Rogers Sugar Delivers Solid Second Quarter Results, with Record Performance from Maple Segment

Rogers Sugar Inc. (the "Company", "Rogers", "RSI" or "our," "we", "us") (TSX: RSI) today reported results for the second quarter and first six months of fiscal 2025. Consolidated adjusted EBITDA for the quarter amounted to $34.7 million, driven by strong performance in the Company's Maple and Sugar segments.

"We are pleased to share the strong and consistent results delivered by both our Sugar and Maple segments this quarter, driven by steady underlying demand for our sweeteners" said Mike Walton, President and Chief Executive Officer of Rogers and Lantic Inc. "While we continue to focus on meeting the needs of our customers, we are closely monitoring the current uncertainty related to the trade situation between Canada and the United States, and we are engaging with the different stakeholders involved to mitigate the potential impacts on our business in the future."

Second Quarter 2025 Consolidated Highlights (unaudited)	**Q2 2025**	Q2 2024	**YTD 2025**	YTD 2024
Financials ($000s)				
Revenues	**326,307**	300,944	**649,475**	589,643
Gross margin	**52,965**	44,861	**99,705**	89,505
Adjusted gross margin[(1)]	**47,025**	51,292	**98,756**	93,611
Results from operating activities	**33,292**	24,704	**60,298**	50,814
EBITDA[(1)]	**40,642**	31,664	**75,266**	64,709
Adjusted EBITDA[(1)]	**34,702**	38,095	**74,317**	68,815
Net earnings	**20,544**	13,936	**36,352**	27,788
per share (basic)	**0.16**	0.13	**0.28**	0.26
per share (diluted)	**0.14**	0.11	**0.26**	0.22
Adjusted net earnings[(1)]	**16,165**	18,891	**35,682**	31,504
Adjusted net earnings per share (basic)[(1)]	**0.13**	0.17	**0.28**	0.29
Trailing twelve months free cash flow[(1)]	**83,020**	56,570	**83,020**	56,570
Dividends per share	**0.09**	0.09	**0.18**	0.18
Volumes				
Sugar (metric tonnes)	**198,246**	180,618	**394,355**	362,994
Maple Syrup (thousand pounds)	**13,294**	11,777	**26,676**	23,629

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

- The current market volatility associated with the revised trade conditions related to the new US tariffs on imports has had a limited impact on our business and the business of our customers thus far. We are closely monitoring this evolving situation and engaging with the different stakeholders involved.
- Consolidated adjusted net earnings[(1)] for the second quarter and the first six months of 2024 amounted to $16.2 and $35.7 million, compared to $18.9 million and $31.5 million for the same periods last year.
- Consolidated adjusted EBITDA[(1)] for the second quarter of fiscal 2025 amounted to $34.7 million, a decrease of $3.4 million compared to the same period last year, driven by a lower contribution in our Sugar segment, partially offset by a higher contribution from our Maple segment.
- Consolidated adjusted EBITDA[(1)] for the first six months of fiscal 2025 was $74.3 million, an increase of $5.5 million from the same period last year, driven by an increase in sales volumes in both of our business segments.
- Adjusted EBITDA[(1)] in the Sugar segment was $27.6 million in the second quarter, a decrease of $5.6 million compared to last year, due to unfavourable mix of products sold, and higher maintenance costs associated with our Montréal plant, partially offset by higher sales volume.
- Sales volumes in the Sugar segment at 198,200 metric tonnes for the current quarter were slightly higher than our expectation, as we believe some US customers have advanced some purchases to avoid potential pending tariffs on export sales to the US. The increase of 17,600 metric tonnes over the second quarter of last year is also related to the unfavourable impact of the labour disruption at our Vancouver facility, which reduced sales volumes in the first two quarters of fiscal 2024.

- Adjusted EBITDA(1) in the Maple segment was $7.1 million in the second quarter, an increase of $2.2 million from the same quarter last year, largely driven by higher sales volume and lower operating expenses.
- Sales volumes in the Maple segment for the first six months of 2025 are 13% higher than in the same period last year, due to favourable market conditions and some advance purchasing from US customers, considering the potential pending tariffs on export sales to the US.
- During the second quarter of 2025, we spent $22.8 million on additions to property plant and equipment, of which $16.0 million was spent in connection with the expansion of our Eastern sugar refining and logistic capacity (the "LEAP Project").
- Free cash flow(1) for the trailing 12 months ended March 29, 2025, was $83.0 million, an increase of $26.5 million from the same period last year, largely driven by higher consolidated adjusted EBITDA(1).
- On December 31, 2024, the principal amount of $57.4 million of the Sixth series convertible unsecured subordinated debentures ("Sixth series debentures") matured and was repaid to the holders.
- 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 convertible unsecured subordinated debentures ("Eighth series debentures"), maturing on June 30, 2030, with interest payable semi-annually in arrears at a rate of 6.0% on June 30 and December 31 of each year.
- During the second quarter of fiscal 2025, we extended the maturity date of our existing revolving credit facility from October 31, 2027, to March 28, 2030.
- In the second quarter of fiscal 2025, we paid a common share dividend of $0.09 per share to our shareholders for a total of $11.5 million.
- On May 12, 2025, the Board of Directors declared a quarterly dividend of $0.09 per share, payable on or before July 16, 2025.
- On May 9, 2025, we have entered into a new five-year agreement with the Alberta Sugar Beet Growers for the supply of sugar beets to the Taber beet plant. The first crop related to the new agreement will be harvested in the fall of 2025.

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

Sugar

Second Quarter 2025 Sugar Highlights (unaudited)	**Q2 2025**	Q2 2024	**YTD 2025**	YTD 2024
Financials ($000s)				
Revenues	**260,681**	242,957	**517,468**	472,765
Gross margin	**42,855**	39,916	**85,682**	76,406
Adjusted gross margin(1)	**38,386**	44,947	**82,489**	81,179
Per metric tonne ($/ mt) (1)	**194**	249	**209**	224
Administration and selling expenses	**8,664**	10,815	**18,866**	20,194
Distribution costs	**7,785**	6,192	**13,702**	12,278
Results from operating activities	**26,406**	22,909	**53,114**	43,934
EBITDA(1)	**32,051**	28,194	**64,678**	54,494
Adjusted EBITDA(1)	**27,582**	33,225	**61,485**	59,267
Volumes (metric tonnes)				
Total volume	**198,246**	180,618	**394,355**	362,994

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

In the second quarter of fiscal 2025, revenues increased by $17.7 million compared to the same period last year. The positive variance was largely driven by higher sales volume mainly associated with the unfavourable impact of the labour disruption at our Vancouver facility, which reduced sales volumes in the first two quarters of fiscal 2024, partially offset by a decrease in the price of Raw #11 included in our revenues.

In the second quarter of fiscal 2025, sugar volume totaled approximately 198,200 metric tonnes, an increase of approximately 10% or 17,600 metric tonnes compared to the same period last year. The variances in sales volumes by customer categories were as follows:

- Industrial volume increased by 3,100 metric tonnes as compared to the same quarter last year, mainly reflecting the unfavourable impact from the labour disruption at our Vancouver facility in 2024.

- Liquid volume decreased by 4,600 metric tonnes compared to the same quarter last year, mainly related to the loss of a large customer in Western Canada.

- Export volume increased by 19,100 metric tonnes in the second quarter of 2025, reflecting the unfavourable impact from the labour disruption at our Vancouver facility in 2024, during which we prioritized shipments to domestic customers, and from higher sales to existing customers driven by the uncertainty of potential additional tariffs on US export sales.

Gross margin was $42.9 million for the current quarter and included a gain of $4.5 million for the mark-to-market of derivative financial instruments. For the same period last year, gross margin was $39.9 million with a mark-to-market loss of $5.0 million.

Adjusted gross margin decreased by $6.6 million in the second quarter compared to the same period last year mainly due to unfavourable mix of products sold in the second quarter of 2025 compared to the same period last year, along with higher maintenance activities at the Montréal refinery, due to unexpected equipment breakdowns. This variance was partially offset by higher sales volume, due mainly to the return to normal production in Vancouver in 2025 after the strike in the first half of 2024, and the impact of advance purchases by export customers considering the potential for pending US tariffs.

On a per-unit basis, adjusted gross margin for the second quarter was $194 per metric tonne, a decrease of $55 per metric tonne compared to the same period last year, mainly related to unfavourable mix of product sold and higher maintenance costs, as discussed above.

Results from operating activities for the second quarter of fiscal 2025 were $26.4 million, an increase of $3.5 million from the same period last year. These results included gains and losses from the mark-to-market of derivative financial instruments.

EBITDA for the second quarter of fiscal 2025 was $32.1 million compared to $28.2 million in the same period last year. These results include gains and losses from the mark-to-market of derivative financial instruments.

Adjusted EBITDA for the second quarter decreased by $5.6 million compared to the same period last year, largely as a result of lower adjusted gross margin and higher distribution costs, partially offset by lower administration and selling expenses.

Maple

Second Quarter 2025 Maple Highlights (unaudited)	**Q2 2025**	Q2 2024	**YTD 2025**	YTD 2024
Financials ($000s)				
Revenues	**65,626**	57,987	**132,007**	116,878
Gross margin	**10,110**	4,945	**14,023**	13,099
Adjusted gross margin[1]	**8,639**	6,345	**16,267**	12,432
As a percentage of revenues (%) [1]	**13.2%**	10.9%	**12.3%**	10.6%
Administration and selling expenses	**3,012**	2,916	**6,332**	5,677
Distribution costs	**212**	234	**507**	542
Results from operating activities	**6,886**	1,795	**7,184**	6,880
EBITDA[1]	**8,591**	3,470	**10,588**	10,215
Adjusted EBITDA[1]	**7,120**	4,870	**12,832**	9,548
Volumes (thousand pounds)				
Total volume	**13,294**	11,777	**26,676**	23,629

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

Revenues for the second quarter of the current fiscal year were $7.6 million higher than the same period last year, largely due to higher sales volume to existing customers.

Gross margin was $10.1 million for the current quarter, including a gain of $1.5 million for the mark-to-market of derivative financial instruments. For the same period last year, gross margin was $4.9 million with a mark-to-market loss of $1.4 million.

Adjusted gross margin percentage for the second quarter was 13.2% as compared to 10.9% for the same period last year, representing an increase in adjusted gross margin of $2.3 million, mainly related to higher sales volume due to favourable global market conditions and some advance purchasing of Maple syrup by US customers, considering the market volatility associated with potential pending tariffs on sales to the US. These positive variances are also related to lower operating expenses related to lower bottling costs and includes a volume rebate for purchases of maple syrup from Producteurs et Productrices Acéricoles du Québec ("PPAQ").

Results from operating activities for the second quarter of fiscal 2025 were $6.9 million, compared to $1.8 million in the same period last year. These results included gains and losses from the mark-to-market of derivative financial instruments.

EBITDA for the second quarter of fiscal 2025 amounted to $8.6 million compared to $3.5 million for the same period last year. These results include gains and losses from the mark-to-market of derivative financial instruments.

Adjusted EBITDA for the second quarter of fiscal 2025 increased by $2.3 million to $7.1 million, due mainly to higher adjusted gross margin driven by higher volume sold and lower operating expenses.

LEAP PROJECT

On August 11, 2023, the Board of Directors of Lantic approved the LEAP Project. 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 total cost for the LEAP Project is expected to range between $280 million and $300 million and we anticipate the incremental sugar refining capacity related to the LEAP Project to be in service by the end of 2026.

The construction phase related to the expansion of the sugar refining capacity in Montréal is progressing as planned. We are currently in the construction stage of the project in Montréal, which includes the refurbishment of the building where the new sugar refining equipment will be located. Work related to the new electrical room and the incremental logistic capacity is progressing as well according to our expectations.

During the second quarter, we made the decision to focus our efforts on the Montréal portion of the project, which is the cornerstone of the LEAP Project as it encompasses the incremental sugar refining capacity of 100,000 metric tonnes. To support our strategy, we have reassigned some of the resources associated with the Toronto portion of the project to support the completion of the Montréal portion. As a result, we are temporarily pausing some of the work associated with the incremental logistic capacity of our Toronto distribution center to better align the completion of the work to the expected in-service date of the incremental sugar refining capacity in Montréal.

We are funding the LEAP Project with a combination of debt, equity, cash flow from operations and our revolving credit facility. In connection with the financing plan of the LEAP Project, we issued 22,769,000 common shares of RSI in fiscal 2024, for net proceeds of $112.5 million. We also increased the amount available under our revolving credit facility by $75 million, to $340 million. In fiscal 2023, also in connection with the financing of the LEAP Project, Lantic entered into two secured loan agreements with Investissement Québec ("IQ loans") for up to $65 million. As of March 29, 2025, $7.4 million has been drawn under the IQ Loans.

As at March 29, 2025, $89.5 million, including $3.2 million in interest costs, has been capitalized as construction in progress on the balance sheet for the LEAP Project. For the first six months of fiscal 2025, $35.7 million has been capitalized in connection with the LEAP Project.

See "Forward-Looking Statements" and "Risks and Uncertainties".

OUTLOOK

We continue to focus on delivering consistent, profitable and sustainable growth. Following a strong performance in both of our business segments in 2024, and in the first six months of 2025, we expect, subject to the possible adverse impact of additional US tariffs, to deliver strong financial results in 2025. The strength in demand and pricing is expected to continue for our Sugar business segment going forward.

For our Maple segment, we expect the recovery of 2024 to set the pace for a strong year in 2025, as the global maple market is showing growth. This outlook is subject to the possible adverse impact of additional US tariffs.

The current market volatility associated with the revised trade conditions related to US tariffs on imports has had a limited impact on our business, and the business of our customers thus far. We are closely monitoring this evolving situation together with the different stakeholders for both of our business segments, and we will adjust our business strategy as required.

See "Forward-Looking Statements" and "Risks and Uncertainties" in our Management's Discussion and Analysis for the three- and six-month periods ended March 29, 2025.

Sugar

We expect the Sugar segment to perform well in fiscal 2025. Underlying North American demand for sugar remains favourable. Our sales volume outlook for fiscal 2025 is 785,000 metric tonnes, Overall, this would represent a year-over-year increase of about 1% from 2024, if we adjust for the unfavourable impact of the labour disruption in Vancouver, which reduced volume in the first two quarters of last fiscal year.

The reduction of 15,000 metric tonnes is related to domestic demand from large customers, which is impacted by the current market volatility associated with the lingering effect of US tariffs. Furthermore, we have seen some softness in demand from a few of our industrial customers that is associated with price increases for other related ingredients such as cocoa. We expect to continue to prioritize domestic sales and to take advantage of export sales opportunities in fiscal 2025, with the objective of consistently meeting our commitments to our customers.

The processing stage of the 2024 sugar beet campaign at our Taber refinery was completed in February. We produced 100,000 metric tonnes of beet sugar, which is less than anticipated considering the quantity of beets received. The lower yield was due to unfavourable weather conditions affecting storage conditions in December, January and February, leading to the deterioration of some of the sugar beets received, thus resulting in us discarding more beets than usual, which reduced the overall production of sugar.

Production costs and maintenance programs for our three production facilities are expected to increase in 2025 due to higher maintenance costs in the first six months of 2025 from equipment breakdowns, mainly in Montréal. Also contributing to the increase are market-based increases in costs and annual wage increases for employees. For 2025, we plan to continue to perform the necessary maintenance activities to ensure a smooth production process to meet the needs of our customers. We remain committed to managing our costs responsibly and to properly maintain our production assets and related facilities, ensuring we are providing a safe working environment for our employees, while delivering reliable supply for our customers.

Distribution costs are expected to be sightly higher in 2025 compared to 2024. These expenditures reflect the current market dynamics and include the transfer of sugar produced between our refineries to meet demand from customers, pending the completion of our LEAP Project.

Administration and selling expenses are expected to be consistent in 2025, compared to 2024.

We anticipate our financing costs to be stable in fiscal 2025, as excess cash related to the timing of the equity financing portion of the LEAP project is providing a temporary increase in our available cash, which is mitigating the impact of interest rate volatility on our credit facility. We have been able to partially mitigate the impact of recent increases in interest rates and energy costs through our multi-year hedging strategy. We expect our hedging strategy will continue to mitigate such exposure in fiscal 2025.

Spending on regular business capital projects is expected to decrease slightly in fiscal 2025 as compared to 2024. We anticipate spending $25.0 million to $30.0 million on various initiatives. This capital spending estimate excludes expenditures relating to our LEAP Project, which are currently estimated to be approximately $79 million for fiscal 2025.

Maple

We expect financial results in our Maple segment to be strong in 2025, following the recovery seen over the last year and the strong results of the first two quarters. We currently anticipate sales volume to grow by 3.0 million lbs in 2025, representing a growth rate of approximately 6.5%, subject to the possible adverse impact of the potential imposition of US tariffs. The sales volume expectation reflects current global market conditions, and the anticipated availability of maple syrup from the producers.

The 2025 maple syrup crop has produced approximately 3.8lbs of maple syrup per tap in Québec, which is considered higher than average for the industry. We have been able to secure maple syrup to meet the expected demand from our customers. However, it appears that then 2025 crop will only allow for partial replenishment of the reserve held by the PPAQ.

We expect to spend between $1 million and $1.5 million annually on capital projects for the Maple business segment. The main driver for the selected projects is improvement in productivity and profitability through automation.

See “Forward-Looking Statements” and “Risks and Uncertainties” in our Management’s Discussion and Analysis for the three- and six-month period ended March 29, 2025

A full copy of Rogers second quarter 2025, including management’s discussion and analysis and unaudited condensed consolidated interim financial statements, can be found at www.LanticRogers.com or on SEDAR+ at www.sedarplus.ca.

Cautionary Statement Regarding Non-IFRS Measures

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

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

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

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

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

RECONCILIATION OF NON-IFRS FINANCIAL MEASURES TO IFRS FINANCIAL MEASURES

	Q2 2025			Q2 2024		
Consolidated results (In thousands of dollars)	**Sugar**	**Maple Products**	**Total**	Sugar	Maple Products	Total
Gross margin	**42,855**	**10,110**	**52,965**	39,916	4,945	44,861
Total adjustment to the cost of sales(1)	**(4,469)**	**(1,471)**	**(5,940)**	5,031	1,400	6,431
Adjusted Gross Margin	**38,386**	**8,639**	**47,025**	44,947	6,345	51,292
Results from operating activities	**26,406**	**6,886**	**33,292**	22,909	1,795	24,704
Total adjustment to the cost of sales(1)	**(4,469)**	**(1,471)**	**(5,940)**	5,031	1,400	6,431
Adjusted results from operating activities	**21,937**	**5,415**	**27,352**	27,940	3,195	31,135
Results from operating activities	**26,406**	**6,886**	**33,292**	22,909	1,795	24,704
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**5,645**	**1,705**	**7,350**	5,285	1,675	6,960
EBITDA(1)	**32,051**	**8,591**	**40,642**	28,194	3,470	31,664
EBITDA(1	**32,051**	**8,591**	**40,642**	28,194	3,470	31,664
Total adjustment to the cost of sales(1)	**(4,469)**	**(1,471)**	**(5,940)**	5,031	1,400	6,431
Adjusted EBITDA	**27,582**	**7,120**	**34,702**	33,225	4,870	38,095
Net earnings			**20,544**			13,936
Total adjustment to the cost of sales(1)			**(5,940)**			6,431
Net change in fair value in interest rate swaps(1)			**50**			236
Income taxes on above adjustments			**1,511**			(1,712)
Adjusted net earnings			**16,165**			18,891
Net earnings per share (basic)			**0.16**			0.13
Adjustment for the above			**(0.03)**			0.04
Adjusted net earnings per share (basic)			**0.13**			0.17

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

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

	YTD 2025			YTD 2024		
Consolidated results (In thousands of dollars)	**Sugar**	**Maple Products**	**Total**	Sugar	Maple Products	Total
Gross margin	**85,682**	**14,023**	**99,705**	76,406	13,099	89,505
Total adjustment to the cost of sales(1)	**(3,193)**	**2,244**	**(949)**	4,773	(667)	4,106
Adjusted gross margin	**82,489**	**16,267**	**98,756**	81,179	12,432	93,611
Results from operating activities	**53,114**	**7,184**	**60,298**	43,934	6,880	50,814
Total adjustment to the cost of sales(1)	**(3,193)**	**2,244**	**(949)**	4,773	(667)	4,106
Adjusted results from operating activities	**49,921**	**9,428**	**59,349**	48,707	6,213	54,920
Results from operating activities	**53,114**	**7,184**	**60,298**	43,934	6,880	50,814
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**11,564**	**3,404**	**14,968**	10,560	3,335	13,895
EBITDA(1)	**64,678**	**10,588**	**75,266**	54,494	10,215	64,709
EBITDA(1)	**64,678**	**10,588**	**75,266**	54,493	10,215	64,709
Total adjustment to the cost of sales(1)	**(3,193)**	**2,244**	**(949)**	4,773	(667)	4,106
Adjusted EBITDA(1)	**61,485**	**12,832**	**74,317**	59,267	9,548	68,815
Net (loss) earnings			**36,352**			27,788
Total adjustment to the cost of sales(1)			**(949)**			4,106
Net change in fair value in interest rate swaps(1)			**50**			894
Income taxes on above adjustments			**229**			(1,284)
Adjusted net earnings			**35,682**			31,504
Net earnings per share (basic)			**0.28**			0.26
Adjustment for the above			**-**			0.03
Adjusted net earnings per share (basic)			**0.28**			0.29

(1) See "Adjusted results" section

Conference Call and Webcast

Rogers will host a conference call to discuss its second quarter fiscal 2025 results on May 13, 2025 starting at 8:00 a.m. ET. To participate, please dial 1-800-717-1738. To access the live webcast presentation, please click on the link below:

https://onlinexperiences.com/Launch/QReg/ShowUUID=C31929AD-7ACD-4C0A-946F-CCEC356BD87D&LangLocaleID=1033

A recording of the conference call will be accessible shortly after the conference, by dialing 1-888-660-6264, access code 72827#. This recording will be available until June 13, 2025. A live audio webcast of the conference call will also be available via www.LanticRogers.com.

About Rogers Sugar

Rogers is a corporation established under the laws of Canada. The Corporation holds all of the common shares of Lantic and its administrative office is in Montréal, Québec. Lantic operates cane sugar refineries in Montréal, Québec and Vancouver, British Columbia, as well as the only Canadian sugar beet processing facility in Taber, Alberta. Lantic also operate a distribution center in Toronto, Ontario. Lantic's sugar products are mainly marketed under the "Lantic" trademark in Eastern Canada, and the "Rogers" trademark in Western Canada and include granulated, icing, cube, yellow and brown sugars, liquid sugars, and specialty syrups. Lantic owns all of the common shares of TMTC and its head office is headquartered in Montréal, Québec. TMTC operates bottling plants in Granby, Dégelis and in St-Honoré-de-Shenley, Québec and in Websterville, Vermont. TMTC's products include maple syrup and derived maple syrup products supplied under retail private label brands in approximately fifty countries and sold under various brand names.

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

Cautionary Statement Regarding Forward-Looking Information

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

- The potential impact of US tariffs on export sales of refined sugar, sugar containing products and maple products;
- Future demand and related sales volume for refined sugar and maple syrup;
- Progress and all other disclosures related to our LEAP Project;
- future prices of Raw #11;
- natural gas costs;
- beet sugar production forecast for our Taber facility;
- the level of future dividends;
- the status of government regulations and investigations; and
- projections regarding future financial performance.

Forward-looking statements are based on estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we believe are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Actual performance or results could differ materially from those reflected in the forward-looking statements, historical results, or current expectations. Readers should also refer to the section "Risks and Uncertainties" in this current quarter MD&A and the 2023 fourth quarter MD&A for additional information on risk factors and other events that are not within our control. These risks are also referred to in our Annual Information Form in the "Risk Factors" section.

Although we believe that the expectations and assumptions on which forward-looking information is based are reasonable under the current circumstances, readers are cautioned not to rely unduly on this forward-looking information as no assurance can be given that it will prove to be correct. Forward-looking information contained herein is made as at the date of this press release, and we do 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.

For further information

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ROGERS SUGAR INC.

Financial Report Q2 2025

This Management's Discussion and Analysis ("MD&A") of Rogers Sugar Inc.'s (the "Company", "Rogers", "RSI" or "our," "we", "us") dated May 12, 2025 should be read in conjunction with the unaudited condensed consolidated interim financial statements and related notes for the three- and six-month periods ended March 29, 2025, as well as the audited consolidated financial statements and MD&A for the year ended September 28, 2024. This MD&A refers to Rogers, Lantic Inc. ("Lantic") (Rogers and Lantic together referred as the "Sugar segment"), The Maple Treat Corporation ("Maple Treat") and Highland Sugarworks Inc. ("Highland") (the latter two companies together referred to as "TMTC" or the "Maple segment").

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

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OUR BUSINESS

Rogers has a long history of providing high-quality sugar and maple products to customers located mainly in Canada and in the United States. Rogers has been operating since 1888.

Lantic, Rogers' wholly owned subsidiary, operates cane sugar refineries in Montréal, Québec and Vancouver, British Columbia, as well as the only Canadian sugar beet processing facility in Taber, Alberta. Lantic's sugar products are generally marketed under the "Lantic" trademark in Eastern Canada, and the "Rogers" trademark in Western Canada and include granulated, icing, cube, yellow and brown sugars, liquid sugars and specialty syrups. We also operate a distribution center in Toronto, Ontario.

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

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

BUSINESS HIGHLIGHTS

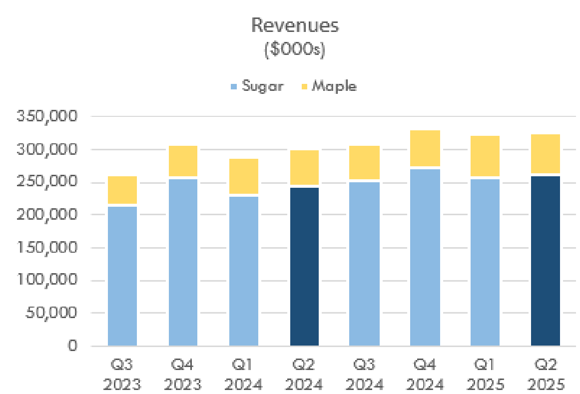
- The current market volatility associated with the revised trade conditions related to the new US tariffs on imports has had a limited impact on our business and the business of our customers thus far. We are closely monitoring this evolving situation and engaging with the different stakeholders involved.
- Consolidated adjusted net earnings(1) for the second quarter and the first six months of 2024 amounted to $16.2 and $35.7 million, compared to $18.9 million and $31.5 million for the same periods last year.
- Consolidated adjusted EBITDA(1) for the second quarter of fiscal 2025 amounted to $34.7 million, a decrease of $3.4 million compared to the same period last year, driven by a lower contribution in our Sugar segment, partially offset by a higher contribution from our Maple segment.
- Consolidated adjusted EBITDA(1) for the first six months of fiscal 2025 was $74.3 million, an increase of $5.5 million from the same period last year, driven by an increase in sales volumes in both of our business segments.
- Adjusted EBITDA(1) in the Sugar segment was $27.6 million in the second quarter, a decrease of $5.6 million compared to last year, due to unfavourable mix of products sold, and higher maintenance costs associated with our Montréal plant, partially offset by higher sales volume.
- Sales volumes in the Sugar segment at 198,200 metric tonnes for the current quarter were slightly higher than our expectation, as we believe some US customers have advanced some purchases to avoid potential pending tariffs on export sales to the US. The increase of 17,600 metric tonnes over the second quarter of last year is also related to the unfavourable impact of the labour disruption at our Vancouver facility, which reduced sales volumes in the first two quarters of fiscal 2024.
- Adjusted EBITDA(1) in the Maple segment was $7.1 million in the second quarter, an increase of $2.2 million from the same quarter last year, largely driven by higher sales volume and lower operating expenses.
- Sales volumes in the Maple segment for the first six months of 2025 are 13% higher than in the same period last year, due to favourable market conditions and some advance purchasing from US customers, considering the potential pending tariffs on export sales to the US.
- During the second quarter of 2025, we spent $22.8 million on additions to property plant and equipment, of which $16.0 million was spent in connection with the expansion of our Eastern sugar refining and logistic capacity (the "LEAP Project").
- Free cash flow(1) for the trailing 12 months ended March 29, 2025, was $83.0 million, an increase of $26.5 million from the same period last year, largely driven by higher consolidated adjusted EBITDA(1).
- On December 31, 2024, the principal amount of $57.4 million of the Sixth series convertible unsecured subordinated debentures ("Sixth series debentures") matured and was repaid to the holders.
- 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 convertible unsecured subordinated debentures ("Eighth series debentures"), maturing on June 30, 2030, with interest payable semi-annually in arrears at a rate of 6.0% on June 30 and December 31 of each year.
- During the second quarter of fiscal 2025, we extended the maturity date of our existing revolving credit facility from October 31, 2027, to March 28, 2030.
- In the second quarter of fiscal 2025, we paid a common share dividend of $0.09 per share to our shareholders for a total of $11.5 million.
- On May 12, 2025, the Board of Directors declared a quarterly dividend of $0.09 per share, payable on or before July 16, 2025.
- On May 9, 2025, we have entered into a new five-year agreement with the Alberta Sugar Beet Growers for the supply of sugar beets to the Taber beet plant. The first crop related to the new agreement will be harvested in the fall of 2025.

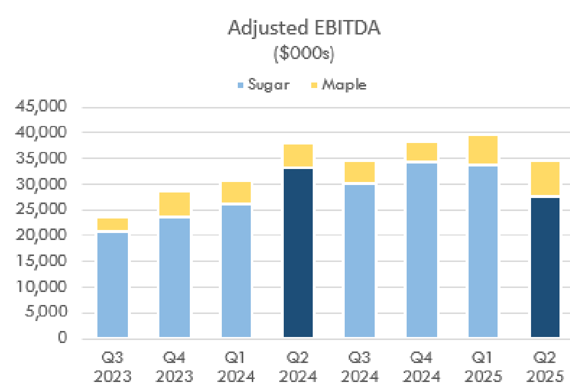
(1) See "Non-IFRS Measures" section for definition and reconciliation to IFRS measures

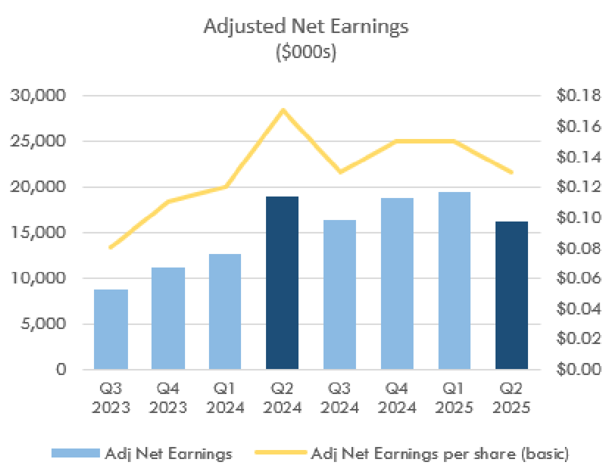
SELECTED FINANCIAL DATA AND HIGHLIGHTS

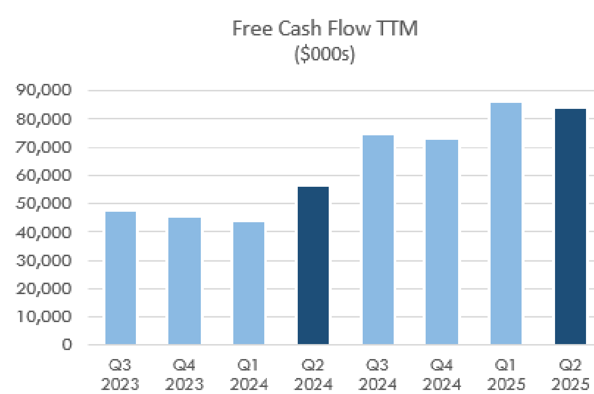
(unaudited) (In thousands of dollars, except volume and per share information)	**Q2 2025**	Q2 2024	**YTD 2025**	YTD 2024
Sugar (metric tonnes)	**198,246**	180,618	**394,355**	362,994
Maple syrup (000 pounds)	**13,294**	11,777	**26,676**	23,629
Total revenues	**326,307**	300,944	**649,475**	589,643
Gross margin	**52,965**	44,861	**99,705**	89,505
Adjustment to cost of sale(1)	**5,940**	(6,431)	**949**	(4,106)
Adjusted gross margin(1)	**47,025**	51,292	**98,756**	93,611
Results from operating activities	**33,292**	24,704	**60,298**	50,814
Adjusted results from operating activities(1)	**27,352**	31,135	**59,349**	54,920
EBITDA(1)	**40,642**	31,664	**75,266**	64,709
Adjusted EBITDA(1)	**34,702**	38,095	**74,317**	68,815
Net earnings	**20,544**	13,936	**36,352**	27,788
Per share (basic)	**0.16**	0.13	**0.28**	0.26
Per share (diluted)	**0.14**	0.11	**0.26**	0.22
Adjusted net earnings(1)	**16,165**	18,891	**35,682**	31,504
Adjusted net earnings per share (basic)(1)	**0.13**	0.17	**0.28**	0.29
Trailing twelve months' free cash flow(1)	**83,020**	56,570	**83,020**	56,570
Dividends per share	**0.09**	0.09	**0.18**	0.18

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









Adjusted results

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

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

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

OUR RESULTS ARE ADJUSTED AS FOLLOWS:

Income (loss) (In thousands of dollars)	**Q2 2025**			Q2 2024		
	Sugar	**Maple Products**	**Total**	Sugar	Maple Products	Total
Mark-to-market on:						
Sugar futures contracts	**2,296**	**-**	**2,296**	1,155	-	1,155
Foreign exchange forward contracts	**(198)**	**331**	**133**	1,399	(1,203)	196
Total mark-to-market adjustment on derivatives	**2,098**	**331**	**2,429**	2,554	(1,203)	1,351
Cumulative timing differences	**2,371**	**1,140**	**3,511**	(7,585)	(197)	(7,782)
Total adjustment to costs of sales	**4,469**	**1,471**	**5,940**	(5,031)	(1,400)	(6,431)

Income (loss) (In thousands of dollars)	**YTD 2025**			YTD 2024		
	Sugar	**Maple Products**	**Total**	Sugar	Maple Products	Total
Mark-to-market on:						
Sugar futures contracts	**(2,902)**	**-**	**(2,902)**	(1,536)	-	(1,536)
Foreign exchange forward contracts	**(5,772)**	**(3,903)**	**(9,675)**	1,275	653	1,928
Total mark-to-market adjustment on derivatives	**(8,674)**	**(3,903)**	**(12,577)**	(261)	653	392
Cumulative timing differences	**11,867**	**1,659**	**13,526**	(4,512)	14	(4,498)
Total adjustment to costs of sales	**3,193**	**(2,244)**	**949**	(4,773)	667	(4,106)

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

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

The above-described adjustments are added to or deducted from the mark-to-market results to arrive at the total adjustment to cost of sales. For the second quarter of the current year, the total cost of sales adjustment is a gain of $5.9 million to be deducted from the consolidated results versus a loss of $6.4 million to be added to the consolidated results for the comparable quarter last year. For the first six months of fiscal 2025, the total cost of sales adjustment is a gain of $0.9 million to be deducted from the consolidated results compared to a loss of $4.1 million to be added to the consolidated results for the same period last year.

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

SEGMENTED INFORMATION

Segmented Results (In thousands of dollars)		**Q2 2025**			Q2 2024	
	Sugar	**Maple Products**	**Total**	Sugar	Maple Products	Total
Revenues	**260,681**	**65,626**	**326,307**	242,957	57,987	300,944
Gross margin	**42,855**	**10,110**	**52,965**	39,916	4,945	44,861
Administration and selling expenses	**8,664**	**3,012**	**11,676**	10,815	2,916	13,731
Distribution costs	**7,785**	**212**	**7,997**	6,192	234	6,426
Results from operating activities	**26,406**	**6,886**	**33,292**	22,909	1,795	24,704
Adjustment to cost of sales[2]	**(4,469)**	**(1,471)**	**(5,940)**	5,031	1,400	6,431
Adjusted gross margin[1]	**38,386**	**8,639**	**47,025**	44,947	6,345	51,292
Adjusted results from operating activities[1]	**21,937**	**5,415**	**27,352**	27,940	3,195	31,135
EBITDA[1]	**32,051**	**8,591**	**40,642**	28,194	3,470	31,664
Adjusted EBITDA[1]	**27,582**	**7,120**	**34,702**	33,225	4,870	38,095
Additional information:						
Additions to property, plant and equipment and intangible assets, net of disposals	**22,221**	**561**	**22,782**	14,252	421	14,673
Additions to right-of-use assets	**1,652**	**-**	**1,652**	2,674	58	2,732

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

Segmented Results (In thousands of dollars)		**YTD 2025**			YTD 2024	
	Sugar	**Maple Products**	**Total**	Sugar	Maple Products	Total
Revenues	**517,468**	**132,007**	**649,475**	472,765	116,878	589,643
Gross margin	**85,682**	**14,023**	**99,705**	76,406	13,099	89,505
Administration and selling expenses	**18,866**	**6,332**	**25,198**	20,194	5,677	25,871
Distribution costs	**13,702**	**507**	**14,209**	12,278	542	12,820
Results from operating activities	**53,114**	**7,184**	**60,298**	43,934	6,880	50,814
Adjustment to cost of sales[2]	**(3,193)**	**2,244**	**(949)**	4,773	(667)	4,106
Adjusted Gross margin[1]	**82,489**	**16,267**	**98,756**	81,179	12,432	93,611
Adjusted results from operating activities[1]	**49,921**	**9,428**	**59,349**	48,707	6,213	54,920
EBITDA[1]	**64,678**	**10,588**	**75,266**	54,494	10,215	64,709
Adjusted EBITDA[1]	**61,485**	**12,832**	**74,317**	59,267	9,548	68,815
Additional information:						
Additions to property, plant and equipment and intangible assets, net of disposals	**43,830**	**779**	**44,609**	29,200	609	29,809
Additions to right-of-use assets	**1,740**	**125**	**1,865**	2,756	109	2,865

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

Sugar

LEAP PROJECT

On August 11, 2023, the Board of Directors of Lantic approved the LEAP Project. 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 total cost for the LEAP Project is expected to range between $280 million and $300 million and we anticipate the incremental sugar refining capacity related to the LEAP Project to be in service by the end of 2026.

The construction phase related to the expansion of the sugar refining capacity in Montréal is progressing as planned. We are currently in the construction stage of the project in Montréal, which includes the refurbishment of the building where the new sugar refining equipment will be located. Work related to the new electrical room and the incremental logistic capacity is progressing as well according to our expectations.

During the second quarter, we made the decision to focus our efforts on the Montréal portion of the project, which is the cornerstone of the LEAP Project as it encompasses the incremental sugar refining capacity of 100,000 metric tonnes. To support our strategy, we have reassigned some of the resources associated with the Toronto portion of the project to support the completion of the Montréal portion. As a result, we are temporarily pausing some of the work associated with the incremental logistic capacity of our Toronto distribution center to better align the completion of the work to the expected in-service date of the incremental sugar refining capacity in Montréal.

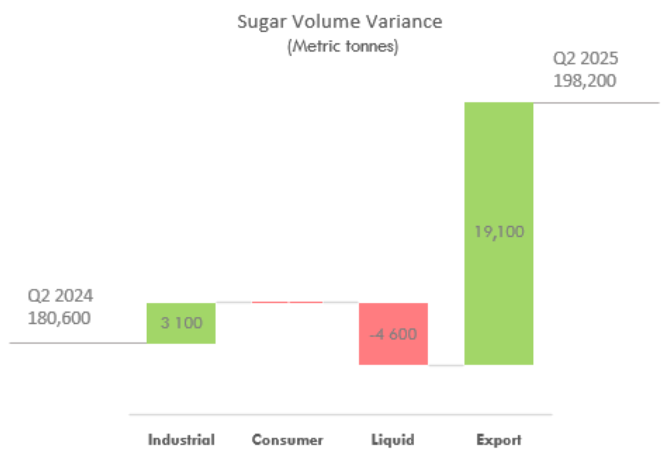
We are funding the LEAP Project with a combination of debt, equity, cash flow from operations and our revolving credit facility. In connection with the financing plan of the LEAP Project, we issued 22,769,000 common shares of RSI in fiscal 2024, for net proceeds of $112.5 million. We also increased the amount available under our revolving credit facility by $75 million, to $340 million. In fiscal 2023, also in connection with the financing of the LEAP Project, Lantic entered into two secured loan agreements with Investissement Québec ("IQ loans") for up to $65 million. As of March 29, 2025, $7.4 million has been drawn under the IQ Loans.

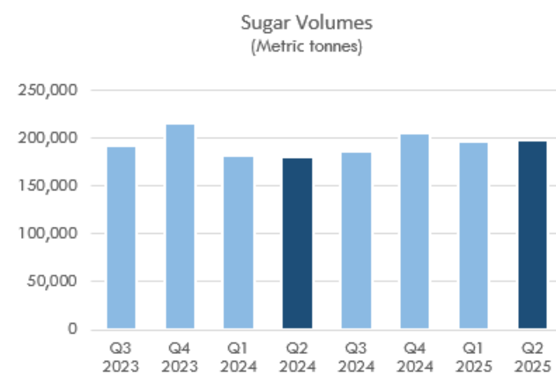
As at March 29, 2025, $89.5 million, including $3.2 million in interest costs, has been capitalized as construction in progress on the balance sheet for the LEAP Project. For the first six months of fiscal 2025, $35.7 million has been capitalized in connection with the LEAP Project.

See "Forward-Looking Statements" and "Risks and Uncertainties".

REVENUES

	Q2 2025	Q2 2024	Δ	**YTD 2025**	YTD 2024	Δ
(In thousands of dollars)	**260,681**	242,957	17,724	**517,468**	472,765	44,703



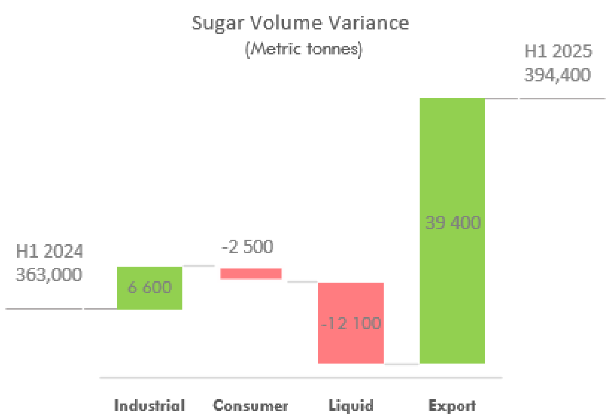


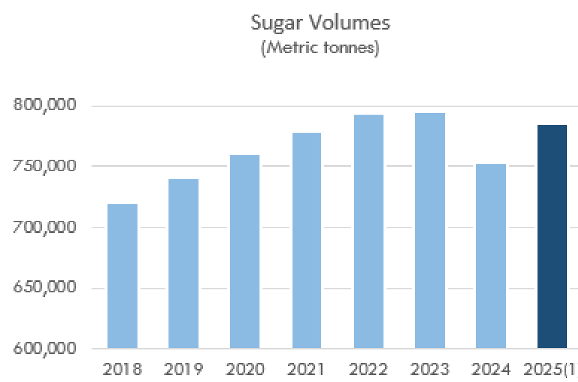
In the second quarter and first six months of fiscal 2025, revenue increased by $17.7 million and $44.7 million respectively, compared to the same periods last year. The positive variance was largely driven by higher sales volume compared to the same period last year, mainly associated with the unfavourable impact of the labour disruption at our Vancouver facility, which reduced sales volumes in the first two quarters of fiscal 2024. The variance was partially offset by a decrease in the price of Raw #11 included in our revenues in the second quarter and first six months of fiscal 2025, compared to the same periods last year.

The average prices for Raw #11 decreased by US 3.2 cents per pound to US 19.4 cents per pound during the current quarter and by US 3.6 cents per pound to US 20.5 cents per pound for the first half of the current fiscal year, when compared to the same periods last year.

In the second quarter of fiscal 2025, sugar volume totaled approximately 198,200 metric tonnes, an increase of approximately 10% or 17,600 metric tonnes compared to the same period last year. The variances in sales volumes by customer categories were as follows:

- Industrial volume increased by 3,100 metric tonnes as compared to the same quarter last year, mainly reflecting the unfavourable impact from the labour disruption at our Vancouver facility in 2024.
- Liquid volume decreased by 4,600 metric tonnes compared to the same quarter last year, mainly related to the loss of a large customer in Western Canada.
- Export volume increased by 19,100 metric tonnes in the second quarter of 2025, reflecting the unfavourable impact from the labour disruption at our Vancouver facility in 2024, during which we prioritized shipments to domestic customers, and from higher sales to existing customers driven by the uncertainty of potential additional tariffs on US export sales.





(1) See Outlook section, sugar sales volume is expected to amount to 785,000 metric tonnes in fiscal 2025.

In the first half of fiscal 2025, sugar volume totaled approximately 394,400 metric tonnes, an increase of approximately 9% or 31,400 metric tonnes compared to the same period last year, driven mainly by the unfavorable net impact of the labour disruption at the Vancouver refinery on volumes in the first two quarters of fiscal 2024.

The variance in sales volumes by customer categories were as follows:

- Industrial volume increased by 6,600 metric tonnes as compared to the same quarter last year, mainly reflecting the unfavourable impact from the labour disruption at our Vancouver facility in 2024.
- Consumer volume decreased by 2,500 metric tonnes compared to the same period last year, mainly due to timing in demand from customers.
- Liquid volume decreased by 12,100 metric tonnes compared to the same quarter last year, mainly related to the loss of a large customer in Western Canada.
- Export volume increased by 39,400 metric tonnes in the first quarter of 2025, reflecting the unfavourable impact from the labour disruption at our Vancouver facility in 2024, during which we prioritized shipments to domestic customers, and from higher sales to existing customers driven by the uncertainty of potential additional tariffs on US export sales.

GROSS MARGIN

(In thousands of dollars, except per metric tonne information)	**Q2 2025**	Q2 2024	Δ	**YTD 2025**	YTD 2024	Δ
Gross margin	**42,855**	39,916	2,939	**85,682**	76,406	9,276
Total adjustment to cost of sales[2]	**(4,469)**	5,031	(9,500)	**(3,193)**	4,773	(7,966)
Adjusted gross margin[1]	**38,386**	44,947	(6,561)	**82,489**	81,179	1,310
Adjusted gross margin per metric tonne[1]	**194**	249	(55)	**209**	224	(15)
Included in gross margin:						
Depreciation of property, plant and equipment and right-of-use assets	**4,468**	4,144	324	**9,221**	8,318	903

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

Gross margin was $42.9 million and $85.7 million for the second quarter and the first six months of fiscal 2025, and includes a gain of $4.5 million and $3.2 million, respectively, for the mark-to-market of derivative financial instruments. For the same periods last year, gross margin was $39.9 million and $76.4 million, respectively, with a mark-to-market loss of $5.0 million and $4.8 million respectively.

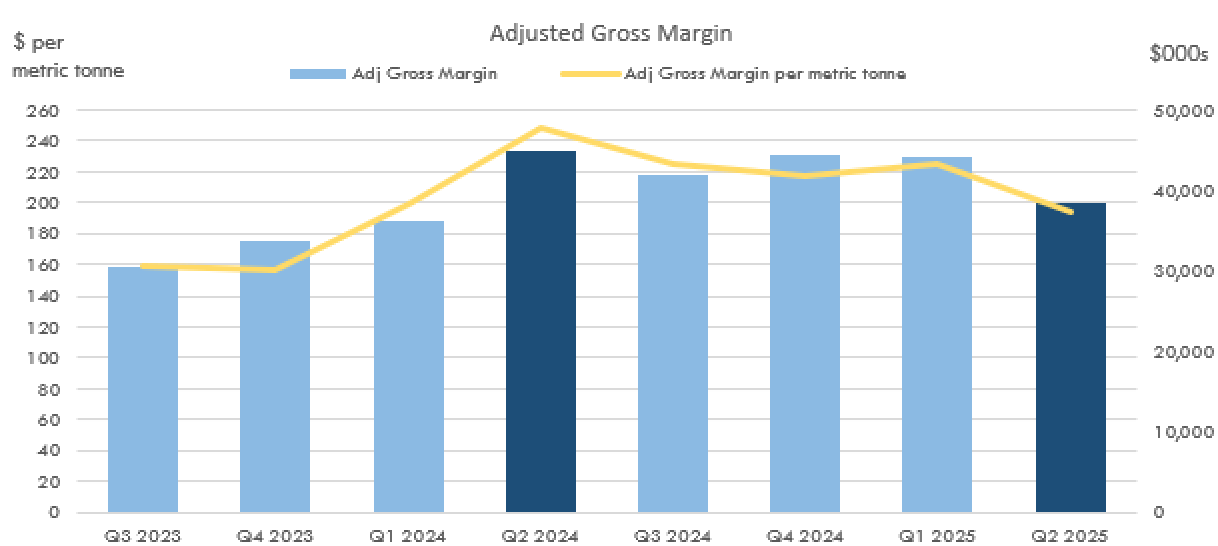
Adjusted gross margin was $38.4 million and $82.5 million for the second quarter and for the first six months of fiscal 2025, respectively, as compared to $44.9 million and $81.2 million in the same periods last year.

Adjusted gross margin decreased by $6.6 million in the second quarter compared to the same period last year mainly due to unfavourable mix of products sold in the second quarter of 2025 compared to the same period last year, along with higher maintenance activities at the Montréal refinery, due to unexpected equipment breakdowns. This variance was partially offset by higher sales volume, due mainly to the return to normal production in Vancouver in 2025 after the strike in the first half of 2024, and the impact of advance purchases by export customers considering the potential for pending US tariffs.

On a per-unit basis, adjusted gross margin for the second quarter was $194 per metric tonne, a decrease of $55 per metric tonne compared to the same period last year, mainly related to unfavourable mix of product sold and higher maintenance costs, as discussed above.

Adjusted gross margin for the first six months of fiscal 2025 was $1.3 million higher than the comparable period last year mainly due to higher sales volumes due to the return to normal activities in Vancouver in 2025 after the strike in the first half of 2024, and the impact of advance purchases by export customers considering the potential for pending US tariffs, along with market-based incremental pricing to customers. This variance was partially offset by higher production costs mainly driven by increased maintenance activities at the Montréal refinery in the second quarter of 2025, from unexpected equipment breakdowns, and unfavourable mix of products sold in the first six months of 2025, compared to the same period last year.

On a per-unit basis, for the first six months of fiscal 2025, adjusted gross margin amounted to $209 per metric tonne compared to $224 per metric tonne for the same period last year, mainly related to unfavourable mix of product sold and higher maintenance costs in the second quarter, as discussed above.



OTHER EXPENSES

(In thousands of dollars, except per metric tonne information)	**Q2 2025**	Q2 2024	Δ	**YTD 2025**	YTD 2024	Δ
Administration and selling expenses	**8,664**	10,815	(2,151)	**18,866**	20,194	(1,328)
Distribution costs	**7,785**	6,192	1,593	**13,702**	12,278	1,424
Included in Administration and selling expenses:						
Depreciation of property, plant and equipment and right-of-use assets	**235**	197	38	**452**	395	57
Included in Distribution costs:						
Depreciation of right-of-use assets	**941**	944	(3)	**1,890**	1,847	43

In the second quarter of fiscal 2025, administration and selling expenses were lower by $2.2 million compared to the same quarter last year. The variance was mainly due to lower cash-settled share-based compensation expense as compared to the same period last year, driven by a variance in the share price in the current quarter, along with lower compensation costs and related employee benefits compared to the same period last year. Distribution costs were higher by $1.6 million compared to the same quarter last year, mainly due to incremental logistics costs associated with higher export sales volume.

For the first six months of fiscal 2025, administration and selling expenses were $1.3 million lower than the comparable period last year. The variance was mainly due to lower compensation costs and related employee benefits in addition to lower cash-settled share-based compensation expenses driven by a variance in the share price used to estimate the related expense. Distribution costs for the first six months of fiscal 2025 increased by $1.4 million compared to the same period last year, mainly due to higher logistics costs to support increased export sales volume.

RESULTS FROM OPERATING ACTIVITIES AND ADJUSTED EBITDA

(In thousands of dollars)	**Q2 2025**	Q2 2024	Δ	**YTD 2025**	YTD 2024	Δ
Results from operating activities	**26,406**	22,909	3,497	**53,114**	43,934	9,180
Total adjustment to cost of sales (2)	**(4,469)**	5,031	(9,500)	**(3,193)**	4,773	(7,966)
Adjusted results from operating activities(1)	**21,937**	27,940	(6,003)	**49,921**	48,707	1,214
Depreciation of property, plant and equipment, right-of-use assets, and amortization of intangible assets	**5,645**	5,285	360	**11,564**	10,560	1,004
EBITDA(1)	**32,051**	28,194	3,857	**64,678**	54,494	10,184
Adjusted EBITDA(1)	**27,582**	33,225	(5,643)	**61,485**	59,267	2,218

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

Results from operating activities for the second quarter and the first six months of fiscal 2025 year were $26.4 million and $53.1 million, respectively, an increase of $3.5 million and $9.2 million, respectively, as compared to same periods last year. These results include gains and losses from the mark-to-market of derivative financial instruments.

Adjusted results from operating activities in the second quarter were $21.9 million, a decrease of $6.0 million compared to the same period last year, mainly due to lower adjusted gross margin and higher distribution costs, partially offset by lower administration and selling expenses. Adjusted results from operating activities for the first six months of fiscal 2025 were $1.2 million higher than the same period last year, as a result of higher adjusted gross margin and lower administration and selling expenses, partially offset by higher distribution costs.

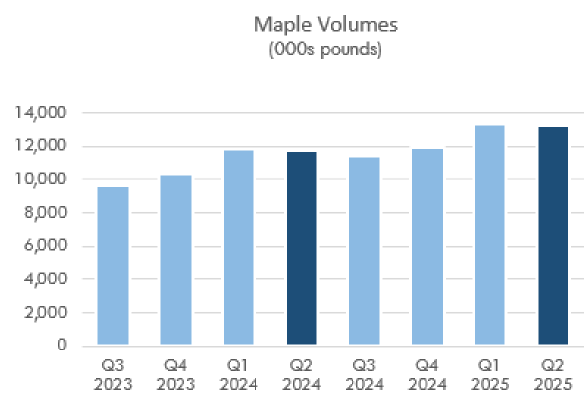
EBITDA for the second quarter and the first six months of fiscal 2025 were $32.1 million and $64.7 million, respectively, an increase of $3.9 million and of $10.2 million, respectively, as compared to the same periods last year. These results include gains and losses from the mark-to-market of derivative financial instruments.

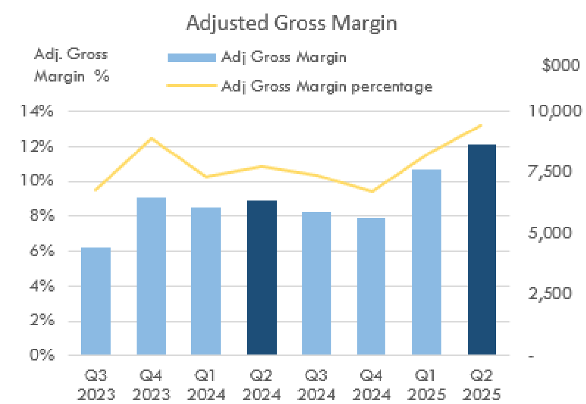
Adjusted EBITDA for the second quarter decreased by $5.6 million compared to the same period last year, largely as a result of lower adjusted gross margin and higher distribution costs, partially offset by lower administration and selling expenses. Adjusted EBITDA for the first six months of fiscal 2025 increased by $2.2 million largely due to higher adjusted gross margin and lower administration and selling expenses, partially offset by higher distribution costs, as mentioned above.

Maple

REVENUES

	Q2 2025	Q2 2024	Δ	YTD 2025	YTD 2024	Δ
(In thousands of dollars, except volume)						
Volume (000 pounds)	**13,294**	11,777	1,517	**26,676**	23,629	3,047
Revenues	**65,626**	57,987	7,639	**132,007**	116,878	15,129





Revenues increased by $7.6 million and $15.1 million, respectively, for the second quarter and the first six months of fiscal 2025 compared to the same periods last year, largely driven by higher sales volume to existing customers.

GROSS MARGIN

	Q2 2025	Q2 2024	Δ	YTD 2025	YTD 2024	Δ
(In thousands of dollars, except adjusted gross margin rate information)						
Gross margin	**10,110**	4,945	5,165	**14,023**	13,099	924
Total adjustment to cost of sales (1) (2)	**(1,471)**	1,400	(2,871)	**2,244**	(667)	2,911
Adjusted gross margin (1)	**8,639**	6,345	2,294	**16,267**	12,432	3,835
Adjusted gross margin percentage (1)	**13.2%**	10.9%	2.3%	**12.3%**	10.6%	1.7%
Included in Gross margin:						
Depreciation of property, plant and equipment and right-of-use assets	**817**	792	25	**1,629**	1,570	59

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

Gross margin was $10.1 million and $14.0 million for the second quarter and the first six months of fiscal 2025 and includes a gain of $1.5 million and a loss of $2.2 million, respectively, for the mark-to-market of derivative financial instruments. For the same periods last year, gross margin was $4.9 million and $13.1 million, respectively, with mark-to-market loss of $1.4 million and a mark-to-market gain $0.7 million, respectively.

Adjusted gross margin for the second quarter and the first six months of fiscal 2025 was $8.6 million and $16.3 million, respectively, an increase of $2.3 million and $3.8 million, respectively, as compared to the same periods last year. These favourable variances were mainly related to higher sales volume due to favourable global market conditions and some advance purchasing of Maple syrup by US customers, considering the market volatility associated with potential pending tariffs on sales to the US. These positive variances are also related to lower operating expenses related to lower bottling costs and includes a volume rebate for purchases of maple syrup from Producteurs et Productrices Acéricoles du Québec ("PPAQ").

Adjusted gross margin percentage for the second quarter and the first six months of fiscal 2025 were 13.2% and 12.3% respectively, as compared to 10.9% and 10.6%, respectively, for the comparable period last year. The increase was due to the lower operating costs and the volume rebate received from PPAQ, as discussed above.

Other expenses

	Q2 2025	Q2 2024	Δ	YTD 2025	YTD 2024	Δ
(In thousands of dollars)						
Administration and selling expenses	**3,012**	2,916	96	**6,332**	5,677	655
Distribution costs	**212**	234	(22)	**507**	542	(35)
Included in Administration and selling expenses:						
Amortization of intangible assets	**889**	883	6	**1,775**	1,765	10

Administration and selling expenses for the second quarter and for the first six months of fiscal 2025 were $0.1 million and $0.7 million higher than the comparable periods last year. These variances were largely due to due to market-based cost increases for compensation-related expenses and administrative business support costs.

Distribution costs for the second quarter and for the first six months of fiscal 2025 at $0.2 million and $0.5 million, respectively, were consistent with the comparable periods of last year, despite higher sales volume as we have secured favourable logistic costs for our domestic and export sales.

RESULTS FROM OPERATING ACTIVITIES AND ADJUSTED EBITDA

	Q2 2025	Q2 2024	Δ	YTD 2025	YTD 2024	Δ
(In thousands of dollars)						
Results from operating activities	**6,886**	1,795	5,091	**7,184**	6,880	304
Total adjustment to cost of sales (1)	**(1,471)**	1,400	(2,871)	**2,244**	(667)	2,911
Adjusted results from operating activities (1)	**5,415**	3,195	2,220	**9,428**	6,213	3,215
Depreciation and amortization	**1,705**	1,675	30	**3,404**	3,335	69
EBITDA (1)	**8,591**	3,470	5,121	**10,588**	10,215	373
Adjusted EBITDA (1)	**7,120**	4,870	2,250	**12,832**	9,548	3,284

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

(2) See "Adjusted results" section

Results from operating activities for the second quarter and the first six months of fiscal 2025 were $6.9 million and $7.2 million, respectively, compared to $1.8 million and $6.9 million in the same period last year. These results include gains and losses from the mark-to-market of derivative financial instruments.

Adjusted results from operating activities for the second quarter and the first six months of fiscal 2025 were respectively $2.2 million and $3.2 million higher than the comparable period last year, due mainly to higher adjusted gross margin driven by higher volume sold and lower operating expenses.

EBITDA for the second quarter and the first six months of 2025 amounted to $8.6 million and $10.6 million respectively, compared to $3.5 million and $10.2 million for the same period last year. These results include gains and losses from the mark-to-market of derivative financial instruments.

Adjusted EBITDA for the second quarter and the first six months of fiscal 2025 increased by $2.3 million and $3.3 million, respectively, compared to the same periods last year, largely driven by higher adjusted gross margin driven by higher volume sold and lower operating expenses.

OUTLOOK

We continue to focus on delivering consistent, profitable and sustainable growth. Following a strong performance in both of our business segments in 2024, and in the first six months of 2025, we expect, subject to the possible adverse impact of additional US tariffs, to deliver strong financial results in 2025. The strength in demand and pricing is expected to continue for our Sugar business segment going forward.

For our Maple segment, we expect the recovery of 2024 to set the pace for a strong year in 2025, as the global maple market is showing growth. This outlook is subject to the possible adverse impact of additional US tariffs.

The current market volatility associated with the revised trade conditions related to US tariffs on imports has had a limited impact on our business, and the business of our customers thus far. We are closely monitoring this evolving situation together with the different stakeholders for both of our business segments, and we will adjust our business strategy as required.

See “Forward-Looking Statements” and “Risks and Uncertainties” in our Management’s Discussion and Analysis for the three- and six-month periods ended March 29, 2025.

Sugar

We expect the Sugar segment to perform well in fiscal 2025. Underlying North American demand for sugar remains favourable. Our sales volume outlook for fiscal 2025 is 785,000 metric tonnes, Overall, this would represent a year-over-year increase of about 1% from 2024, if we adjust for the unfavourable impact of the labour disruption in Vancouver, which reduced volume in the first two quarters of last fiscal year.

The reduction of 15,000 metric tonnes is related to domestic demand from large customers, which is impacted by the current market volatility associated with the lingering effect of US tariffs. Furthermore, we have seen some softness in demand from a few of our industrial customers that is associated with price increases for other related ingredients such as cocoa. We expect to continue to prioritize domestic sales and to take advantage of export sales opportunities in fiscal 2025, with the objective of consistently meeting our commitments to our customers.

The processing stage of the 2024 sugar beet campaign at our Taber refinery was completed in February. We produced 100,000 metric tonnes of beet sugar, which is less than anticipated considering the quantity of beets received. The lower yield was due to unfavourable weather conditions affecting storage conditions in December, January and February, leading to the deterioration of some of the sugar beets received, thus resulting in us discarding more beets than usual, which reduced the overall production of sugar.

Production costs and maintenance programs for our three production facilities are expected to increase in 2025 due to higher maintenance costs in the first six months of 2025 from equipment breakdowns, mainly in Montréal. Also contributing to the increase are market-based increases in costs and annual wage increases for employees. For 2025, we plan to continue to perform the necessary maintenance activities to ensure a smooth production process to meet the needs of our customers. We remain committed to managing our costs responsibly and to properly maintain our production assets and related facilities, ensuring we are providing a safe working environment for our employees, while delivering reliable supply for our customers.

Distribution costs are expected to be sightly higher in 2025 compared to 2024. These expenditures reflect the current market dynamics and include the transfer of sugar produced between our refineries to meet demand from customers, pending the completion of our LEAP Project.

Administration and selling expenses are expected to be consistent in 2025, compared to 2024.

We anticipate our financing costs to be stable in fiscal 2025, as excess cash related to the timing of the equity financing portion of the LEAP project is providing a temporary increase in our available cash, which is mitigating the impact of interest rate volatility on our credit facility. We have been able to partially mitigate the impact of recent increases in interest rates and energy costs through our multi-year hedging strategy. We expect our hedging strategy will continue to mitigate such exposure in fiscal 2025.

Spending on regular business capital projects is expected to decrease slightly in fiscal 2025 as compared to 2024. We anticipate spending $25.0 million to $30.0 million on various initiatives. This capital spending estimate excludes expenditures relating to our LEAP Project, which are currently estimated to be approximately $79 million for fiscal 2025.

Maple

We expect financial results in our Maple segment to be strong in 2025, following the recovery seen over the last year and the strong results of the first two quarters. We currently anticipate sales volume to grow by 3.0 million lbs in 2025, representing a growth rate of approximately 6.5%, subject to the possible adverse impact of the potential imposition of US tariffs. The sales volume expectation reflects current global market conditions, and the anticipated availability of maple syrup from the producers.

The 2025 maple syrup crop has produced approximately 3.8lbs of maple syrup per tap in Québec, which is considered higher than average for the industry. We have been able to secure maple syrup to meet the expected demand from our customers. However, it appears that then 2025 crop will only allow for partial replenishment of the reserve held by the PPAQ.

We expect to spend between $1 million and $1.5 million annually on capital projects for the Maple business segment. The main driver for the selected projects is improvement in productivity and profitability through automation.

See "Forward-Looking Statements" and "Risks and Uncertainties" in our Management's Discussion and Analysis for the three- and six-month period ended March 29, 2025

CONSOLIDATED RESULTS AND SELECTED FINANCIAL INFORMATION

(unaudited) (In thousands of dollars, except volume and per share information)	**Q2 2025**	Q2 2024	**YTD 2025**	YTD 2024
Sugar volume (metric tonnes)	**198,246**	180,618	**394,355**	362,994
Maple volume (000 pounds)	**13,294**	11,777	**226,676**	23,629
Total revenues	**326,307**	300,944	**649,475**	589,643
Gross margin	**52,965**	44,861	**99,705**	89,505
Adjusted gross margin(1)	**47,025**	51,292	**98,756**	93,611
Results from operating activities	**33,292**	24,704	**60,298**	50,814
Adjusted results from operating activities(1)	**27,352**	31,135	**59,349**	54,920
EBITDA(1)	**40,642**	31,664	**75,266**	64,709
Adjusted EBITDA(1)	**34,702**	38,095	**74,317**	68,815
Net finance costs	**5,388**	5,692	**10,792**	12,598
Income tax expense	**7,360**	5,076	**13,154**	10,428
Net earnings	**20,544**	13,936	**36,352**	27,788
Per share (basic)	**0.16**	0.13	**0.28**	0.26
Per share (diluted)	**0.14**	0.11	**0.26**	0.22
Adjusted net earnings(1)	**16,165**	18,891	**35,682**	31,504
Per share (basic)(1)	**0.13**	0.17	**0.28**	0.29
Dividends per share	**0.09**	0.09	**0.18**	0.18

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

Total revenues

Revenues increased by $25.4 million and $59.8 million, respectively, for the second quarter and the first six months of fiscal 2025 compared to the same periods last year. The increase in revenue was mainly attributable to higher sales volumes in the Sugar segment and the Maple segment. This favourable variance was partially offset by lower prices paid for Raw #11.

Gross margin

Gross margin increased by $8.1 million and $10.2 million respectively for the second quarter and for the first six months of fiscal 2025 compared to the same periods last year. Excluding the mark-to-market of derivative financial instruments, adjusted gross margin for the current quarter decreased by $4.3 million compared to the same period last year. The negative variance was mainly due to lower adjusted gross margin from the Sugar segment, partially offset by higher adjusted gross margin in the Maple segment. For the first six months of fiscal 2025, adjusted gross margin increased by $5.1 million compared to the same period last year largely driven by higher sales volumes from both the Sugar and Maple segments.

Results from operating activities

Results from operating activities for the second quarter were $33.3 million compared to $24.7 million in the same period last year, an increase of $8.6 million. For the first six months of fiscal 2025, results from operating activities were $60.3 million compared to $50.8 million for the same period last year, an increase of $9.5 million. Excluding the mark-to-market of derivative financial instruments, adjusted results from operating activities for the second quarter amounted to $27.4 million compared to $31.1 million in the same period last year, a decrease of $3.7 million mainly due to lower contribution from the Sugar segment, partially offset by higher contribution from the Maple segment. For the first six months of fiscal 2025, adjusted results from operating activities were $59.3 million compared to $54.9 million for the same period last year, an increase of $4.4 million driven by higher contribution from both the Sugar and Maple segments.

Net finance costs

	Q2 2025	Q2 2024	Δ	**YTD 2025**	YTD 2024	Δ
(In thousands of dollars)						
Interest expense on convertible unsecured subordinated debentures, including accretion expense (1)	**2,058**	2,146	(88)	**4,261**	4,286	(25)
Interest on revolving credit facility	**1,284**	1,510	(226)	**1,945**	3,270	(1,325)
Interest on senior guaranteed notes (2)	**926**	926	-	**1,850**	1,847	3
Amortization of deferred financing fees	**405**	335	70	**740**	662	78
Interest on *PPAQ* supplier balance	**214**	46	168	**1,066**	740	326
Other interest expense	**43**	54	(11)	**90**	54	36
Interest accretion on discounted lease obligations	**408**	439	(31)	**790**	845	(55)
Net change in fair value of interest rate swaps	**50**	236	(186)	**50**	894	(844)
Net finance costs	**5,388**	5,692	(304)	**10,792**	12,598	(1,806)

(1) Includes accretion expense of $186 and $512 for the three and six months ended March 29, 2025 (March 30, 2024 - $271 and $534, respectively)

(2) Includes accretion expense of $56 and $110 for the three and six months ended March 29, 2025 (March 30, 2024 - $56 and $107 respectively)

For the second quarter of 2025, net finance costs were lower by $0.3 million compared to the same periods last year, largely driven by lower interest expense on our revolving credit facility from lower average borrowing due mainly to the net proceeds received in connection with the issuance of common shares in March 2024 and the timing of the issuance of the Eighth series debentures used to refinance the Sixth series debentures which matured on December 31, 2024. The Eighth series debentures were issued on February 19 and 21, 2025.

For the first six months of fiscal 2025, net finance costs were lower by $1.8 million compared to the same periods last year. The decrease was largely driven by lower interest expense on our revolving credit facility from lower average borrowing due mainly to the net cash proceeds received in connection with the issuance of common shares in March 2024 and the timing of the issuance of the Eighth series debentures used to refinance the Sixth series debentures which matured on December 31, 2024. The Eighth series debentures were issued on February 19 and 21, 2025. The decrease was also associated with the lower impact of market-based changes in fair value related to interest rate swaps contracts that did not qualify under hedged accounting during the first six months of fiscal 2025 as compared to last year.

Taxation

	Q2 2025	Q2 2024	Δ	**YTD 2025**	YTD 2024	Δ
(In thousands of dollars)						
Current	**4,427**	**4,948**	(521)	**14,587**	8,818	5,769
Deferred	**2,933**	**128**	2,805	**(1,433)**	1,610	(3,043)
Income tax expense	**7,360**	**5,076**	2,284	**13,154**	10,428	2,726

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

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

Net earnings

Net earnings in the second quarter and for the first six month of fiscal 2025 were higher by $6.6 million and $8.6 million, respectively, compared to the same periods last year.

Adjusted net earnings in the current quarter amounted to $16.2 million, a decrease of $2.7 million compared to the same period last year, mainly due to lower contribution from the Sugar segment, partially offset by higher contribution from the Maple segment. Adjusted net earnings for the first six months of fiscal 2025 at $35.7 million, was higher by $4.2 million compared to the same periods last year, largely attributable to strong contribution from the Sugar and Maple segments.

Summary of quarterly results

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

(In thousands of dollars, except for volumes and per share information)	QUARTERS[2]							
	2025		2024				2023	
	Second	First	Fourth	Third	Second	First	Fourth	Third
Sugar volumes (MT)	**198,246**	196,100	204,500	185,800	180,600	182,400	215,500	191,400
Maple volumes ('000 pounds)	**13,294**	13,400	11,900	11,400	11,800	11,900	10,400	9,600
Total revenues	**326,307**	323,168	333,029	309,091	300,944	288,699	308,036	262,285
Gross margin	**52,965**	46,740	49,732	36,635	44,861	44,644	41,192	41,685
Adjusted gross margin[1]	**47,025**	51,731	50,070	47,742	51,292	42,319	40,193	34,912
Results from operations	**33,292**	27,006	30,080	16,315	24,704	26,110	22,815	24,008
Adjusted results from operations[1]	**27,352**	31,997	30,418	27,422	31,135	23,785	21,816	17,235
EBITDA[1]	**40,642**	34,624	37,971	23,372	31,664	33,045	29,568	30,523
Adjusted EBITDA[1]	**34,702**	39,615	38,309	34,479	38,095	30,720	28,569	23,750
Net (loss) earnings	**20,544**	15,808	18,562	7,379	13,936	13,852	11,876	14,177
Per share - basic	**0.16**	0.12	0.13	0.06	0.13	0.13	0.12	0.13
Per share - diluted	**0.14**	0.11	0.13	0.06	0.11	0.11	0.09	0.12
Adjusted net earnings[1]	**16,165**	19,517	18,819	16,337	18,891	12,613	11,283	8,749
Per share - basic	**0.13**	0.15	0.14	0.13	0.17	0.12	0.11	0.08
Per share - diluted	**0.11**	0.14	0.13	0.11	0.15	0.10	0.10	0.08
Sugar - Adjusted gross margin rate per MT[1]	**194**	225	217	225	249	199	156	159
Maple - Adjusted gross margin percentage[1]	**13.2%**	11.5%	9.4%	10.4%	10.9%	10.3%	12.5%	9.5%

(1) See "Non-IFRS Measures" section for definition and reconciliation to IFRS measures
(2) All quarters are 13 weeks

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

Usually, there is minimal seasonality in the Maple products segment. During the first two quarters of fiscal 2025, we observed a favourable trend from a sales volume perspective driven by favorable market conditions and strong demand from our existing customers.

Financial condition

(In thousands of dollars)	**March 29, 2025**	March 30, 2024	September 28, 2024
Total assets	**$1,102,911**	$981,979	$ 1,078,744
Total liabilities	**662,176**	559,624	656,331

The increase in total assets of $120.9 million in the current fiscal quarter compared to the same quarter last year is mainly due to an increase in property, plant, and equipment of $79.7 million largely associated with the LEAP Project and higher trade and other receivables of $15.1 million mainly related to timing and higher revenues. The variance compared to the same period last year was also driven by an increase in employee benefits assets of $23.2 million and higher inventory of $8.3 million associated to timing. The increase in total assets was partially offset by a decrease in intangible assets of $3.5 million and a decrease in right-of-use assets of $3.5 million resulting from the depreciation and amortization recognized during the year.

Total liabilities for the current fiscal quarter increased by $102.6 million compared to the same quarter last year due mainly to an increase of $51.6 million in convertible debentures resulting from the net proceeds following the issuance of the Eighth series debentures in February 2025 and the repayment of the Sixth series debentures in December 2024. The variance was also driven by an increase in employee benefits liabilities of $16.7 million and higher usage of the revolving credit facility of $7.0 million compared to the same period last year. The increase in total liabilities was also explained by market-based increase in derivative financial instruments liabilities of $11.4 million, the increase in term loan of $5.6 million in connection with the draw under the IQ loan during the first quarter of fiscal 2025 and higher income tax payable of $10.9 million due to timing of tax instalments.

Liquidity

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

(In thousands of dollars)	**Q2 2025**	Q2 2024	**YTD 2025**	YTD 2024
Net cash flow (used in) from operating activities	**25,247**	(28,838)	**(15,253)**	(5,571)
Cash flow (used in) from financing activities	**(14,592)**	39,602	**43,251**	34,915
Cash flow used in investing activities	**(22,744)**	(13,154)	**(42,016)**	(25,937)
Effect of changes in exchange rate on cash	**(176)**	8	**84**	(1)
Net increase (decrease) in cash	**(12,265)**	(2,382)	**(13,934)**	3,406

Cash flow used in operating activities for the current quarter increased by $54.1 million compared to the same period last year, due mainly to a positive working capital variance of $50.7 million. This variance was also due to higher net earnings adjusted for non-cash items of $1.6 million and lower income taxes paid of $2.5 million. The variance was partially offset by higher interest paid of $0.7 million. For the first six months of 2025, cash flow from operating activities decreased by $9.7 million compared to the same period last year, largely driven by a negative working capital variation of $32.9 million. This negative variance was partially offset by higher net earnings adjusted for non-cash items of $18.7 million, and lower income taxes paid of $4.5 million.

Cash flow from financing activities was lower by $54.2 million for the current quarter compared to the same quarter last year. The negative variance was due mainly to the incremental net proceeds in second quarter of fiscal 2024 of $112.5 million received in connection with the issuance of common shares of RSI to support the financing plan of the LEAP Project partially offset by the net proceed in the current quarter associated with the issuance of the Eighth series debentures and the repayment at maturity of the Sixth series debentures resulting in a net incremental convertible debentures balance of $52.2 million.

For the first six months of fiscal 2025, cash flow used in financing activities increased by $8.3 million compared to same period last year largely due to an increase in the use of the revolving credit facility of $65.0 million from higher borrowing to support the LEAP Project, along with the net increase in convertible debentures of $52.2 million and the proceeds from IQ loan of $7.4 million in the first quarter of 2025. The positive variance was partially offset by net proceeds of $112.5 million received in connection with the issuance of common shares of RSI in March 2024 to support the financing plan of the LEAP Project along with the associated increase in dividend paid of $4.1 million for the first six months of 2025.

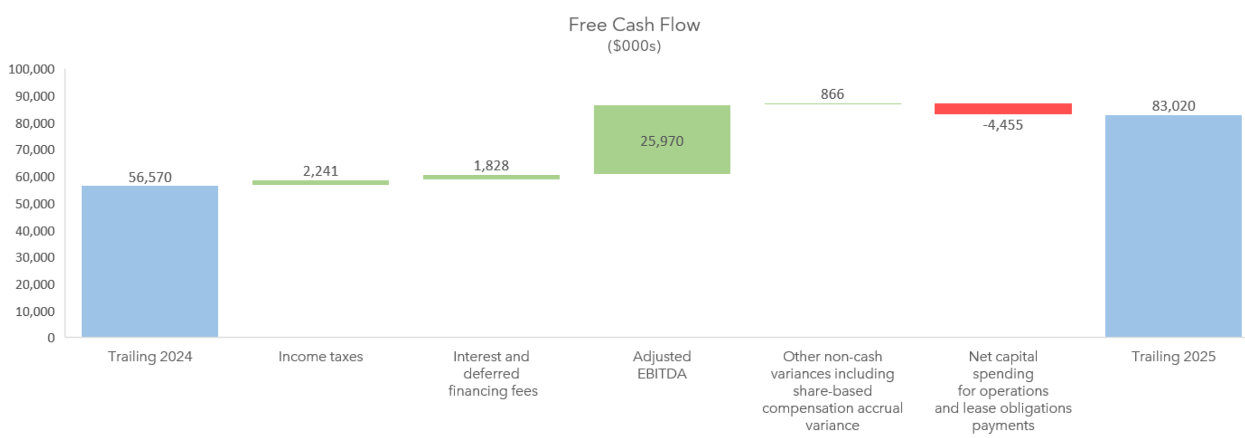
The cash flows used in investing activities for the current quarter and the first six months of 2025 were higher by $9.6 million and $16.1 million respectively, compared to the same periods last year. The variances were mainly related to the capitalization of $16.0 million in the current quarter and $35.7 million for the first six months of 2025 in expenditures in connection with the LEAP Project, as compared to $9.2 million and $19.7 million for the same periods last year.

Free cash flow

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

	Trailing twelve months	
(In thousands of dollars)	**2025**	2024
Cash flow from operations	**70,109**	72,262
Adjustments:		
Changes in non-cash working capital	**43,416**	16,408
Mark-to-market and derivative timing adjustments	**11,497**	(2,773)
Payment of deferred financing fees	**(632)**	(404)
Financial instruments non-cash amount	**(6,085)**	1,907
Payment of lease obligations	**(6,841)**	(6,071)
Capital expenditures and intangible assets, excluding LEAP Project related capital expenditures	**(30,665)**	(28,572)
Value-added capital expenditures	**2,221**	3,813
Net capital expenditures and intangible assets for operations	**(28,444)**	(24,759)
Free cash flow[(1)]	**83,020**	56,570
Declared dividends	**46,077**	39,888

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



Free cash flow for the trailing twelve months ended March 29, 2025, amounted to $83.0 million, representing an increase of $26.5 million compared to the same period last year. This increase in free cash flow was mainly related to higher adjusted EBITDA of $26.0 million, lower income taxes paid of $2.2 million, and lower payments of interest of $2.1 million. This variance was partially offset by higher capital expenditures and intangible assets related to normal operations of $3.7 million, higher payment of deferred financing fees of $0.2 million and higher payment of lease obligations of $0.8 million as compared to the same period last year.

Capital and intangible asset expenditures related to on-going operations increased by $3.7 million compared to last year's rolling twelve months due mainly to timing in spending and slight increase in investment in production assets in the Sugar segment. Free cash flow is not reduced by value-added capital expenditures and LEAP related capital expenditures, as such expenditures are not necessary for the operation of the plants.

Payment of lease obligations increased by $0.8 million compared to last year's rolling twelve months due mainly to incremental leases for storage facilities and logistic-related equipment.

Interest paid for the trailing twelve months ended March 29, 2025, decreased by $2.1 million compared to last year due mainly to lower interest paid on our revolving credit facility from a lower average outstanding balance.

Deferred financing fees for the trailing twelve months ended March 30, 2024, increased by $0.2 million compared to last year, largely due to higher financing costs associated with the issuance of convertible debentures in February 2025 as compared to the same period last year.

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

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

The combined impact of the mark-to-market and derivative timing adjustments and financial instruments non-cash amount of $5.4 million for the current rolling twelve months does not represent cash items as these contracts will be settled when the physical transactions occur, which is the reason for the adjustment to free cash flow.

Contractual obligations

There are no material changes in the contractual obligations table disclosed in the Managements' Discussion and Analysis of the 2024 Annual Report, except for the maturity of the Sixth series debentures on December 31, 2024, which were repaid at maturity, and the issuance of the Eighth series debentures in February 2025.

As at March 29, 2025, Lantic had commitments to purchase a total of 1,248,000 metric tonnes of raw sugar, of which 294,526 metric tonnes had been priced for a total dollar commitment of $201.5 million.

As at March 29, 2025, Lantic had $142.4 million of capital commitments related to the LEAP project.

Capital resources

During the quarter ended March 29, 2025, the Company extended the maturity date of its revolving credit facility from October 31, 2027 to March 28, 2030.

As at March 29, 2025, Lantic had a total of $340.0 million available working capital under the revolving credit facility, which now matures on March 28, 2030, 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 March 29, 2025, a total of $759.6 million of assets have been pledged as security for the revolving credit facility, compared to $661.2 million as at March 30, 2024; including trade receivables, inventories and property, plant and equipment.

As at March 29, 2025, $110.0 million had been drawn from the revolving credit facility and $7.9 million in cash was also available.

On December 31, 2024, the principal amount of the Sixth series debentures of $57.4 million was repaid to the holders.

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 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.

As at March 29, 2025, the Company had $212.6 million total face value of outstanding convertible unsecured subordinated debentures, of which the Seventh series convertible unsecured subordinated debentures ("Seventh series debentures"), amounting to $97.6 million will mature on June 30, 2025.

The Company is currently assessing its options regarding the upcoming maturity of the Seventh series debentures. The options include, but are not limited to, conversion to common shares, refinancing the obligation using similar financial instruments or repayment of the obligation using other equity and/or debt instruments.

As at March 29, 2025, $7.4 million was drawn under the IQ Loans, $5.0 million of which was borrowed under the ESSOR program, a Québec government program designed to provide financing to Québec businesses and $2.4 million was borrowed under the Investissement Québec business loan program.

Cash requirements for working capital and other capital expenditures are expected to be paid from available cash resources and funds generated from operations.

The LEAP Project is financed using a combination of various financial instruments, including the revolving credit facility, approved loans from Investissement Québec for up to $65 million, and other debt and/or equity instruments.

As at March 29, 2025, Lantic was in compliance with all the covenants under its revolving credit facility, the IQ Loans and the senior guaranteed notes.

Management believes that the unused available credit under the revolving facility, the available IQ Loans, the existing operating cash flow, and the net proceeds received from the recent LEAP Project related equity issuance are adequate to meet the expected cash requirements to fund the LEAP Project.

OUTSTANDING SECURITIES

A total of 128,067,186 shares were outstanding as at March 29, 2025 and May 12, 2025, compared with 127,916,834 as at March 30, 2024.

During the first six months of fiscal 2025, 150,352 stock options were exercised for proceeds of $0.7 million, compared to 51,482 stock options exercised for proceeds of $0.2 million during the first six months of fiscal 2024.

RISK AND UNCERTAINTIES

Our business and operations are exposed to various risks and uncertainties and are substantially affected by many factors including, but not limited to, prevailing margins on refined sugar and maple products, our ability to market refined sugar and maple products competitively, sourcing of raw material supplies, weather conditions, operating costs and government programs and regulations.

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

We maintain 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. The Code addresses specifically the measures put forward to prevent corruption, anti-competitive practices, and unethical behavior. It also includes clear directions govern relationships with customers, suppliers, and other stakeholders. The Code is available on our website at www.lanticrogers.com or under Rogers' profile on SEDAR+ at www.sedarplus.ca.

Risk factors in our business and operations are discussed in the Management's Discussion and Analysis of our Annual Report for the year ended September 28, 2024. This document is available on SEDAR+ at www.sedarplus.ca. or on our website at www.LanticRogers.com.

The risk factors titled *Government Regulations and Foreign Trade Policies with regard to the Sugar Segment* and *Reliance on Exports by the Maple Segment,* included in the Management's Discussion and Analysis section of our Annual Report for the year ended September 28, 2024, should be updated to consider the following as of the date of this MD&A.

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

In 1995, Revenue Canada made a determination that there was dumping into Canada of refined sugar from the US, Denmark, Germany, the United Kingdom ("UK"), the Netherlands and the Republic of Korea, and that subsidized refined sugar was being imported into Canada from the European Union ("EU"). The Canadian International Trade Tribunal ("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 Canadian Sugar Institute ("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 protections were removed.

Following the CITT review, the Canadian Border Services Agency ("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 market.

Although the recent ruling is for a period of five years, the ruling 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 significant adverse financial impact to Lantic and other members of the Canadian refined sugar industry.

Our Sugar segment exports approximately 5% to 10% of its annual production directly to the US. Our industrial customers sell sugar-containing products to the US. Each year, between 40% and 50% of all the sugar refined in Canada is exported to the US in the form of sugar-containing products by industrial food production companies located in Canada. Conversely, each year, sugar-containing products are imported to Canada from US companies.

All 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 April 2, 2025, the US President announced a 10% "reciprocal" tariff on US imports. This tariff does not apply to products of Canada that are CUSMA-compliant. Most of the sales to the US made by our customers of sugar-containing products are CUSMA-compliant, and accordingly, not subject to this tariff. Refined cane sugar export sales to the US, which are currently subject to tariffs, are now subject to an additional 10% tariff, as the country of origin of the product sold is deemed to be the country from which the raw sugar is sourced. This new tariff will also apply to all imports of refined sugar to the US from South and Central America.

The evolution of the tariff dynamic over the coming months remains uncertain. If further tariffs were to be implemented on Canadian products that are CUSMA-compliant, these potential tariffs and any retaliatory tariffs and countermeasures could have a significant adverse financial impact on Lantic, its Sugar segment and its customers.

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

Reliance on Exports by the Maple Segment

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

While we continue to develop our selling efforts outside of Canada, including increasing our sales efforts in countries where the maple syrup market is developing, we are facing high competition from other bottlers and distributors, including from other Canadian and US companies, for our share of the international market.

Our Maple segment international operations 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 our international sales and subsidize competing agricultural products.

Canada produces 80% of the world's maple syrup. We currently estimate the share of all Canadian maple syrup sold in the US to be approximately 50% per year on average.

On April 2, 2025, the US President announced a 10% "reciprocal" tariff on US imports. This tariff does not apply to products of Canada that are CUSMA-compliant. All the Maple products we sell to the US are CUSMA-compliant, and accordingly, not subject to this tariff.

The evolution of the tariff dynamic over the coming months remains uncertain. If further tariffs were to be implemented on Canadian products that are CUSMA-compliant, these potential tariffs and any retaliatory tariffs and countermeasures could have a significant adverse financial impact on our Maple segment.

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

NON-IFRS MEASURES

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

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

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

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

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

RECONCILIATION OF NON-IFRS FINANCIAL MEASURES TO IFRS FINANCIAL MEASURES

	Q2 2025			Q2 2024		
Consolidated results (In thousands of dollars, except per share information)	**Sugar**	**Maple Products**	**Total**	Sugar	Maple Products	Total
Gross margin	**42,855**	**10,110**	**52,965**	39,916	4,945	44,861
Total adjustment to the cost of sales[1]	**(4,469)**	**(1,471)**	**(5,940)**	5,031	1,400	6,431
Adjusted gross margin	**38,386**	**8,639**	**47,025**	44,947	6,345	51,292
Results from operating activities	**26,406**	**6,886**	**33,292**	22,909	1,795	24,704
Total adjustment to the cost of sales[1]	**(4,469)**	**(1,471)**	**(5,940)**	5,031	1,400	6,431
Adjusted results from operating activities	**21,937**	**5,415**	**27,352**	27,940	3,195	31,135
Results from operating activities	**26,406**	**6,886**	**33,292**	22,909	1,795	24,704
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**5,645**	**1,705**	**7,350**	5,285	1,675	6,960
EBITDA[1]	**32,051**	**8,591**	**40,642**	28,194	3,470	31,664
EBITDA[1	**32,051**	**8,591**	**40,642**	28,194	3,470	31,664
Total adjustment to the cost of sales[1]	**(4,469)**	**(1,471)**	**(5,940)**	5,031	1,400	6,431
Adjusted EBITDA	**27,582**	**7,120**	**34,702**	33,225	4,870	38,095
Net earnings			**20,544**			13,936
Total adjustment to the cost of sales[1]			**(5,940)**			6,431
Net change in fair value in interest rate swaps[1]			**50**			236
Income taxes on above adjustments			**1,511**			(1,712)
Adjusted net earnings			**16,165**			18,891
Net earnings per share (basic)			**0.16**			0.13
Adjustment for the above			**(0.03)**			0.04
Adjusted net earnings per share (basic)			**0.13**			0.17

(1) See "Adjusted results" section

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

	YTD 2025			YTD 2024		
Consolidated results (In thousands of dollars, except per share information)	**Sugar**	**Maple Products**	**Total**	Sugar	Maple Products	Total
Gross margin	**85,682**	**14,023**	**99,705**	76,406	13,099	89,505
Total adjustment to the cost of sales[1]	**(3,193)**	**2,244**	**(949)**	4,773	(667)	4,106
Adjusted gross margin	**82,489**	**16,267**	**98,756**	81,179	12,432	93,611
Results from operating activities	**53,114**	**7,184**	**60,298**	43,934	6,880	50,814
Total adjustment to the cost of sales[1]	**(3,193)**	**2,244**	**(949)**	4,773	(667)	4,106
Adjusted results from operating activities	**49,921**	**9,428**	**59,349**	48,707	6,213	54,920
Results from operating activities	**53,114**	**7,184**	**60,298**	43,934	6,880	50,814
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**11,564**	**3,404**	**14,968**	10,560	3,335	13,895
EBITDA[1]	**64,678**	**10,588**	**75,266**	54,494	10,215	64,709
EBITDA[1]	**64,678**	**10,588**	**75,266**	54,494	10,215	64,709
Total adjustment to the cost of sales[1]	**(3,193)**	**2,244**	**(949)**	4,773	(667)	4,106
Adjusted EBITDA[1]	**61,485**	**12,832**	**74,317**	59,267	9,548	68,815
Net earnings			**36,352**			27,788
Total adjustment to the cost of sales[1]			**(949)**			4,106
Net change in fair value in interest rate swaps[1]			**50**			894
Income taxes on above adjustments			**229**			(1,284)
Adjusted net earnings			**35,682**			31,504
Net earnings per share (basic)			**0.28**			0.26
Adjustment for the above			**-**			0.03
Adjusted net earnings per share (basic)			**0.28**			0.29

(1) See "Adjusted results" section

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

(In thousands of dollars)	QUARTERS[1][2]							
	2025		2024				2023	
	Second	**First**	Fourth	Third	Second	First	Fourth	Third
Gross margin	**52,965**	**46,740**	49,732	36,635	44,861	44,644	41,192	41,685
Total adjustment to the cost of sales[2]	**(5,940)**	**4,991**	338	11,107	6,431	(2,325)	(999)	(6,773)
Adjusted gross margin	**47,025**	**51,731**	50,070	47,742	51,292	42,319	40,193	34,912
Results from operating activities	**33,292**	**27,006**	30,080	16,315	24,704	26,110	22,815	24,008
Total adjustment to the cost of sales[2]	**(5,940)**	**4,991**	338	11,107	6,431	(2,325)	(999)	(6,773)
Adjusted results from operating activities	**27,352**	**31,997**	30,418	27,422	31,135	23,785	21,816	17,235
Results from operating activities	**33,292**	**27,006**	30,080	16,315	24,704	26,110	22,815	24,008
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**7,350**	**7,618**	7,891	7,057	6,960	6,935	6,753	6,515
EBITDA	**40,642**	**34,624**	37,971	23,372	31,664	33,045	29,568	30,523
EBITDA	**40,642**	**34,624**	37,971	23,372	31,664	33,045	29,568	30,523
Total adjustment to the cost of sales[2]	**(5,940)**	**4,991**	338	11,107	6,431	(2,325)	(999)	(6,773)
Adjusted EBITDA	**34,702**	**39,615**	38,309	34,479	38,095	30,720	28,569	23,750
Net (loss) earnings	**20,544**	**15,808**	18,562	7,379	13,936	13,852	11,876	14,177
Total adjustment to the cost of sales[2]	**(5,940)**	**4,991**	338	11,107	6,431	(2,325)	(999)	(6,773)
Net change in fair value in interest rate swaps[2]	**50**	**-**	8	943	236	658	201	(203)
Income taxes on above adjustments	**1,511**	**(1,282)**	(89)	(3,092)	(1,712)	428	205	1,548
Adjusted net earnings	**16,165**	**19,517**	18,819	16,337	18,891	12,613	11,283	8,749

CRITICAL ACCOUNTING ESTIMATES

For the second quarter of fiscal 2025, there were no significant changes in the critical accounting estimates as disclosed in our Managements' Discussion and Analysis of the September 28, 2024 Annual Report.

CHANGES IN ACCOUNTING PRINCIPLES AND PRACTICES NOT YET ADOPTED

A number of new standards, and amendments to standards and interpretations, are not yet effective and have not been applied in preparing the unaudited condensed interim financial statements for the second quarter of fiscal 2025. Management has reviewed such new standards and proposed amendments and does not anticipate that they will have a material impact on Rogers' financial statements. Refer to note 3 of the unaudited condensed consolidated interim financial statements and to note 3 (r) of the 2024 audited consolidated financial statements for details.

CONTROLS AND PROCEDURES

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

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

The Chief Executive Officer and Chief Financial Officer have evaluated whether or not there were any changes to Rogers' ICFR during the period beginning on December 29, 2024 and ended on March 29, 2025 that have materially affected, or are reasonably likely to materially affect, Rogers' ICFR. No such changes were identified through their evaluation.

FORWARD-LOOKING STATEMENTS

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

- The potential impact of US tariffs on export sales of refined sugar, sugar containing products and maple products;
- Future demand and related sales volume for refined sugar and maple syrup;
- Progress and all other disclosures related to our LEAP Project;
- future prices of Raw #11;
- natural gas costs;
- beet sugar production forecast for our Taber facility;
- the level of future dividends;
- the status of government regulations and investigations; and
- projections regarding future financial performance.

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

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