

Unaudited condensed consolidated interim financial statements of

ROGERS SUGAR INC.

Three and six months ended March 28, 2026, and March 29, 2025

(Unaudited and not reviewed by the Company's external independent auditor)

(Unaudited)

Condensed consolidated interim statements of earnings and comprehensive income

(In thousands of dollars except per share amounts)

Condensed consolidated interim statements of earnings	For the three months ended		For the six months ended	
	March 28, 2026	March 29, 2025 adjusted (note 14)	March 28, 2026	March 29, 2025 adjusted (note 14)
Revenues (note 14)	280,622	338,184	578,811	669,513
Cost of sales	234,741	285,219	467,028	569,808
Gross margin	45,881	52,965	111,783	99,705
Administration and selling expenses	15,954	11,676	29,910	25,198
Distribution expenses	6,827	7,997	14,020	14,209
	22,781	19,673	43,930	39,407
Results from operating activities	23,100	33,292	67,853	60,298
Net finance costs (note 5)	6,012	5,388	11,986	10,792
Earnings before income taxes	17,088	27,904	55,867	49,506
Income tax expense (recovery):				
Current	8,105	4,427	16,924	14,587
Deferred	(3,665)	2,933	(2,254)	(1,433)
	4,440	7,360	14,670	13,154
Net earnings	12,648	20,544	41,197	36,352
Net earnings per share (note 11)				
Basic	0.10	0.16	0.32	0.28
Diluted	0.10	0.14	0.30	0.26

Condensed consolidated interim statements of comprehensive (loss) income	For the three months ended		For the six months ended	
	March 28, 2026	March 29, 2025 adjusted (note 14)	March 28, 2026	March 29, 2025 adjusted (note 14)
Net earnings	12,648	20,544	41,197	36,352
Other comprehensive (loss) income Items that may or may not be reclassified subsequently to net earnings:				
Cash flow hedges (note 6)	(792)	(270)	(1,382)	1,901
Income tax on cash flow hedges (note 6)	203	69	355	(488)
Foreign currency translation differences	215	(152)	(58)	932
	(374)	(353)	(1,085)	2,345
Net earnings and comprehensive income for the period	12,274	20,191	40,112	38,697

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

(Unaudited)
Condensed consolidated interim statements of financial position
(In thousands of dollars)

	March 28, 2026	March 29, 2025	September 27, 2025
Assets			
Current assets:			
Cash	17,121	5,187	8,545
Trade and other receivables	110,228	138,194	129,569
Inventories	229,209	281,482	290,306
Prepaid expenses	5,314	6,348	8,844
Derivative financial instruments (note 6)	-	4,397	2,555
Total current assets:	361,872	435,608	439,819
Non-current assets:			
Property, plant and equipment	455,448	367,507	408,063
Right-of-use assets	24,487	26,530	26,378
Intangible assets	11,906	15,658	13,755
Other assets	1,150	1,412	1,294
Derivative financial instruments (note 6)	14	-	-
Employee benefits	41,501	23,189	40,527
Goodwill	233,007	233,007	233,007
Total non-current assets	767,513	667,303	723,024
Total assets	1,129,385	1,102,911	1,162,843
Liabilities and Shareholders' Equity			
Current liabilities:			
Trade and other payables	137,247	119,742	211,209
Income taxes payable	10,326	11,938	19,524
Provisions	4,367	6,461	4,777
Lease obligations	5,508	5,436	5,683
Convertible unsecured subordinated debentures (note 8)	-	97,276	-
Derivative financial instruments (note 6)	5,227	5,776	5,667
Total current liabilities	162,675	246,629	246,860
Non-current liabilities:			
Revolving credit facility (note 7)	115,000	110,000	147,000
Employee benefits	18,542	18,929	18,624
Provisions	2,060	1,195	2,060
Derivative financial instruments (note 6)	3,038	6,644	4,085
Lease obligations	20,763	22,447	22,278
Convertible unsecured subordinated debentures (note 8)	161,340	107,103	107,796
Term loans (note 9)	21,180	5,640	6,350
Senior guaranteed notes	98,743	98,518	98,630
Deferred tax liabilities	48,618	45,071	50,707
Total non-current liabilities	489,284	415,547	457,530
Total liabilities	651,959	662,176	704,390
Shareholders' equity:			
Share capital (note 10)	223,234	222,037	222,692
Contributed surplus	301,071	301,083	301,081
Equity portion of convertible unsecured subordinated debentures (note 8)	3,376	5,098	1,966
Deficit	(95,365)	(121,649)	(113,481)
Accumulated other comprehensive income	45,110	34,166	46,195
Total shareholders' equity	477,426	440,735	458,453
Total liabilities and shareholders' equity	1,129,385	1,102,911	1,162,843

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

ROGERS SUGAR INC.

(Unaudited)

Condensed consolidated interim statements of changes in shareholders' equity

(In thousands of dollars except number of shares)

	For the six months ended March 28, 2026								
	Number of shares	Common shares	Contributed surplus	Equity portion of convertible debentures	Accumulated unrealized gain on employee benefit plans	Accumulated cash flow hedge gain (loss)	Accumulated foreign currency translation differences	Deficit	Total
Balance, September 27, 2025	128,181,916	222,692	301,081	1,966	47,622	(3,136)	1,709	(113,481)	458,453
Net earnings for the period	-	-	-	-	-	-	-	41,197	41,197
Dividends (note 10)	-	-	-	-	-	-	-	(23,081)	(23,081)
Issuance of shares (note 10)	84,396	542	(29)	-	-	-	-	-	513
Issuance of convertible debentures, net of tax (note 8)	-	-	-	1,410	-	-	-	-	1,410
Share-based compensation (note 12)	-	-	19	-	-	-	-	-	19
Cash flow hedges, net of tax (note 6)	-	-	-	-	-	(1,027)	-	-	(1,027)
Translation of foreign operations	-	-	-	-	-	-	(58)	-	(58)
Balance, March 28, 2026	128,266,312	223,234	301,071	3,376	47,622	(4,163)	1,651	(95,365)	477,426

	For the six months ended March 29, 2025								
	Number of shares	Common shares	Contributed surplus	Equity portion of convertible debentures	Accumulated unrealized loss on employee benefit plans	Accumulated cash flow hedge gain (loss)	Accumulated foreign currency translation differences	Deficit	Total
Balance, September 28, 2024	127,916,834	221,340	301,069	5,085	35,024	(4,315)	1,112	(136,902)	422,413
Net earnings for the period	-	-	-	-	-	-	-	36,352	36,352
Dividends (note 10)	-	-	-	-	-	-	-	(23,052)	(23,052)
Issuance of shares (note 10)	150,352	697	(21)	-	-	-	-	-	676
Issuance of convertible debentures, net of tax (note 8)	-	-	-	1,966	-	-	-	-	1,966
Repurchase of convertible debentures (note 8)	-	-	-	(1,953)	-	-	-	1,953	-
Share-based compensation (note 12)	-	-	35	-	-	-	-	-	35
Cash flow hedges, net of tax (note 6)	-	-	-	-	-	1,413	-	-	1,413
Translation of foreign operations	-	-	-	-	-	-	932	-	932
Balance, March 29, 2025	128,067,186	222,037	301,083	5,098	35,024	(2,902)	2,044	(121,649)	440,735

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

ROGERS SUGAR INC.

(Unaudited)

Condensed consolidated interim statements of cash flows

(In thousands of dollars)

	For the three months ended		For the six months ended	
	March 28, 2026	March 29, 2025	March 28, 2026	March 29, 2025
Cash flows from operating activities:				
Net earnings	12,648	20,544	41,197	36,352
Adjustments for:				
Depreciation of property, plant and equipment and right-of-use assets (note 4)	6,365	6,409	12,700	13,090
Amortization of intangible assets (note 4)	914	941	1,843	1,878
Changes in fair value of derivative financial instruments included in cost of sales	4,877	(5,110)	(550)	6,870
Income tax expense	4,440	7,360	14,670	13,154
Pension contributions	(1,423)	(3,501)	(3,760)	(5,745)
Pension expense	912	3,182	2,704	5,009
Net finance costs (note 5)	6,012	5,388	11,986	10,792
Gain on disposal of property, plant and equipment	-	(11)	-	(14)
Share-based compensation – equity settled (note 12)	8	14	19	35
Share-based compensation – cash settled (note 12)	2,476	(300)	2,972	686
	37,229	34,916	83,781	82,107
Changes in:				
Trade and other receivables	2,807	(10,741)	24,544	(17,296)
Inventories	52,783	57,556	61,060	9,453
Prepaid expenses	1,283	(260)	3,530	1,032
Trade and other payables	(36,152)	(49,115)	(87,102)	(79,986)
Provisions	(176)	(206)	(410)	(810)
	20,545	(2,766)	1,622	(87,607)
Cash flows from (used in) operating activities	57,774	32,150	85,403	(5,500)
Interest paid	(5,267)	(6,257)	(9,270)	(8,747)
Income taxes paid	(5,614)	(646)	(26,122)	(1,006)
Net cash flows from (used in) operating activities	46,893	25,247	50,011	(15,253)
Cash flows from (used in) financing activities:				
Dividends paid (note 10)	(11,537)	(11,526)	(23,073)	(23,039)
(Decrease) increase in revolving credit facility (note 7)	(46,000)	(53,000)	(32,000)	10,000
Payment of financing fees	-	(491)	(60)	(525)
Payment of lease obligations	(1,904)	(1,737)	(3,713)	(3,422)
Proceeds from term loans (note 9)	-	-	16,469	7,399
Issuance of convertible debentures, net of finance costs (note 8)	54,586	109,587	54,586	109,587
Repurchase of convertible debentures (note 8)	-	(57,425)	-	(57,425)
Issuance of shares (note 10)	513	-	513	676
Net cash flow from (used in) financing activities	(4,342)	(14,592)	12,722	43,251
Cash flows used in investing activities:				
Additions to property, plant and equipment, net of proceeds on disposal	(27,354)	(22,744)	(54,153)	(42,016)
Net cash flow used in investing activities	(27,354)	(22,744)	(54,153)	(42,016)
Effect of changes in exchange rate on cash	171	(176)	(4)	84
Net increase (decrease) in cash	15,368	(12,265)	8,576	(13,934)
Cash, beginning of period	1,753	17,452	8,545	19,121
Cash, end of period	17,121	5,187	17,121	5,187

Supplemental cash flow information (note 13)

The accompanying notes are an integral part of these unaudited condensed consolidated interim financial statements.

Notes to unaudited condensed consolidated interim financial statements

(In thousands of dollars except as noted and amounts per share)

1. Reporting entity:

Rogers Sugar Inc. ("Rogers" or the "Company") is a company domiciled in Canada, incorporated under the *Canada Business Corporations Act*. The head office of Rogers is located at 123 Rogers Street, Vancouver, British Columbia, V6B 3V2. The unaudited condensed consolidated interim financial statements of Rogers for the three and six month periods ended March 28, 2026 and March 29, 2025 comprise Rogers and the directly and indirectly controlled subsidiaries, Lantic Inc. ("Lantic") and Lantic Maple Inc. and Highland Sugarworks Inc. (the latter two companies together referred to as "Maple"), (together referred to as the "Company"). The principal business activities of the Company are the refining, packaging and marketing of sugar ("Sugar segment"), and the packaging, marketing and distribution of maple products ("Maple segment").

2. Basis of presentation and statement of compliance:

(A) STATEMENT OF COMPLIANCE:

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* on a basis consistent with those accounting policies followed by the Company in the most recent audited consolidated annual financial statements. Certain information, in particular the accompanying notes, normally included in the audited annual consolidated financial statements prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") has been omitted or condensed. Accordingly, these unaudited condensed consolidated interim financial statements do not include all the information required for full annual financial statements, and, therefore, should be read in conjunction with the audited annual consolidated financial statements and the notes thereto for the year ended September 27, 2025. The quarterly unaudited condensed consolidated interim financial statements were authorized for issue by the Board of Directors on May 7, 2026.

(B) BASIS OF MEASUREMENT:

These unaudited condensed consolidated interim financial statements have been prepared on the historical cost basis except for the following material items in the unaudited condensed consolidated statements of financial position:

- (i) derivative financial instruments are measured at fair value,
- (ii) equity-settled share-based compensation, cash-settled share appreciation rights and cash-settled performance share units are measured at fair value,
- (iii) the defined benefit liability is recognized as the net total of the present value of the defined benefit obligation less the total of the fair value of the plan assets and the unrecognized past service costs,
- (iv) assets and liabilities acquired in business combinations are measured at fair value at acquisition date, less any subsequent impairment, if applicable, and,
- (v) lease obligations which are measured at the present value of minimum lease liabilities in accordance with IFRS 16 *Leases*.

(C) FUNCTIONAL AND PRESENTATION CURRENCY:

These unaudited condensed consolidated interim financial statements are presented in Canadian dollars since it is the Company's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousands, except as noted and per share amounts.

Notes to unaudited condensed consolidated interim financial statements

(In thousands of dollars except as noted and amounts per share)

2. Basis of presentation and statement of compliance (continued):

(D) USE OF ESTIMATES AND JUDGEMENTS:

The preparation of these unaudited condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

In preparing these unaudited condensed consolidated interim financial statements, the significant judgements made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are as those applied and described in the Company's audited annual consolidated financial statements for the year ended September 27, 2025.

3. Material accounting policies:

The material accounting policies as disclosed in the Company's audited annual consolidated financial statements for the year ended September 27, 2025 have been applied consistently in the preparation of these unaudited condensed consolidated interim financial statements.

(A) NEW STANDARDS AND INTERPRETATIONS ADOPTED:

The Company did not adopt any standards and interpretations in its unaudited condensed consolidated interim financial statements for the annual period beginning on September 28, 2025.

(B) NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED:

A number of new standards and amendments to standards and interpretations are not yet effective for the period ended March 28, 2026 and have not been applied in preparing these unaudited condensed consolidated interim financial statements. New standards and amendments to standards and interpretations that are currently under review include:

- Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)
- Annual improvements to IFRS Accounting Standards (includes Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7)
- Presentation and disclosure in financial statements (IFRS 18)

The Company does not intend to adopt the Amendments in its consolidated financial statements before the annual period beginning on October 4, 2026. The Company is assessing the impact of the amendments on the consolidated financial statements.

Notes to unaudited condensed consolidated interim financial statements

(In thousands of dollars except as noted and amounts per share)

4. Depreciation and amortization expense:

Depreciation and amortization expense were charged to the unaudited condensed consolidated interim statements of earnings as follows:

	For the three months ended		For the six months ended	
	March 28, 2026	March 29, 2025	March 28, 2026	March 29, 2025
Depreciation of property, plant and equipment:				
Cost of sales	4,643	4,791	9,289	9,881
Administration and selling expenses	120	183	240	349
	4,763	4,974	9,529	10,230
Depreciation of right-of-use assets:				
Cost of sales	599	494	1,214	970
Distribution expenses	1,003	941	1,957	1,890
	1,602	1,435	3,171	2,860
Amortization of intangible assets:				
Administration and selling expenses	914	941	1,843	1,878
Total depreciation and amortization expense	7,279	7,350	14,543	14,968

5. Net finance costs:

Recognized in net earnings:

	For the three months ended		For the six months ended	
	March 28, 2026	March 29, 2025	March 28, 2026	March 29, 2025
Interest expense on convertible unsecured subordinated debentures, including accretion expense of \$153 and \$252 for the three and six months periods (March 29, 2025 - \$186 and \$512 for the three and six months periods)	2,555	2,058	4,378	4,261
Interest on revolving credit facility	1,477	1,284	3,226	1,945
Interest on senior guaranteed notes, including accretion of \$57 and \$113 for the three and six months periods (March 29, 2025 - \$56 and \$110 for the three and six months periods)	927	926	1,853	1,850
Amortization of deferred financing fees	460	405	781	740
Interest on <i>Producteurs et Productrices Acéricoles du Québec</i> supplier balance	133	214	753	1,066
Other interest expense	21	43	35	90
Interest accretion on discounted lease obligations	371	408	739	790
Net change in fair value of interest rate swap (note 6)	68	50	221	50
Net finance costs recognized in net earnings	6,012	5,388	11,986	10,792

6. Financial instruments:

Disclosures relating to risks exposures, in particular credit risk, liquidity risk, foreign currency risk, interest rate risk and equity risk were provided in the September 27, 2025 annual consolidated financial statements and there have been no significant changes in the Company's risk exposures during the three and six months periods ended March 28, 2026.

For its financial assets and liabilities measured at amortized cost as at March 28, 2026, the Company has determined that the carrying value of its short-term financial assets and liabilities approximates their fair value because of the relatively short periods to maturity of these instruments.

Notes to unaudited condensed consolidated interim financial statements

(In thousands of dollars except as noted and amounts per share)

6. Financial instruments (continued):

Details of recorded gains (losses) for the year, in marking-to-market all derivative financial instruments and embedded derivatives that are outstanding at period end, are noted below. For sugar futures contracts (derivative financial instruments), the amounts noted below are netted with the variation margins paid or received to/from brokers at the end of the reporting period. Natural gas forwards and sugar futures have been marked-to-market using published quoted values for these commodities. The fair value of foreign exchange forward contracts is calculated as the present value of the estimated future cash flows, representing the differential between the value of the contract at maturity and the value determined using the exchange rate the financial institution would use if the same contract was renegotiated at the statement of financial position date. The fair value estimate of foreign exchange forward contracts is subject to a credit risk adjustment that reflects the credit risk of the Company and of the counterparty. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value of interest rate swaps is subject to a credit risk adjustment that reflects the credit risk of the Company and of the counterparty.

As at March 28, 2026, September 27, 2025 and March 29, 2025, the Company's financial derivatives carrying values were as follows:

	Fair value hierarchy level	Financial Assets		Financial Liabilities	
		Current	Non-Current	Current	Non-Current
		March 28, 2026		March 28, 2026	
Derivative financial instruments measured at fair value through profit or loss:					
Sugar futures contracts	Level 1	-	-	118	-
Foreign exchange forward contracts	Level 2	-	14	1,865	-
Interest rate swap	Level 2	-	-	418	-
Derivative financial instruments designated as effective cash flow hedging instruments:					
Natural gas futures contracts	Level 2	-	-	898	2,867
Interest rate swap	Level 2	-	-	1,928	171
		-	14	5,227	3,038

	Fair value hierarchy level	Financial Assets		Financial Liabilities		Financial Assets		Financial Liabilities	
		Current	Non-Current	Current	Non-Current	Current	Non-Current	Current	Non-Current
		September 27, 2025				March 29, 2025			
Derivative financial instruments measured at fair value through profit or loss:									
Sugar futures contracts	Level 1	135	-	-	-	-	-	44	-
Foreign exchange forward contracts	Level 2	-	-	2,537	135	-	-	3,735	244
Interest rate swap	Level 2	-	-	197	-	-	-	50	-
Derivative financial instruments designated as effective cash flow hedging instruments:									
Natural gas futures contracts	Level 2	2,420	-	-	2,641	4,397	-	-	3,524
Interest rate swap	Level 2	-	-	2,933	1,309	-	-	1,947	2,876
		2,555	-	5,667	4,085	4,397	-	5,776	6,644

Notes to unaudited condensed consolidated interim financial statements

(In thousands of dollars except as noted and amounts per share)

6. Financial instruments (continued):

	Charged to cost of sales		Charged to finance income (costs)		For the three months ended	
	Unrealized gain (loss)				Other comprehensive gain (loss)	
	March 28, 2026	March 29, 2025	March 28, 2026	March 29, 2025	March 28, 2026	March 29, 2025
Derivative financial instruments measured at fair value through profit or loss:						
Sugar futures contracts	(135)	2,296	-	-	-	-
Foreign exchange contracts	(2,424)	133	-	-	-	-
Interest rate swap	-	-	(68)	(50)	-	-
Derivative financial instruments designated as effective cash flow hedging instruments:						
Natural gas futures contracts	-	-	-	-	(2,150)	1,504
Interest rate swap	-	-	-	-	1,358	(1,774)
	(2,559)	2,429	(68)	(50)	(792)	(270)

	Charged to cost of sales		Charged to finance income (costs)		For the six months ended	
	Unrealized gain (loss)				Other comprehensive gain (loss)	
	March 28, 2026	March 29, 2025	March 28, 2026	March 29, 2025	March 28, 2026	March 29, 2025
Derivative financial instruments measured at fair value through profit or loss:						
Sugar futures contracts	(1,297)	(2,902)	-	-	-	-
Foreign exchange contracts	591	(9,675)	-	-	-	-
Interest rate swap	-	-	(221)	(50)	-	-
Derivative financial instruments designated as effective cash flow hedging instruments:						
Natural gas futures contracts	-	-	-	-	(3,543)	3,575
Interest rate swap	-	-	-	-	2,161	(1,674)
	(706)	(12,577)	(221)	(50)	(1,382)	1,901

The following table summarizes the Company's hedging components of accumulated other comprehensive income ("AOCI") as at March 28, 2026 and March 29, 2025:

	March 28, 2026			March 29, 2025		
	Natural gas futures contracts	Interest rate swap	Total	Natural gas futures contracts	Interest rate swap	Total
Opening AOCI	489	(4,852)	(4,363)	(1,992)	(3,957)	(5,949)
Income taxes	(638)	1,865	1,227	(1)	1,635	1,634
Opening AOCI – net of income taxes	(149)	(2,987)	(3,136)	(1,993)	(2,322)	(4,315)
Change in fair value of derivatives designated as cash flow hedges	(3,543)	2,161	(1,382)	3,575	(1,674)	1,901
Income taxes	910	(555)	355	(917)	429	(488)
Ending AOCI – net of income taxes	(2,782)	(1,381)	(4,163)	665	(3,567)	(2,902)

Notes to unaudited condensed consolidated interim financial statements

(In thousands of dollars except as noted and amounts per share)

6. Financial instruments (continued):

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

Fiscal year contracted	Date	Total value \$
Fiscal 2024	December 30, 2024 to December 30, 2026 – 3.941%	100,000
Fiscal 2024	June 27, 2025 to June 27, 2027 – 3.695%	100,000

7. Revolving credit facility:

On March 28, 2026, the Company had a total of \$340.0 million of available working capital under the revolving credit facility, which matures on March 28, 2030, from which it can borrow at prime rate, SOFR rate or under Adjusted Term CORRA loan (which is Term CORRA plus an adjustment varying between 30 to 32 basis points), plus 20 to 250 basis points, based on achieving certain financial ratios.

Certain assets of the Company, including trade receivables, inventories and property, plant and equipment, have been pledged as security for the revolving credit facility. As at March 28, 2026, a total of \$752.0 million of assets are pledged as security (September 27, 2025 - \$798.7 million; March 29, 2025 - \$759.6 million).

The Company must comply with certain financial covenants related to the revolving credit facility on a quarterly basis. The Company was in compliance with the financial covenants as at March 28, 2026.

The carrying value of the revolving credit facility approximates fair value. The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate.

8. Convertible unsecured subordinated debentures:

The outstanding convertible debentures are as follows:

	March 28, 2026	September 27, 2025	March 29, 2025
Seventh series	-	-	97,575
Eighth series	115,000	115,000	115,000
Ninth series	57,500	-	-
Total face value	172,500	115,000	212,575
Less deferred financing fees	(7,024)	(4,748)	(5,404)
Less equity component	(4,625)	(2,693)	(6,984)
Accumulated accretion expense	489	237	4,192
Total carrying value	161,340	107,796	204,379
Presented as:			
Current	-	-	97,276
Non current	161,340	107,796	107,103
	161,340	107,796	204,379

The fair value of the Eighth and Ninth series debentures as at March 28, 2026 were approximately \$182.3 million based on market quotes for identical instruments (September 27, 2025 - \$121.9 million for the Eighth series; March 29, 2025 - \$214.6 million for the Seventh and Eighth series).

Notes to unaudited condensed consolidated interim financial statements

(In thousands of dollars except as noted and amounts per share)

8. Convertible unsecured subordinated debentures (continued):

(A) EIGHTH SERIES:

On February 19, 2025, and on February 21, 2025, the Company issued \$100.0 million and \$15.0 million for a total of \$115.0 million, Eighth series, 6.00% convertible unsecured subordinated debentures ("Eighth series debentures"), maturing on June 30, 2030, with interest payable semi-annually in arrears on June 30 and December 31 of each year. The debentures may be converted at the option of the holder at any time prior to maturity at a conversion price of \$7.10 per share.

On or after June 30, 2028 and prior to June 30, 2029, the debentures may be redeemed by the Company at a price equal to the principal amount plus accrued and unpaid interest, provided that the weighted average trading price of the common shares, for the 20 consecutive trading days ending on the fifth trading day preceding the day prior to the date upon which the notice of redemption is given is at least 125% of the conversion price of \$7.10 per debenture share. On or after June 30, 2029, the debentures are redeemable at a price equal to the principal amount thereof plus accrued unpaid interest.

On redemption or on the maturity date, the Company will repay the indebtedness of the convertible debentures by paying an amount equal to the principal amount of the outstanding debentures, together with accrued and unpaid interest thereon.

The Company may, at its option, elect to satisfy its obligation to repay the principal amount of the convertible debentures, which are to be redeemed or which have matured, by issuing shares to the holders of the convertible debentures. The number of shares to be issued will be determined by dividing the indebtedness related to the convertible debenture by 95% of the then current market price on the day preceding the date fixed for redemption or the maturity date, as the case may be.

The Company allocated \$2.7 million (\$2.0 million net of tax) of the Eighth series debentures into an equity component. The Company incurred underwriting fees and issuance costs of \$5.4 million, which are netted against the convertible debenture liability.

(B) NINTH SERIES:

On January 12, 2026, the Company issued \$57.5 million, Ninth series, 5.5% convertible unsecured subordinated debentures ("Ninth series debentures"), maturing on January 31, 2033, with interest payable semi-annually in arrears on January 31 and July 31 of each year. The debentures may be converted at the option of the holder at any time prior to maturity at a conversion price of \$7.91 per share.

On or after January 31, 2029 and prior to January 31, 2031, the debentures may be redeemed by the Company at a price equal to the principal amount plus accrued and unpaid interest, provided that the weighted average trading price of the common shares, for the 20 consecutive trading days ending on the fifth trading day preceding the day prior to the date upon which the notice of redemption is given is at least 125% of the conversion price of \$7.91 per debenture share. On or after January 31, 2031, the debentures are redeemable at a price equal to the principal amount thereof plus accrued unpaid interest.

On redemption or on the maturity date, the Company will repay the indebtedness of the convertible debentures by paying an amount equal to the principal amount of the outstanding debentures, together with accrued and unpaid interest thereon.

The Company may, at its option, elect to satisfy its obligation to repay the principal amount of the convertible debentures, which are to be redeemed or which have matured, by issuing shares to the holders of the convertible debentures. The number of shares to be issued will be determined by dividing the indebtedness related to the convertible debenture by 95% of the then current market price on the day preceding the date fixed for redemption or the maturity date, as the case may be.

The Company allocated \$1.9 million (\$1.4 million net of tax) of the Ninth series debentures into an equity component. The Company incurred underwriting fees and issuance costs of \$2.9 million, which are netted against the convertible debenture liability.

Notes to unaudited condensed consolidated interim financial statements

(In thousands of dollars except as noted and amounts per share)

9. Term loans:

Loans from Investissement Quebec ("IQ loans") are made of two separate loans and are subject to the same financial covenants as the revolving credit facility and the senior guaranteed notes, and are secured with specific LEAP project assets. IQ Loans are as follows:

A first loan in the amount of up to \$40.0 million under the ESSOR program, a Quebec government program designed to provide financing to Quebec businesses ("IQ Essor Loan") and is to be used by the Company to finance the acquisition of certain new equipment related to the LEAP Project. The Company 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, the Company will repay the principal of the IQ Essor Loan in 60 consecutive monthly installments.

A second term loan in the amount of \$25.0 million was extended to the Company by Investissement Quebec (the "IQ Term Loan"), to finance the acquisition of certain new equipment related to the LEAP Project. The Company 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, the Company will repay the principal of the IQ Term Loan in 20 consecutive quarterly installments.

On November 26, 2024, a first draw of \$7.4 million was received under the IQ Loans, \$5.0 million of which was borrowed under the Essor Loan and \$2.4 million was borrowed under the IQ Term Loan. An equivalent amount of property, plant and equipment has been pledged as security. The Company recognized a grant of \$1.1 million as a reduction of property, plant and equipment representing the difference between the fair value of the IQ Essor Loan at inception and the cash received.

On November 19, 2025, a second draw of \$16.5 million was received under the IQ Loans, \$11.2 million of which was borrowed under the IQ Essor Loan and \$5.3 million was borrowed under the IQ Term Loan. An equivalent amount of property, plant and equipment has been pledged as security. The Company recognized a grant of \$1.6 million as a reduction of property, plant and equipment representing the difference between the fair value of the IQ Essor Loan at inception and the cash received.

The Company must comply with certain financial covenants related to the IQ loans on a quarterly basis. The Company was in compliance with the financial covenants as at March 28, 2026.

The IQ Loans are classified and measured at amortized cost, using the effective interest method. The valuation model considers the present value of expected payments, discounted using a risk-adjusted discount rate. The fair value as at March 28, 2026 was approximately \$21.4 million.

10. Share capital and other components of equity:

As of March 28, 2026, a total of 128,266,312 common shares (September 27, 2025 – 128,181,916; March 29, 2025 – 128,067,186) were outstanding.

During the first six months of fiscal year 2026, 84,396 stock options were exercised for proceeds of \$542, and reversal of previously recognized share-based compensation recorded in contributed surplus of \$29 (note 12). During the first six months of fiscal year 2025, 150,352 stock options were exercised for proceeds of \$676, and reversal of previously recognized share-based compensation recorded in contributed surplus of \$21 (note 12).

The Company declared a quarterly dividend of \$0.09 per share during the six-month period ended March 28, 2026 and March 29, 2025. On May 7, 2026, the Board of Directors declared a quarterly dividend of \$0.09 per share, payable on or before July 15, 2026.

	March 28, 2026	March 29, 2025
Dividends	23,081	23,052

Notes to unaudited condensed consolidated interim financial statements
(In thousands of dollars except as noted and amounts per share)

11. Earnings per share:

Reconciliation between basic and diluted earnings per share is as follows:

	For the three months ended		For the six months ended	
	March 28, 2026	March 29, 2025	March 28, 2026	March 29, 2025
Basic earnings per share:				
Net earnings	12,648	20,544	41,197	36,352
Weighted average number of shares outstanding	128,231,765	128,067,186	128,206,840	128,007,168
Basic earnings per share	0.10	0.16	0.32	0.28
Diluted earnings per share:				
Net earnings	12,648	20,544	41,197	36,352
Plus impact of convertible unsecured subordinated debentures	1,891	1,523	3,240	2,510
	14,539	22,067	44,437	38,862
Weighted average number of shares outstanding:				
Basic weighted average number of shares outstanding	128,231,765	128,067,186	128,206,840	128,007,168
Plus impact of convertible unsecured subordinated debentures	22,188,347	25,723,862	19,192,766	22,253,037
Plus impact of share options	176,655	36,234	149,595	41,299
	150,596,767	153,827,282	147,549,201	150,301,504
Diluted earnings per share	0.10	0.14	0.30	0.26

Notes to unaudited condensed consolidated interim financial statements

(In thousands of dollars except as noted and amounts per share)

12. Share-based compensation:

(A) EQUITY-SETTLED SHARE-BASED COMPENSATION:

The Company has not issued share options effective for Fiscals 2026 and 2025.

Total share-based compensation expense, related to options issued in prior periods, is amortized over the service period and included in administration and selling expenses with an offsetting credit to contributed surplus. An expense of \$8 and \$19 was recorded for the three and six month periods ended March 28, 2026 (an expense of \$14 and \$35 for the three and six month periods ended March 29, 2025).

The following tables summarize information about the share option plan as of March 28, 2026:

Exercise price per option	Outstanding number of options at September 27, 2025	Options granted during the six month period	Options exercised during the six month period	Options forfeited during the six month period	Outstanding number of options at March 28, 2026	Weighted average remaining life	Number of options exercisable
\$ 4.28	64,000	-	-	-	64,000	3.98	64,000
\$ 4.68	78,461	-	-	-	78,461	3.68	78,461
\$ 5.58	133,669	-	-	-	133,669	2.68	133,669
\$ 5.85	632,016	-	(17,167)	(34,336)	580,513	6.71	348,309
\$ 5.85	752,564	-	(16,667)	(16,666)	719,231	5.69	575,385
\$ 6.23	391,954	-	(50,562)	-	341,392	1.68	341,392
\$ 6.51	210,000	-	-	-	210,000	0.69	210,000
\$ 5.87	2,262,664	-	(84,396)	(51,002)	2,127,266	4.51	1,751,216

Options outstanding held by key management personnel amounted to 1,927,266 options as at March 28, 2026 (1,927,266 options as at September 27, 2025 and 2,175,135 options as at March 29, 2025).

(B) CASH-SETTLED SHARE-BASED COMPENSATION-PERFORMANCE SHARE UNITS ("PSU"):

Fiscal 2026 grant:

On December 8, 2025, a total of 598,828 PSUs were granted to executives of the Company at a price of \$5.97 per units. These PSUs will vest at the end of the 2026-2028 performance cycle based on the achievement of total shareholder returns and other non-market performance conditions, as set by the Board of Directors. Following the end of a performance cycle, the Board of Directors will determine, concurrently with the release of the Company's financial results for the fiscal year ended at the end of the performance cycle, whether the vesting conditions for the PSUs granted to a participant relating to such performance cycle have been achieved. Depending on the achievement of the vesting conditions, between 0% and 200% of the PSUs will become vested. The Board of Directors of the Company has the discretion to determine that all or a portion of the PSUs granted to a participant, for which the vesting conditions have not been achieved, shall vest to such participant.

The value to be paid-out to each participant will be equal to the result of: the number of PSUs granted to the participant which have vested, multiplied by the volume weighted average closing price of the Common Shares on the Toronto Stock Exchange (the "TSX") for the five trading days immediately preceding the day on which the Company shall pay the value to the participant under the PSU plan, and such date will in no event occur after December 31 of the third calendar year following the calendar year in which the PSUs are granted.

Notes to unaudited condensed consolidated interim financial statements

(In thousands of dollars except as noted and amounts per share)

12. Share-based compensation (continued):

(B) CASH-SETTLED SHARE-BASED COMPENSATION-PERFORMANCE SHARE UNITS ("PSU") (CONTINUED):

The fair values of the PSUs were established using a Monte Carlo simulation model for the portion subject to market performance conditions and the remaining portion, which is based on certain non-market measures, was based on managements' estimates. The fair values are vesting in equal tranches over a three-year period (one-third per year). The fair value at grant date was \$3.2 million compared to \$4.1 million at March 28, 2026. An expense of \$0.4 million and \$0.7 million related to this specific grant was recorded for the three and six months periods ended March 28, 2026, in administration and selling expenses.

For grants related to fiscal years 2023, 2024 and 2025, an expense of \$2.1 million and \$2.3 million was recorded for the three and six months periods ended March 28, 2026, in administration and selling expenses.

The PSUs associated with the 2023-2025 performance cycle did not meet their vesting conditions and accordingly no payments were made in the in the first quarter of fiscal 2026 (\$1.3 million paid in the first quarter of 2025 related to 2022-2024 performance cycle). As at March 28, 2026, \$7.4 million is included under trade and other payables (September 27, 2025 - \$4.4 million and March 29, 2025 - \$1.8 million) in relation with PSUs granted in fiscal years 2024, 2025 and 2026.

13. Supplementary cash flow information:

	For the six months ended			For the year ended
	March 28, 2026	March 29, 2025	September 27, 2025	September 28, 2024
Non-cash transactions:				
Additions of property, plant and equipment and intangibles assets included in trade and other payables	31,143	17,379	21,608	13,704
Increase in asset retirement obligation provision included in property, plant and equipment	-	-	-	9,670
Additions to right-of-use assets	1,289	1,865	4,692	3,174

As at March 28, 2026, a government grant, unrelated to IQ Essor Loan, in the amount of \$5.2 million has been included in other receivables and as a reduction to property, plant and equipment. The government grant met the criteria for recording, was approved by the government and amount was subsequently received after quarter end.

The following table summarizes the capitalized costs associated with the LEAP project. These costs are included in construction in progress which is included in property, plant and equipment.

	Total	Portion related to borrowing costs	Interest capitalization rate
	\$	\$	%
Cost or deemed cost:			
Balance at September 28, 2024	53,819	1,706	
Additions	35,692	1,510	4.45
Balance at March 29, 2025	89,511	3,216	
Additions	38,911	499	4.82
Balance at September 27, 2025	128,422	3,715	
Additions	49,749	2,172	5.54
Balance at March 28, 2026	178,171	5,887	

As at March 28, 2026, included in this amount are \$2.1 million of deposits on machinery and equipment (September 27, 2025 - \$3.0 million and March 29, 2025 - \$15.7 million). As at March 28, 2026, the Company had \$107.3 million of capital commitments related to the LEAP project.

Notes to unaudited condensed consolidated interim financial statements

(In thousands of dollars except as noted and amounts per share)

14. Segmented information:

The Company has two operating and reportable segments, Sugar and Maple products. The principal business activity of the Sugar segment is the refining, packaging and marketing of sugar products. The Maple products segment processes pure maple syrup and related maple products. The reportable segments are managed independently as they require different technology and capital resources. Performance is measured based on the segments' gross margins and results from operating activities. These measures are included in the internal management reports that are reviewed by the Company's senior executives, and management believes that such information is relevant in the evaluation of the results of the segments.

Transactions between reportable segments are interest receivable (payable), which are eliminated upon consolidation.

	For the three months ended March 28, 2026			
	Sugar	Maple products	Corporate and eliminations	Total
Revenues	216,632	63,990	-	280,622
Cost of sales	176,278	58,463	-	234,741
Gross margin	40,354	5,527	-	45,881
Depreciation and amortization	5,474	1,805	-	7,279
Results from operating activities	22,195	1,703	(798)	23,100
Additions to property, plant and equipment and intangible assets, net of disposals	31,676	256	-	31,932
Additions to right-of-use assets	777	121	-	898

	For the six months ended March 28, 2026			
	Sugar	Maple products	Corporate and eliminations	Total
Revenues	442,879	135,932	-	578,811
Cost of sales	345,256	121,772	-	467,028
Gross margin	97,623	14,160	-	111,783
Depreciation and amortization	10,952	3,591	-	14,543
Results from operating activities	62,672	6,706	(1,525)	67,853
Additions to property, plant and equipment and intangible assets, net of disposals	56,281	634	-	56,915
Additions to right-of-use assets	1,042	247	-	1,289

	As at March 28, 2026			
	Sugar	Maple products	Corporate and eliminations	Total
Total assets	1,161,022	134,148	(165,785)	1,129,385
Total liabilities	(648,708)	(67,012)	63,761	(651,959)

Notes to unaudited condensed consolidated interim financial statements

(In thousands of dollars except as noted and amounts per share)

14. Segmented information (continued):

	For the three months ended March 29, 2025			
	Sugar	Maple products	Corporate and eliminations	Total
Revenues ⁽¹⁾	272,558	65,626	-	338,184
Cost of sales ⁽¹⁾	229,703	55,516	-	285,219
Gross margin	42,855	10,110	-	52,965
Depreciation and amortization	5,645	1,705	-	7,350
Results from operating activities	26,940	6,886	(534)	33,292
Additions to property, plant and equipment and intangible assets, net of disposals	22,221	561	-	22,782
Additions to right-of-use assets	1,652	-	-	1,652

	For the six months ended March 29, 2025			
	Sugar	Maple products	Corporate and eliminations	Total
Revenues ⁽¹⁾	537,506	132,007	-	669,513
Cost of sales ⁽¹⁾	451,824	117,984	-	569,808
Gross margin	85,682	14,023	-	99,705
Depreciation and amortization	11,564	3,404	-	14,968
Results from operating activities	54,357	7,184	(1,243)	60,298
Additions to property, plant and equipment and intangible assets, net of disposals	43,830	779	-	44,609
Additions to right-of-use assets	1,740	125	-	1,865

	As at March 29, 2025			
	Sugar	Maple products	Corporate and eliminations	Total
Total assets	1,119,766	148,562	(165,417)	1,102,911
Total liabilities	(602,013)	(87,970)	27,807	(662,176)

	As at September 27, 2025			
	Sugar	Maple products	Corporate and eliminations	Total
Total assets	1,099,047	229,558	(165,762)	1,162,843
Total liabilities	(546,251)	(165,807)	7,668	(704,390)

Notes to unaudited condensed consolidated interim financial statements
(In thousands of dollars except as noted and amounts per share)

14. Segmented information (continued):

Revenues were derived from customers in the following geographic areas:

	For the three months ended		For the six months ended	
	March 28, 2026	March 29, 2025	March 28, 2026	March 29, 2025
Canada	211,138	242,044	435,812	484,648
United States ⁽¹⁾	52,498	81,251	107,984	152,687
Europe	10,435	8,021	20,347	17,785
Other	6,551	6,868	14,668	14,393
	280,622	338,184	578,811	669,513

(1) In the fourth quarter of 2025, the Company changed the presentation for high-tier duties on US exports sales for the Sugar segment. Accordingly, related amounts charged to customers were recognized as revenues, with a corresponding offset to cost of sales. To conform with the presentation change, the Company has made the following immaterial presentation adjustments to the March 29, 2025, comparative period: increase of Sugar revenues and Sugar cost of sales, total revenues and total cost of sales, and revenues derived from customers in the United States by \$11.8 million and \$20.0 million for the three and six month periods ended March 29, 2025. The presentation adjustment had no impact on gross margins or net income.