as more particularly described in National Instrument 52-110 - Audit Committees ("NI 52-110"). Financially literate means having the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's or its subsidiaries' financial statements, as more particularly described in NI 52-110.

Audit Committee Charter

The full text of the Charter of the Audit Committee of the Corporation is set forth as Schedule A to this Annual Information Form.

Pre-approval Policies and Procedures

The Audit Committee has established a policy which requires pre-approval of all audit and non-audit services provided to the Corporation and its subsidiaries by the Corporation's external auditors, KPMG LLP.

External Auditors Service Fees (By Category)

The fees paid or payable by the Corporation to KPMG LLP, the Corporation's external auditors, for the periods noted below for audit and non-audit services were as follows:

	Fiscal Year Ended September 28, 2024	**Fiscal Year Ended September 30, 2023**
External Auditors Service Fees (By Category)	(In thousands of dollars)	
Audit Fees(1)	963.6	935.7
Audit Related Fees(2)	119.8	72.2
Tax Fees(3)	545.7	205.4
Total	**1,629.1**	**1,213.3**

(1) This item represents fees for services relating to the audit of consolidated financial statements, quarterly reviews and short form prospectus.
(2) This item represents fees for services relating to the audit of pension plans, translation and accounting consultations for new accounting standards.
(3) This item represents fees for services for tax compliance, tax advice and tax planning.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of the Corporation, none of the Directors of the Corporation, the Directors of Lantic or the executive officers of Lantic is, as at the date of this Annual Information Form or has been, within the 10 years before the date of this Annual Information Form, a director, chief executive officer or chief financial officer of any company, that while that person was acting in that capacity:

(a) was the subject of a cease trade, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (each, an "order"); or

(b) was subject to an order that was issued after the director or executive officer ceased to be a director chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

Other than as set forth below, to the knowledge of the Corporation, none of the Directors of the Corporation, the Directors of Lantic or the executive officers of Lantic, and no Shareholder holding a sufficient number of Shares so as to materially affect the control of the Corporation:

(a) is, as at the date of this Annual Information Form or has been within the 10 years before the date of this Annual Information Form, a director or executive officer of any company, that while that person was working in that capacity, or within a year of the person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the 10 years before the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Ross was asked to join the Board of Directors of Just Energy Group in June 2017. Mr. Ross was on the Board of Directors to execute a plan of arrangement under the CBCA in 2020, and then subsequently executed a CCAA filing amidst issues in the Texas regulated market in early 2021. Just Energy Group exit CCAA subsequently. Mr. Ross left the Board of Directors of Just Energy in 2022.

To the knowledge of the Corporation, none of the Directors of the Corporation, the Directors of Lantic or the executive officers of Lantic, and no Shareholder holding a sufficient number of Shares so as to materially affect the control of the Corporation has been subject to (i) any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

To the knowledge of the Corporation, except as may be described elsewhere in this Annual Information Form, no director of the Corporation or director or executive officer of Lantic has an existing or potential material conflict of interest with the Corporation or any of its subsidiaries.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

To the knowledge of the Corporation, except as may be described elsewhere in this Annual Information Form, there are no material legal proceedings to which Rogers or Lantic is a party or to which their property is subject, and no such proceedings are contemplated.

To the knowledge of the Corporation, except as may be described elsewhere in this Annual Information Form, there have been no material penalties or sanctions imposed by a court or regulatory body against the Corporation or settlement agreements entered into by the Corporation with a court or a securities regulatory authority relating to securities legislation during the financial year ended September 28, 2024.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the knowledge of the Corporation, no director of the Corporation or director or executive officer of Lantic, no person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over more than 10% of the outstanding Shares and no associate or affiliate of any of the foregoing persons or companies, has or has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is expected to materially affect Rogers or Lantic.

MATERIAL CONTRACTS

The following contracts were entered into other than in the ordinary course of business, are material to Rogers and/or Lantic, and were entered into in the most recent financial year or prior to the most recently completed financial year but on or after January 1, 2002 and remain in effect:

The Administration Agreement (described under the heading, "Rogers Sugar Inc. - Administration - Administration Agreement");

The Governance Agreement and the Lantic Governance Agreement (described under the heading, "Rogers Sugar Inc. - Administration - Governance Agreements");

The Indenture, as supplemented (described under the heading, "Rogers Sugar Inc. - Capital Structure - Debt Instruments"); and

The Lantic Credit Agreement (described under the heading, "Lantic Inc. — Credit Facility");

INTERESTS OF EXPERTS

KPMG LLP, Chartered Professional Accountants, are the external auditors of the Corporation who prepared the Auditors' Report to the Shareholders dated on November 27, 2024, with respect to the consolidated financial statements of the Corporation for the year ended September 28, 2024 consisting of the consolidated balance sheets and consolidated statements of operations and comprehensive income, Shareholders' equity and cash flows for the year then ended. KPMG LLP, Chartered Professional Accountants, are independent with respect to Rogers within the meaning of the Code of Ethics of the Ordre des comptables professionnels agréés du Québec.

TRANSFER AGENTS AND REGISTRARS

Computershare Investor Services Inc., in Toronto, Ontario, is the transfer agent and registrar for the Shares, and Computershare Trust Corporation of Canada, in Toronto, Ontario, is the trustee for the Debentures.

DATE OF INFORMATION

Unless otherwise indicated, the information contained in this Annual Information Form is given as of September 28, 2024. Moreover, the use of the present tense and of the words "current", "currently", "presently", "now" and similar expressions in this Annual Information Form is to be construed as referring to information given as of September 28, 2024, unless the context otherwise requires or unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

This Annual Information Form 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 the current expectations of the Corporation 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, the Corporation cautions 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;
- the LEAP Project;
- future prices of Raw #11;
- natural gas costs;
- beet sugar production forecast for the 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 the Corporation in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Corporation believes 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 Annual Information Form for additional information on risk factors and other events that are not within the Corporation's control. These risks are also referred to in this Annual Information Form in the "Risk Factors" section.

Although the Corporation believes 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 Annual Information Form and the Corporation does not undertake any obligation to update or revise any forward-looking information, whether as a result of events or circumstances occurring after the date hereof, unless so required by law.

ADDITIONAL INFORMATION

Copies of the following documents may be obtained upon request from the Corporate Secretary of Lantic at its administrative office at 4026 Notre-Dame Street East, Montreal, Québec H1W 2K3:

(i) this Annual Information Form, together with one copy of any document, or the pertinent pages of any document, incorporated by reference in this Annual Information Form;

(ii) the Corporation's consolidated financial statements for its most recently completed financial year for which financial statements have been filed, together with the accompanying report of the auditor and a copy of the most recent interim consolidated financial statements of the Corporation that have been filed, if any, for any period after the end of its most recently completed financial year; and

(iii) the Corporation's management information circular in respect of its most recent annual meeting of Shareholders that involved the election of Directors (the "Information Circular").

A person who is not a security holder of the Corporation may be required to pay a reasonable charge for such copies.

Additional information, including Directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans, where applicable, is contained in the Information Circular.

Additional financial information is provided in the Corporation's financial statements and management's discussion and analysis for the financial year ended September 28, 2024.

Additional information relating to the Corporation can also be found on the Corporation's website at www.lanticrogers.com or under the Corporation's profile on SEDAR+ at www.sedarplus.ca.

SCHEDULE "A"

ROGERS SUGAR INC.

CHARTER OF THE AUDIT COMMITTEE

The term "**Company**" refers to Rogers Sugar Inc., the term "**Board**" refers to the Board of Directors of the Company and the term "**Administrator**" refers to Lantic Inc. in its capacity as administrator of the Company pursuant to the **Administration Agreement.**

PURPOSE

The Audit Committee (the "**Committee**") is a standing committee appointed by the Board to assist the Board in fulfilling its oversight responsibilities with respect to the Company's financial reporting including responsibility to:

- oversee the integrity of the Company's financial statements and financial reporting process, including the audit process and the Company's internal accounting controls and procedures and compliance with related legal and regulatory requirements;
- oversee the qualifications and independence of the Company's external auditors who shall report directly to the Committee;
- oversee the work of the Company's (and to the extent possible under the Administration Agreement, the Administrator's) financial management and external auditors in these areas;
- provide an open avenue of communication between the external auditors, the Board, the Administrator and the Administrator's financial management;
- recommend to the Board the external auditors to be nominated and review and approve the compensation of the external auditors;
- pre-approve all non-audit services to be provided to the Company;
- oversee the work of the external auditors, including the resolution of any disagreement between the management and the external auditors;
- be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and periodically assess the adequacy of such procedures;
- oversee the risks assessment and risk management strategy of the Company as it related to data privacy and cybersecurity; and
- oversee the Whistleblower Policy and related complaint process.

In addition, the Committee will review and/or approve any other matter specifically delegated to the Committee by the Board.

COMPOSITION AND PROCEDURES

In addition to the procedures and powers set out in any resolution of the Board, the Committee will have the following composition and procedures:

Composition

The Committee shall consist of no fewer than three members. None of the members of the Committee shall be an officer or employee of the Company, Lantic Inc. or any of their respective subsidiaries and each member of the Committee shall be a director who is an "Independent Nominee" (as defined in the Company Governance Agreement) and shall be an "independent" director (in accordance with the definition of "independent" director from time to time under the requirements or guidelines for audit committee service under applicable securities laws and the rules of any stock exchange on which the Company's shares are listed for trading); provided that the fact that a director is also a director of Lantic Inc. will not disqualify the director from being a member of the Committee provided that the director would otherwise be eligible to be a member of the Committee. The Chair of the Board shall be an *ex officio* member of the Committee.

The Chief Financial Officer, Vice-President of Finance and Corporate Secretary or any other individual performing similar functions ("CFO") of the Company shall be the Secretary of the Committee, unless otherwise determined by the Committee.

The quorum for meeting shall be a majority of the members (two) of the Committee present.

Appointment and Replacement of Committee Members

Any member of the Committee may be removed or replaced at any time by the Board and shall automatically cease to be a member of the Committee upon ceasing to be a director. The Board may fill vacancies on the Committee by election from among its members. The Board shall fill any vacancy if the membership of the Committee is less than three Directors. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its power so long as a quorum remains in office. Subject to the foregoing, the members of the Committee shall be elected by the Board annually with such appointments to take effect immediately following the next Annual General Meeting of Shareholders of the Company and each member of the Committee shall hold office as such until the next annual meeting of shareholders or until his or her successor shall be duly elected and qualified.

Financial literacy

All members of the Committee must be "financially literate" (as that term is interpreted by the Board in its business judgment or as may be defined from time to time under the requirements or guidelines for audit committee service under securities laws and the rules of any stock exchange on which the Company's shares are listed for trading) or, if permitted by applicable securities laws or stock exchange rules, must become financially literate within a reasonable period of time after his or her appointment to the Committee.

Separate Executive Meetings

The Committee shall endeavour to meet at least once annually and more often as warranted, with the CFO of the Administrator and the external auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately.

Professional Assistance

The Committee has the power to conduct or authorize investigations into any matters within the Committee's scope of responsibilities.

The Committee may retain special legal, accounting, financial or other consultants to advise the Committee at the Company's expense and may set and pay compensation for any advisors employed by the Committee.

The Committee is able to communicate directly with the external auditors and/or the Director of Corporate Accounting and Controls to discuss any matters relating to the responsibilities of the Committee.

Reliance

Absent actual knowledge to the contrary (which shall be promptly reported to the Board), each member of the Committee shall be entitled to rely on (i) the integrity of those persons or organizations within and outside the Company from which it receives information, (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations and (iii) representations made by the Administrator or its senior management and the external auditors, as to any information technology, internal controls and other non-audit services provided by the external auditors to the Company and its subsidiaries.

Review of Charter

The Committee shall periodically review and reassess the adequacy of this Charter in conjunction with the Environmental, Social and Governance Committee as it deems appropriate and recommend changes to the Board. The Committee shall evaluate its performance with reference to this Charter. The Committee will approve the form of disclosure of this Charter, where required by applicable securities laws or regulatory requirements, in the annual proxy circular or annual report of the Company.

Delegation

The Committee may delegate from time to time to any person or committee of persons any of the Committee's responsibilities that lawfully may be delegated.

Reporting to the Board

The Committee shall report through the Committee Chair to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.

SPECIFIC MANDATES OF THE COMMITTEE

The Committee shall:

In Respect of the Company's External Auditors

(a) review the performance of the external auditors of the Company who shall report directly to the Committee and who are accountable to the Committee and the Board, as the representatives of the shareholders, including the lead partner of the independent auditor team and make recommendations to the Board as to the reappointment or appointment of the external auditors of the Company to be proposed in the Company's proxy circular for shareholder approval and shall have authority to terminate the external auditors;

(b) review the reasons for any proposed change in the external auditors of the Company which is not initiated by the Committee or Board and any other significant issues related to the change, including the response of the incumbent auditors, and enquire as to the qualifications of the proposed auditors before making its recommendation to the Board;

(c) approve the terms of engagement and the compensation to be paid by the Company to the Company's external auditors;

(d) review the independence of the Company's external auditors, including a written report from the external auditors respecting their independence and consideration of applicable auditor independence standards;

(e) approve in advance all permitted non-audit services (excluding Company's income tax and tax related matters for which the Company's external auditors shall be used) to be provided to the Company or any of its affiliates by the external auditors or any of their affiliates, subject to any *de minimus* exception allowed by applicable law; the Committee may delegate to one or more designated members of the Committee the authority to grant pre-approvals required by this subsection, provided that each pre-approval granted by such designated members of the Committee must be presented to the Committee at its first scheduled meeting following each such pre-approval;

if the Committee approves an audit service within the scope of the engagement of the independent auditor, such audit service shall be deemed to have been pre-approved for purposes of this subsection;

(f) review the disclosure with respect to its pre-approval of audit and non-audit services provided by the Company's external auditors;

(g) approve any hiring by the Company of partners, employees and former partners and employees of the Company's present or former external auditors;

(h) review a written or oral report describing:

    (i) all critical accounting policies and practices to be used in the Company's annual audit,

    (ii) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with the Administrator that significantly affect the Company's financial statements, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the external auditors,

    (iii) significant transactions outside of the normal business of the Company and

(iv) other material written communication between the Company's external auditors and the Administrator, such as any Management letter or schedule of unadjusted differences;

(i) review with the external auditors and the Administrator the general audit approach and scope of proposed audits of the financial statements of the Company, the objectives, staffing, locations, co-ordination and reliance upon the Administrator in the audit, the overall audit plans, the audit procedures to be used and the timing and estimated budgets of the audits; and

(j) discuss with the external auditors any difficulties or disputes that arose with the Administrator or the internal auditors during the course of the audit, any restrictions on the scope of activities or access to requested information and the adequacy of the Administrator's responses in correcting audit-related deficiencies.

In Respect of the Company's Financial Disclosure

(k) review with the external auditors and/or the Administrator, as appropriate:

(i) the Company's audited financial statements and the notes and Managements' Discussion and Analysis relating to such financial statements, the annual report, the financial information of the Company contained in any prospectus or information circular or other disclosure documents or regulatory filings of the Company and make recommendations to the Board for their approval;

(ii) the Company's interim financial statements and the notes and Managements' Discussion and Analysis relating to such financial statements and recommend to the Board the release of the financial statements to the public;

(iii) the quality, appropriateness and acceptability of the Company's accounting principles and practices used in its financial reporting, changes in the Company's accounting principles or practices and the application of particular accounting principles and disclosure practices by the Administrator to new transactions or events;

(iv) all significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the effects of alternative methods in respect of any matter considered significant by the external auditors within generally accepted accounting principles on the financial statements and any "second opinions" sought by the Administrator from an independent or other audit firm or advisor with respect to the accounting treatment of a particular item;

(v) the effect of regulatory and accounting initiatives on the Company's financial statements and other financial disclosures;

(vi) any reserves, accruals, provisions or estimates that may have a significant effect upon the financial statements of the Company;

(vii) the use of special purpose entities and the business purpose and economic effect of off balance sheet transactions, arrangements, obligations, guarantees and other relationships of the Company and their impact on the reported financial results of the Company;

(viii) any legal matter, claim or contingency that could have a significant impact on the financial statements, the Company's compliance policies and any material reports, inquiries or other correspondence received from regulators or governmental agencies and the manner in which any such legal matter, claim or contingency has been disclosed in the Company's financial statements;

(ix) review the treatment for financial reporting purposes of any significant transactions which are not a normal part of the Company's operations; and

(x) the use of any "pro forma" or "adjusted" information not in accordance with generally accepted accounting principles.

(l) review and resolve disagreements between the Administrator and the Company's external auditors regarding financial reporting or the application of any accounting principles or practices;

(m) review earnings press releases and press releases containing financial information extracted from the financial statements of the Company, as well as financial information and earnings guidance, if any, provided to analysts and ratings agencies, it being understood that such discussions may, in the discretion of the Committee, be done generally (i.e., by discussing the types of information to be disclosed and the type of presentation to be made) and that the Committee need not discuss in advance each earnings release or each instance in which the Company gives earning guidance;

(n) review Company disclosure containing "financial outlooks" or "future oriented financial information", each as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*, it being understood that such discussions may, in the discretion of the Committee, be done generally (i.e., by discussing the types of information to be disclosed and the type of presentation to be made) and that the Committee need not discuss in advance each such disclosure;

(o) establish and monitor procedures for (i) the review of public disclosure of financial information extracted from the financial statements of the Company, and periodically assess the adequacy of these procedures, (ii) the receipt and treatment of complaints received by the Company regarding accounting, internal accounting controls or audit matters, and (iii) the anonymous submission by employees, suppliers or customers of concerns regarding questionable business practices, accounting or auditing matters and review periodically with the Administrator these procedures and any significant complaints received;

(p) if requested by the Board, receive from the Chief Executive Officer and the CFO of the Administrator a certificate certifying in respect of each annual and interim report the matters such officers are required to certify in connection with the filing of such reports under applicable securities laws and receive and review disclosures made by such officers about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving the Administrator or its senior officers or persons who have a significant role in the Company's internal controls; and

(q) review and discuss the Company's major financial risk exposures and the steps taken to monitor and control such exposures, including the use of any financial derivatives and hedging activities.

In Respect of Insurance

a) review periodically insurance programs relating to the Company and its investments.

In Respect of Internal Controls

a) review the adequacy and effectiveness of the Company's internal accounting and financial controls based on recommendations from the Administrator and the external auditors for the improvement of accounting practices and internal controls;

b) review Management's response to significant internal control recommendations from the internal control audit and the external auditor;

c) review the internal control report prepared by the Director of Corporate Accounting and Controls, including Management's assessment of the effectiveness of the Company's internal control, the structure and procedures for financial reporting;

d) oversee compliance with internal controls and the Code of Business Conduct;

(e) maintain on-going communication with the Director of Corporate Accounting and Controls with regards to the Company's internal controls; and

(f) periodically review with the Director of Corporate Accounting and Controls any significant difficulties, disagreements with Management or scope restrictions encountered in the course of the work of the Director of Corporate Accounting and Controls.

OVERSIGHT FUNCTION

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate or are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of the Administrator and its senior management and the Company's external auditors. The Committee, its Chair and any Committee members identified as having accounting or related financial expertise are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Company, and are specifically not accountable or responsible for the day-to-day operation or performance of such activities. Although the designation of a Committee member as having accounting or related financial expertise for disclosure purposes or otherwise is based on that individual's education and experience, which that individual will bring to bear in carrying out his or her duties on the Committee, such designation does not impose on such person any duties, obligations or liability that are greater than the duties, obligations and liability imposed on such person as a member of the

Committee and Board in the absence of such designation. Rather, the role of a Committee member who is identified as having accounting or related financial expertise, like the role of all Committee members, is to oversee the process, not to certify or guarantee the internal or external audit of the Company's financial information or public disclosure.

Administrative Office
4026 Notre Dame Street East
Montreal, Québec H1W 2K3
Phone: 514.940.4350 — Toll free: 844.913.4350
e-mail: investors@lantic.ca
Website: www.LanticRogers.com