Rogers Sugar Reports Robust Fourth Quarter Results and Strong 2023 Performance Driven by Focused Execution and Growing Demand for Sugar

Rogers Sugar Inc. ("our," "we", "us" or "Rogers") (TSX: RSI) today reported fourth quarter of fiscal 2023 results with consolidated adjusted EBITDA of $28.6 million and $110.9 million for the current quarter and the year, respectively.

"Our strong financial performance in 2023 demonstrates the successful execution of our strategy focused on meeting the growing needs of the Canadian market for quality refined sugar," said Mike Walton, President and Chief Executive Officer of Rogers and Lantic Inc. "We are showing our commitment to our customers and positioning the business for long-term health and success by investing in new production assets and optimizing our sugar refining capacity across the country." Mr. Walton added. "In Maple, the business showed signs of improvement in the quarter as a result of our ongoing efforts to make production more efficient and lower costs."

"For 2024, we anticipate the trend of solid financial performance to continue for our overall business. However, since the end of September, our business has been impacted by a labour disruption at our Vancouver sugar refining facility. We remain willing to engage in discussions aimed at finding an agreement that works for both parties with the objective of aligning our business to meet the current and future needs of our customers."

Fourth Quarter 2023 Consolidated Highlights (unaudited)	**Q4 2023**	Q4 2022	**YTD 2023**	YTD 2022
Financials ($000s)				
Revenues	**308,036**	267,406	**1,104,713**	1,006,134
Gross margin	**41,192**	28,472	**165,726**	130,805
Adjusted gross margin(1)	**40,193**	39,141	**155,331**	143,482
Results from operating activities	**22,815**	(38,345)	**94,963**	13,313
EBITDA(1)	**29,568**	18,283	**121,249**	89,461
Adjusted EBITDA(1) (2)	**28,569**	28,952	**110,854**	102,138
Net earnings	**11,876**	(45,502)	**51,789**	(16,568)
per share (basic)	**0.12**	(0.44)	**0.50**	(0.16)
per share (diluted)	**0.09**	(0.44)	**0.44**	(0.16)
Adjusted net earnings(1) (2)	**11,283**	12,161	**44,494**	40,659
Adjusted net earnings per share (basic)(1)	**0.11**	0.12	**0.42**	0.39
Trailing twelve months free cash flow	**45,765**	46,751	**45,765**	46,751
Dividends per share	**0.09**	0.09	**0.36**	0.36
Volumes				
Sugar (metric tonnes)	**215,500**	214,672	**795,307**	794,600
Maple Syrup (thousand pounds)	**10,363**	9,838	**43,871**	47,063

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

(2) Adjusted net earnings and adjusted net earnings per shares exclude the goodwill impairment charge of $50.0 million recorded in the fourth quarter of 2022.

- Consolidated adjusted EBITDA for the 2023 fiscal year was $110.9 million, up by 8.5% from the same period in 2022, mainly driven by the strong performance of the Sugar segment;
- Consolidated adjusted net earnings for fiscal 2023 were $44.5 million or $0.42 per share, as compared to $40.7 million or $0.39 per share for the same period in 2022, largely driven by the strong performance of our Sugar segment;
- Consolidated revenues for fiscal year 2023 amounted to $1.1 billion, an increase of 10% as compared to last year, due mainly to higher average raw sugar prices during the year, higher margin on sugar refining related activities, and higher sugar sales volume at 795,307 metric tonnes;
- Consolidated adjusted EBITDA for the fourth quarter was $28.6 million as compared to $29.0 million for the same period last year. The decrease in consolidated adjusted EBITDA for the fourth quarter was mainly due to lower adjusted EBITDA in the Sugar segment, partially offset by higher adjusted EBITDA in the Maple segment;
- Adjusted EBITDA in the Sugar segment was $23.7 million for the fourth quarter of fiscal 2023, a decrease of $2.5 million compared to the same period last year, due largely to higher operating and distribution costs, partially offset by higher pricing;

- Adjusted EBITDA in the Maple segment for the fourth quarter was higher than last year by $2.1 million largely driven by improved average selling prices and lower operating costs;
- Free cash flow for the trailing 12 months ended September 30, 2023 was $45.8 million, a decrease of $1.0 million from the same period last year as a result of higher capital expenditures;
- In the fourth quarter of fiscal 2023, we distributed $0.09 per share to our shareholders for a total amount of $9.5 million;
- On August 14, 2023, RSI filed of a short-form base shelf prospectus in connection with expected financing initiatives over the next two years;
- On August 11, 2023, the Board of Directors of Lantic approved the expansion of the production and logistic capacity of its Eastern sugar refining operations in Montréal and Toronto. This investment is expected to provide approximately 100,000 metric tonnes of incremental refined sugar capacity to the growing Canadian market, at an estimated construction cost of approximately $200 million. The financing plan for the project will include funding from debt and equity or equity like instruments sources, along with Lantic's existing credit facilities and approved loans from Investissement Quebec for up to $65 million. We expect the incremental production and logistic capacity to be in service in the first half of fiscal 2026;
- On September 28, 2023, the unionized employee of the Vancouver sugar refinery, represented by the Public and Private Workers of Canada local 8 went on strike. As of the date of this press release, the strike is still ongoing. Management remains committed in reaching an agreement that is acceptable to both parties. Since the beginning of the strike, the Vancouver sugar refinery, which represents approximately 17% of our production of refined sugar, has been operating at approximately a third of its capacity, and we have been using some of the production of our Taber facility to support our customers in Western Canada;
- On November 1, 2023, we amended our revolving credit facility, by extending the term to October 31, 2027, and by increasing the amount available for working capital and for the Expansion Project by $75 million to $340 million; and
- On November 29, 2023, the Board of Directors declared a quarterly dividend of $0.09 per share, payable on or before February 1, 2024.

Sugar

Fourth Quarter 2023 Sugar Highlights (unaudited)	**Q4 2023**	Q4 2022	**YTD 2023**	YTD 2022
Financials ($000s)				
Revenues	**256,229**	220,142	**893,482**	792,200
Gross margin	**35,512**	26,758	**144,397**	115,872
Adjusted gross margin(1)	**33,722**	35,324	**136,022**	126,168
Per metric tonne ($/ mt) (1)	**156.48**	164.55	**171.03**	158.78
Administration and selling expenses	**7,703**	9,138	**33,250**	35,733
Distribution costs	**7,414**	4,958	**24,637**	19,681
Results from operating activities	**20,395**	12,662	**86,510**	60,458
EBITDA(1)	**25,453**	17,609	**106,021**	79,838
Adjusted EBITDA(1)	**23,663**	26,175	**97,646**	90,134
Volumes (metric tonnes)				
Total volume	**215,500**	214,672	**795,307**	794,600

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

In the fourth quarter of 2023, revenues increased by $36.1 million, compared to the same period last year. The variance was driven mainly by higher average market-price for Raw #11, and improved average pricing for refining-related activities.

Overall, sugar volume increased slightly in the fourth quarter of 2023 compared to the same quarter last year, as a result of higher export and liquid sales volumes, partially offset by lower volumes in our industrial and consumer categories.

Gross margin was $35.5 million for the current quarter and include a gain of $1.8 million for the mark-to-market of derivative financial instruments. For the same periods last year, gross margin was $26.8 million with a mark-to-market loss of $8.6 million.

Adjusted gross margin decreased by $1.6 million in the current quarter compared to the same quarter last year mainly due to higher operating costs associated with unforeseen electrical maintenance at the Montréal plant and incremental costs associated with the importation of refined white sugar to support customer demand. These unfavourable variances were partially offset by higher sugar sales margin from improved average pricing on sugar refining-related activities. On a per-unit basis, adjusted gross margin for the fourth quarter was $156 per metric tonne, as compared to $165 per metric tonne for the same period last year.

Results from operating activities for the fourth quarter of 2023 were $20.4 million, an increase of $7.7 million as compared to the same period last year. These results include gains and losses from the mark-to-market of derivative financial instruments.

EBITDA for the fourth quarter was $25.5 million, an increase of $7.8 million as compared to same period last year. These results include gains and losses from the mark-to-market of derivative financial instruments.

Adjusted EBITDA for the fourth quarter decreased by $2.5 million compared to the same period last year, largely due to lower adjusted gross margin and higher distribution costs, partially offset by lower administration and selling expenses.

Maple Products

Fourth Quarter 2023 Maple Highlights (unaudited)	**Q4 2023**	Q4 2022	**YTD 2023**	YTD 2022
Financials ($000s)				
Revenues	**51,807**	47,264	**211,231**	213,934
Gross margin	**5,680**	1,714	**21,329**	14,933
Adjusted gross margin[1]	**6,471**	3,817	**19,309**	17,314
As a percentage of revenues (%) [1]	**12.5%**	8.1%	**9.1%**	8.1%
Administration and selling expenses	**2,777**	2,411	**10,979**	10,050
Distribution costs	**483**	310	**1,898**	2,028
Results from operating activities	**2,420**	(51,007)	**8,453**	(47,145)
EBITDA[1]	**4,115**	674	**15,228**	9,623
Adjusted EBITDA[1]	**4,906**	2,777	**13,208**	12,004
Volumes (thousand pounds)				
Total volume	**10,363**	9,838	**43,871**	47,063

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

Revenues for the fourth quarter were $4.5 million higher than the same period last year due to improved average selling prices and an increase in sales volume.

Gross margin was $5.7 million for the three months ended in the current fiscal year and includes a loss of $0.8 million for the mark-to-market of derivative financial instruments. For the same period last year, gross margin was $1.7 million with a mark-to-market loss of $2.1 million.

Adjusted gross margin for the fourth quarter of fiscal 2023 was higher by $2.7 million due to higher average selling prices, higher sales volume and lower production costs from recent automation initiatives.

Adjusted gross margin percentage for the fourth quarter of 2023 was 12.5% as compared to 8.1% for the same quarter last year. The favourable variance was mainly related to higher average pricing and lower operating costs from savings related to automation initiatives.

Results from operating activities for the current quarter were $2.4 million, compared to a loss $51.0 million in the same period last year. These results include gains and losses from the mark-to-market of derivative financial instruments and the goodwill impairment recorded in the fourth quarter of 2022.

EBITDA for the fourth quarter of 2023 amounted to $4.1 million, compared to $0.7 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 current quarter of fiscal 2023 increased by $2.1 million, due to higher average selling price, higher sales volume and lower production costs from recent automation initiatives.

OUTLOOK

Following a solid performance in 2023, we expect to continue to deliver a strong, stable financial performance in 2024. The continued strength in demand and pricing is expected to support stable organic growth for our Sugar business segment going forward. We expect our Maple segment to modestly recover during 2024 as the unfavorable inflationary pressures encountered over the last two years begin to recede.

Sugar

We expect the Sugar segment to perform well in fiscal 2024. Underlying North American demand remains strong across all customer segments supported by favourable market dynamics. Improvements in pricing implemented over the last two years will continue to positively support our financial results, allowing us to mitigate the current impact of inflationary pressures on costs. However, the current labour disruption at our Vancouver refinery is expected to negatively impact our 2024 financial results, the extent of which is not yet known. The magnitude of the impact will depend mainly on the length of the strike and the potential internal incremental costs associated with servicing our Western customers impacted by the labour disruption.

Since the beginning of the strike, on September 28, 2023, the Vancouver sugar refinery, which represents approximately 17% of our production of refined sugar, has been operating at approximately a third of its capacity, and we have been using some of the production of our Taber facility to support our customers in Western Canada. As at the time of preparation of this MD&A, we remain committed in reaching an agreement that is acceptable to both parties.

The initial volume expectation for fiscal year 2024 was set at 800,000 metric tonnes, representing an increase of 4,700 metric tonnes as compared to fiscal year 2023. Considering the current labour situation at our Vancouver refinery, we expect our volumes will be lower in 2024 compared to 2023. The reduction in volume sold to customers will depend on the length of the labour disruption. We will continue to prioritize domestic sales and focus on meeting our commitments to our customers. We will provide updates on the expected impact of the labour disruption on sales volumes as the situation evolves.

The harvest period for our sugar beet facility in Taber was completed in early November and we have received the expected quantity of beets from the growers. We are currently in the processing stage of the 2023 sugar beet campaign, with expected completion by the end of February. Based on our early assessment, we anticipate the 2023 crop to deliver between 105,000 metric tonnes and 110,000 metric tonnes of beet sugar, consistent with our expectations. The volume expectations align with the acreage contracted with the ASBG and the volume of sugar beets received.

Production costs and maintenance programs for our three production facilities are expected to continue to be moderately impacted by the current inflationary market-based pressures. We continue to focus on cost control initiatives throughout our operations.

Distribution costs are expected to be stable in 2024. These expenditures reflect the transfer of sugar produced between our facilities to serve our customers, including some of the costs associated with meeting the growing market demand with imported refined white sugar from Central America.

Administration and selling expenses are expected to increase in 2024 as compared to 2023, due mainly to market-based increases for compensation expenditures and external services supporting our business.

We anticipate our financing costs to increase in fiscal 2024 due to higher working capital needs, mainly associated with the purchase of raw sugar. We have been able to mitigate the impact of recent increases in interest rates and energy costs through our multi-year hedging strategy. We expect our hedging strategy will continue to mitigate such exposure in fiscal 2024.

Spending on regular business capital projects is also expected to remain stable for fiscal 2024. We anticipate spending approximately $25 million on various initiatives. This capital spending estimate excludes expenditures relating to our recently announced production and logistic capacity expansion project in Eastern Canada, which are currently estimated to be at $70 million for fiscal 2024.

Maple Products

The Maple segment financial results were lower than anticipated for 2023. This was due mainly to lower volume and lingering inflationary pressures on costs. Although we expect these financial and operating pressures to remain in the first part of fiscal 2024, we expect the Maple business segment to continue to benefit from automation initiatives at its Granby and Dégelis plants. Such initiatives, combined with recently negotiated price increases, are supporting the anticipated modest recovery of our Maple business segment in 2024. The expected sales volume for 2024 is stable when compared to 2023 at approximately 43.5 million lbs. The sales volume expectation reflects the sector-wide challenging market dynamics, impacting the global demand for maple syrup.

Capital investments have decreased significantly in recent years. The Maple segment is expected to spend between $1 million and $1.5 million annually on capital projects. The main driver for the selected projects is to improve productivity and profitability through automation.

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

A full copy of Rogers fourth quarter 2023, including management's discussion and analysis and unaudited condensed consolidated interim financial statements, can be found at www.LanticRogers.com.

Cautionary Statement Regarding Non-GAAP 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-GAAP financial measures. A non-GAAP 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-GAAP financial measures are not standardized; therefore, it may not be possible to compare these financial measures with the non-GAAP 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-GAAP financial measures in addition to, and in conjunction with, results presented in accordance with IFRS. These non-GAAP 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-GAAP measures" section at the end of the MD&A for the current quarter for additional information.

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

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

In this press release, we discuss the non-GAAP 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-GAAP measures should not be considered in isolation, or as a substitute for, analysis of our results as reported under GAAP. Reconciliations of non-GAAP financial measures to the most directly comparable IFRS financial measures are as follows:

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO IFRS FINANCIAL MEASURES

	Q4 2023			Q4 2022		
Consolidated results (In thousands of dollars)	**Sugar**	**Maple Products**	**Total**	Sugar	Maple Products	Total
Gross margin	**35,512**	**5,680**	**41,192**	26,758	1,714	28,472
Total adjustment to the cost of sales(1)	**(1,790)**	**791**	**(999)**	8,566	2,103	10,669
Adjusted gross margin	**33,722**	**6,471**	**40,193**	35,324	3,817	39,141
Results from operating activities	**20,395**	**2,420**	**22,815**	12,662	(51,007)	(38,345)
Total adjustment to the cost of sales(1)	**(1,790)**	**791**	**(999)**	8,566	2,103	10,669
Goodwill impairment	**-**	**-**	**-**	-	50,000	50,000
Adjusted results from operating activities	**18,605**	**3,211**	**21,816**	21,228	1,096	22,324
Results from operating activities	**20,395**	**2,420**	**22,815**	12,662	(1,007)	(38,345)
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**5,058**	**1,695**	**6,753**	4,947	1,681	6,628
Goodwill impairment	**-**	**-**	**-**	-	50,000	50,000
EBITDA(1)	**25,453**	**4,115**	**29,568**	17,609	674	18,283
EBITDA(1)	**25,453**	**4,115**	**29,568**	17,609	674	18,283
Total adjustment to the cost of sales(1)	**(1,790)**	**791**	**(999)**	8,566	2,103	10,669
Adjusted EBITDA	**23,663**	**4,906**	**28,569**	26,175	2,777	28,952
Net (loss) earnings			**11,876**			(45,502)
Total adjustment to the cost of sales(1)			**(999)**			10,669
Goodwill impairment			**-**			50,000
Net change in fair value in interest rate swaps(1)			**201**			(328)
Income taxes on above adjustments			**205**			(2,678)
Adjusted net earnings			**11,283**			12,161
Net earnings per share (basic)			**0.12**			(0.44)
Adjustment for the above			**(0.01)**			0.56
Adjusted net earnings per share (basic)			**0.11**			0.12

(1) See "Adjusted results" section

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

	Fiscal 2023			Fiscal 2022		
Consolidated results (In thousands of dollars)	**Sugar**	**Maple Products**	**Total**	Sugar	Maple Products	Total
Gross margin	**144,397**	**21,329**	**165,726**	115,872	14,933	130,805
Total adjustment to the cost of sales[1]	**(8,375)**	**(2,020)**	**(10,395)**	10,296	2,381	12,677
Adjusted gross margin	**136,022**	**19,309**	**155,331**	126,168	17,314	143,482
Results from operating activities	**86,510**	**8,453**	**94,963**	60,458	(47,145)	13,313
Total adjustment to the cost of sales[1]	**(8,375)**	**(2,020)**	**(10,395)**	10,296	2,381	12,677
Goodwill impairment	**-**	**-**	**-**	-	50,000	50,000
Adjusted results from operating activities	**78,135**	**6,433**	**84,568**	70,754	5,236	75,990
Results from operating activities	**86,510**	**8,453**	**94,963**	60,458	(47,145)	13,313
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**19,511**	**6,775**	**26,286**	19,380	6,768	26,148
Goodwill impairment	**-**	**-**	**-**	-	50,000	50,000
EBITDA[1]	**106,021**	**15,228**	**121,249**	79,838	9,623	89,461
EBITDA[1]	**106,021**	**15,228**	**121,249**	79,838	9,623	89,461
Total adjustment to the cost of sales[1]	**(8,375)**	**(2,020)**	**(10,395)**	10,296	2,381	12,677
Adjusted EBITDA[1]	**97,646**	**13,208**	**110,854**	90,134	12,004	102,138
Net (loss) earnings			**51,789**			(16,568)
Total adjustment to the cost of sales[1]			**(10,395)**			12,677
Goodwill impairment			**-**			50,000
Net change in fair value in interest rate swaps[1]			**523**			(2,800)
Income taxes on above adjustments			**2,577**			(2,650)
Adjusted net earnings			**44,494**			40,659
Net earnings per share (basic)			**0.50**			(0.16)
Adjustment for the above			**(0.08)**			0.55
Adjusted net earnings per share (basic)			**0.42**			0.39

(1) See “Adjusted results” section

Conference Call and Webcast

We will host a conference call to discuss our fourth quarter of fiscal 2023 results on November 30, 2023, starting at 8:00 ET. To participate, please dial 1-888-886-7786. A recording of the conference call will be accessible shortly after the conference, by dialing 1-877-674- 7070, access code 805894#. This recording will be available until December 30, 2023. 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 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-Honore-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 over 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:

- demand for refined sugar and maple syrup;
- our recently announced sugar refining eastern capacity expansion project;
- future prices of raw sugar;
- expected inflationary pressures on costs;
- natural gas costs;
- beet production forecasts;
- growth of the maple syrup industry and the refined sugar industry;
- the status of labour contracts and negotiations, including the impact of the current labour disruption in Vancouver;
- the level of future dividends; and
- the status of government regulations and investigations.

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

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

For further information

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ROGERS SUGAR INC.

Financial Report Q4 2023

This Management's Discussion and Analysis ("MD&A") of Rogers Sugar Inc.'s (the "Company", "Rogers", "RSI" or "our," "we", "us") dated November 29, 2023 should be read in conjunction with the audited consolidated financial statements and related notes for the years ended September 30, 2023 and October 1, 2022. The Company's MD&A and consolidated financial statements are prepared using a fiscal year which typically consists of 52 weeks, however, every five to six years, a fiscal year consists of 53 weeks. The fiscal years ended September 30, 2023 and October 1, 2022 consist of 52 weeks.

All financial information contained in this MD&A and audited consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as adopted by the International Accounting Standards Board. All amounts are in Canadian dollars unless otherwise noted, and the term "dollar", as well as the symbol "$", designate Canadian dollars unless otherwise indicated.

Management is responsible for preparing the MD&A. Rogers' audited consolidated financial statements and MD&A have been approved by its Board of Directors upon the recommendation of its Audit Committee prior to release.

Additional information relating to Rogers, Lantic Inc. ("Lantic") (Rogers and Lantic together referred as the "Sugar segment"), The Maple Treat Corporation ("TMTC") and Highland Sugarworks Inc. ("Highland") (the latter two companies together referred to as "TMTC" or the "Maple segment"), including the annual information form, quarterly and annual reports, annual environmental, social and governance report, management proxy circular, short form prospectus and various press releases are available on Rogers' website at www.LanticRogers.com or on the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval+ ("SEDAR+") website at www.sedarplus.ca. Information contained in or otherwise accessible through our website does not form part of this MD&A and is not incorporated into the MD&A by reference.

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OUR BUSINESS

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

Lantic, Rogers wholly owned subsidiary, operates cane sugar refineries in Montréal, Québec and Vancouver, British Columbia, as well as the only Canadian sugar beet processing facility in Taber, Alberta.

Lantic's sugar products are marketed under the "Lantic" trademark in Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland (collectively, "Eastern Canada"), and the "Rogers" trademark in British Columbia, Alberta, Saskatchewan and Manitoba (collectively, "Western Canada"). These products include granulated, icing, cube, yellow and brown sugars, liquid sugars and specialty syrups. Lantic also operates a distribution center in Toronto, Ontario.

TMTC operates bottling plants in Granby, Dégelis and St-Honoré-de-Shenley, Québec and in Websterville, Vermont. TMTC's products include maple syrup and derived maple syrup products supplied under retail private label brands in approximately 50 countries and are sold under various brand names.

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

Sugar

FACILITIES

Lantic is the only sugar producer with operating facilities across Canada with cane refineries in Montréal, Québec and Vancouver, British Columbia, and a sugar beet factory in Taber, Alberta. Lantic also operates a distribution center in Toronto, Ontario. The strategic location of these facilities provides operating flexibility and the ability to service all customers across the country efficiently and on a timely basis.

In the fourth quarter of fiscal 2023, the Board of Directors of Lantic approved the expansion of the production and logistic capacity of its eastern sugar refining operations in Montréal and Toronto (the "Expansion Project"). This investment is expected to provide 100,000 metric tonnes of incremental refined sugar capacity to the growing Canadian market, at an estimated construction cost of approximately $200 million. The Expansion Project is made up of three key components: (i) the expansion of refining capacity with the addition of new sugar refining equipment at the Montréal plant; (ii) the construction of a new bulk rail loading section in Montréal to serve increased shipments to the Ontario market; and (iii) the expansion of logistics and storage capacity in the Greater Toronto Area. We expect the incremental production and logistic capacity to be in service in the first half of fiscal 2026.

OUR PRODUCTS

All Lantic operations supply high quality white sugar as well as a broad portfolio of specialty products which are differentiated by colour, granulation, packaging format and raw material source.

Sales are focused in four specific market segments: industrial, consumer, liquid and export products. The domestic market represents over 90% of our company's total volume.

In fiscal 2023, Lantic's domestic refined sugar sales volume grew by 2% which is higher than previous years and aligned with the overall growth of the Canadian market.

The industrial granulated segment is the largest segment accounting for 57% of all shipments. This segment is composed of a broad range of food processing companies that serve both the Canadian and the American markets. In fiscal 2023, this segment sales volume increased by 2% as compared to the previous year.

In the consumer segment, a wide variety of products is offered under the Lantic and Rogers brand names. This segment has remained stable in fiscal 2023 and is representing approximately 12% of all shipments.

The liquid segment is composed of core users whose process or products require liquid sucrose. Some customers in this segment group can substitute liquid sucrose with high fructose corn syrup (“HFCS”). The purchasing patterns of substitutable users are largely influenced by the absolute price spread between HFCS and liquid sugar. Increasingly, other considerations, such as ingredient labeling may bear some influence on the purchasing decision. The liquid segment sales increased by 1.5% this year and are representing approximately 24% of all shipments in fiscal 2023.

Lantic’s Taber plant is the only beet sugar factory in Canada and is therefore the only producer of Canadian origin sugar. From this facility, we service a mix of customers across Western Canada. We also sell into other North American markets through various quotas assigned through trade agreements. As such, this plant is the sole participant in an annual Canadian-specific quota of refined sugar to the United States (“US”) of 19,900 metric tonnes of Canadian-origin sugar.

By-products relating to beet processing and cane refining activities are sold in the form of beet pulp, beet pellets, and molasses. Beet pellets are sold domestically and to export customers for livestock feed. The production of molasses is dependent on the volume of sugar processed through the Taber, Montréal and Vancouver plants.

OUR SUPPLY

The global supply of raw cane sugar is ample. Over the last several years, Lantic has purchased most of its raw cane sugar from Central and South America for its Montréal and Vancouver cane refineries.

In fiscal 2023, we concluded a new two-year agreement with the Alberta Sugar Beet Growers (“Growers”) for the supply of sugar beets to the Taber beet plant, for which the crop harvested in the fall of 2023 will be the first year of the agreed contract.

PRICING

The price of refined sugar deliveries from the Montréal and Vancouver raw cane facilities is directly linked to the price of the Raw #11 (“Raw #11”) market traded on the Intercontinental Exchange (“ICE”). All sugar transactions are economically hedged, thus eliminating the impact of volatility in world raw sugar prices. This applies to all refined sugar sales made by these plants.

In fiscal 2023, the price of Raw #11 traded on the ICE fluctuated between US 17.36 cents and US 27.62 cents per pound and closed at US 26.48 cents per pound at the end of the fiscal year, which was US 8.06 cents higher than the closing value at October 1, 2022. Price variation during the year was more volatile than in fiscal 2022 when Raw #11 prices fluctuated between US 17.20 cents and US 20.51 cents per pound. The average Raw #11 price in fiscal 2023 at US 22.48 cents was higher than the fiscal 2022 average of US 18.89 cents. The higher average price of Raw #11 was mainly due to sustained strong global sugar demand and the effect of a global sugar supply shortage in the market.

Maple

FACILITIES

TMTC operates three plants in Québec, namely, in Granby, Dégelis and in St-Honoré-de-Shenley, and one in Websterville, Vermont.

OUR PRODUCTS

TMTC’s products are mainly comprised of the following: bottled maple syrup, bulk maple syrup and maple sugar and flakes.

Bottled maple syrup is packaged in a variety of ways and sizes, including bottles, plastic jugs and the traditional cans. Bottled maple syrup is available in all commercial grades and in organic and non-organic varieties. TMTC’s bottled maple syrup is sold mainly under retail private label brands and under a variety house brand.

Bulk maple syrup is mainly sold in large containers, drums and totes to foodservice retailers, food processors as well as other wholesalers.

OUR SUPPLY

The production of maple syrup takes place over a period of six to eight weeks during the months of March and April of each year.

The biggest concentration of maple trees is located in the Provinces of Québec, New Brunswick, and Ontario, and in the US States of Vermont, Maine and New Hampshire. Canada remains the largest producer of maple syrup, with over 80% of the world’s production. The Province of Québec alone represents 70% of the world’s production. The US is the only other major producing country in the world, representing approximately 20% of the global supply.

The maple syrup producers in Québec are represented by the Producteurs et Productrices Acéricoles du Québec (“PPAQ”). The PPAQ generally regulates the buying and selling of bulk maple syrup. The PPAQ represents approximately 13,300 producers and 8,000 individual businesses.

In Québec, nearly 90% of the total production of maple syrup is sold through the PPAQ to the authorized buyers, leaving only approximately 10% of the total production being sold directly by the producers to consumers or grocery stores.

The PPAQ manages a strategic maple syrup reserve in order to mitigate production fluctuations caused by weather conditions and prevent such fluctuations from causing maple syrup prices to spike or drop significantly. Each year, the PPAQ may organize a sale of a portion of its accumulated reserve. This allows bottlers to respond to supply shortages in the event of a poor harvest or unplanned growth and demand.

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

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

TMTC has relationships with more than 1,400 maple syrup producers, mainly in Québec and Vermont. Most of these producers sell 100% of their production to TMTC. Through our strong relationships with these producers, we have been able to develop a leading position in certified organic maple syrup.

PRICING

Pursuant to a marketing agreement entered into annually between the PPAQ and the Conseil de l'industrie de l'érable (the Maple Industry Council) (the "**Marketing Agreement**"), authorized buyers must pay a minimum price to the PPAQ for any maple syrup purchased from the producers. The price is fixed on an annual basis and depends on the grade of the maple syrup. In addition, a premium is added to the minimum price for any organic maple syrup. Pursuant to the Marketing Agreement, authorized buyers must buy maple syrup from the PPAQ.

USE OF FINANCIAL DERIVATIVES FOR HEDGING

Sugar

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

The Raw #11 market is only traded on the ICE, which trades in US dollars. Sugar futures can be traded forward for a period of three years against four specific terminals per year (March, May, July and October). The terminal values are used to determine the price settlement upon the receipt of a raw sugar vessel or the delivery of sugar to our customers. The ICE rules are strict and are governed by the New York Board of Trade. Any amount owed, due to the movement of the commodity being traded, must be settled in cash the following day.

For the purchasing of raw sugar, we enter into long-term supply contracts with reputable raw sugar suppliers (the "Seller"). These long-term agreements will, amongst other things, specify the yearly volume to be purchased, the delivery period of each vessel, the terminal against which the sugar will be priced, and the freight rate to be charged for each delivery. The price of raw sugar will be determined later by the Seller, based upon the delivery period. The delivery period will correspond to the terminal against which the sugar will be priced.

Our process of selling refined sugar is also done under the Raw #11 market. When a sales contract is negotiated with a customer, the sales contract will determine the period of the contract, the expected delivery period against specific terminals and the refining margin and freight rate to be charged over and above the value of the sugar. The price of the sugar is not yet determined but needs to be fixed by the customer prior to delivery. The customer will make the decision to fix the price of the sugar against the sugar terminal, as per the anticipated delivery period.

We purchase sugar beets from the Growers, for our Taber sugar refining facility under a fixed price negotiated from time to time.

Natural Gas

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

We purchase between 3.5 million gigajoules and 4.0 million gigajoules of natural gas per year for use in our refining operations. To protect against large and unforeseen fluctuations, we hedge forward our estimated usage on a longer-term basis based on prevailing market conditions.

Our gas hedges are unwound in the months that the commodity is used in the operations, at which time any gains or losses incurred are then recognized for the determination of gross margins and earnings.

Foreign Exchange

Raw sugar costs for all sales contracts are denominated in US dollars. We also buy natural gas in US dollars. In addition, sugar export sales and some Canadian sugar sales are denominated in US dollars. In order to protect ourselves against the movement of the Canadian dollar versus the US dollar, we, on a daily basis, reconcile all of our exposure to the US dollar and we hedge the net position against various forward months, estimated from the date of the various transactions.

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

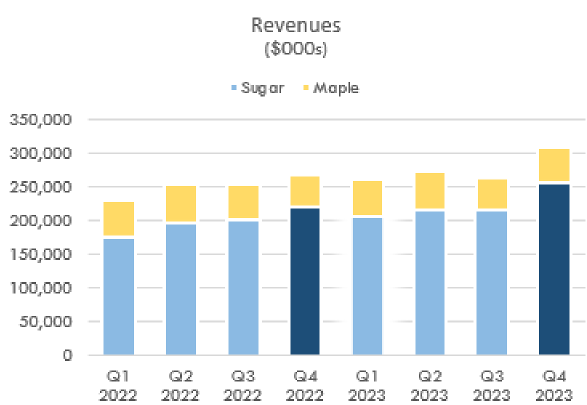
BUSINESS HIGHLIGHTS

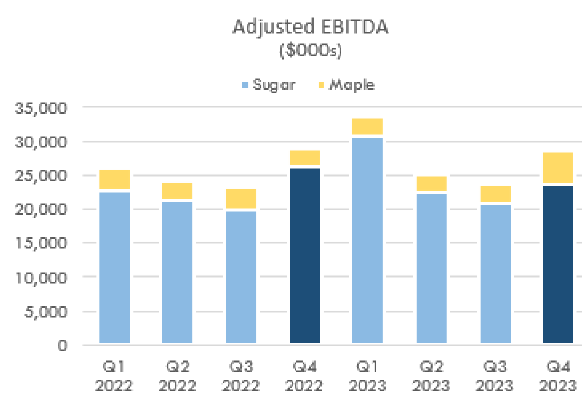
- Consolidated adjusted EBITDA for the 2023 fiscal year was $110.9 million, up by 8.5% from the same period in 2022, mainly driven by the strong performance of the Sugar segment;
- Consolidated adjusted net earnings for fiscal 2023 were $44.5 million or $0.42 per share, as compared to $40.7 million or $0.39 per share for the same period in 2022, largely driven by the strong performance of our Sugar segment;
- Consolidated revenues for fiscal year 2023 amounted to $1.1 billion, an increase of 10% as compared to last year, due mainly to higher average raw sugar prices during the year, higher margin on sugar refining related activities, and higher sugar sales volume at 795,307 metric tonnes;
- Consolidated adjusted EBITDA for the fourth quarter was $28.6 million as compared to $29.0 million for the same period last year. The decrease in consolidated adjusted EBITDA for the fourth quarter was mainly due to lower adjusted EBITDA in the Sugar segment, partially offset by higher adjusted EBITDA in the Maple segment;
- Adjusted EBITDA in the Sugar segment was $23.7 million for the fourth quarter of fiscal 2023, a decrease of $2.5 million compared to the same period last year, due largely to higher operating and distribution costs, partially offset by higher pricing;
- Adjusted EBITDA in the Maple segment for the fourth quarter was higher than last year by $2.1 million largely driven by improved average selling prices and lower operating costs;
- Free cash flow for the trailing 12 months ended September 30, 2023 was $45.8 million, a decrease of $1.0 million from the same period last year as a result of higher capital expenditures;
- In the fourth quarter of fiscal 2023, we distributed $0.09 per share to our shareholders for a total amount of $9.5 million;
- On August 14, 2023, RSI filed of a short-form base shelf prospectus in connection with expected financing initiatives over the next two years;
- On August 11, 2023, the Board of Directors of Lantic approved the Expansion Project. This investment is expected to provide approximately 100,000 metric tonnes of incremental refined sugar capacity to the growing Canadian market, at an estimated construction cost of approximately $200 million. The financing plan for the Expansion Project will include funding from debt and equity or equity like instruments sources, along with the Company's existing credit facilities and approved loans from Investissement Quebec for up to $65 million. We expect the incremental production and logistic capacity to be in service in the first half of fiscal 2026;
- On September 28, 2023, the unionized employee of the Vancouver sugar refinery, represented by the Public and Private Workers of Canada local 8 went on strike. As of the date of this MD&A, the strike is still ongoing. Management remains committed in reaching an agreement that is acceptable to both parties. Since the beginning of the strike, the Vancouver sugar refinery, which represents approximately 17% of our production of refined sugar, has been operating at approximately a third of its capacity, and we have been using some of the production of our Taber facility to support our customers in Western Canada;
- On November 1, 2023, we amended our revolving credit facility, by extending the term to October 31, 2027, and by increasing the amount available for working capital and for the Expansion Project by $75 million to $340 million; and
- On November 29, 2023, the Board of Directors declared a quarterly dividend of $0.09 per share, payable on or before February 1, 2024.

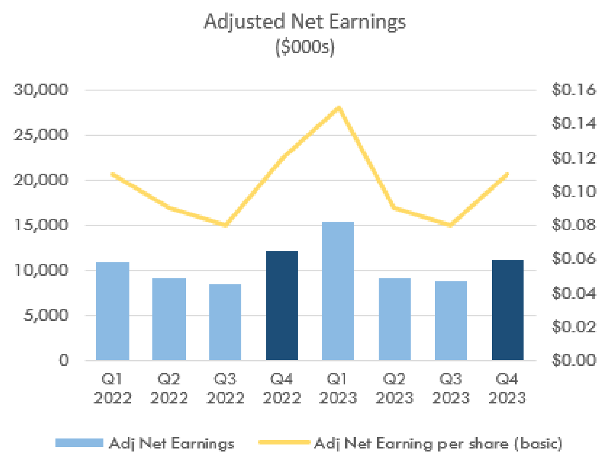
SELECTED FINANCIAL DATA AND HIGHLIGHTS

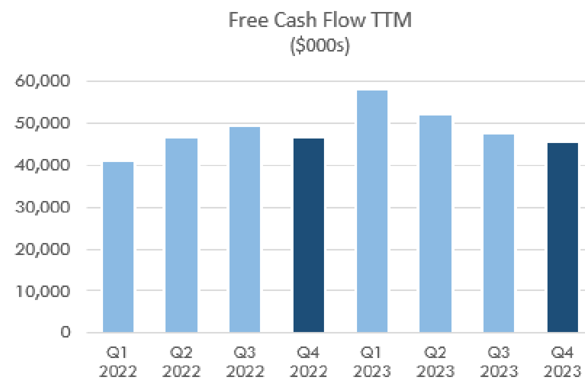
(unaudited) (In thousands of dollars, except volume and per share information)	**Q4 2023**	Q4 2022	**YTD 2023**	YTD 2022
Sugar (metric tonnes)	**215,500**	214,672	**795,307**	794,600
Maple syrup (000 pounds)	**10,363**	9,838	**43,871**	47,063
Total revenues	**308,036**	267,406	**1,104,713**	1,006,134
Gross margin	**41,192**	28,472	**165,726**	130,805
Adjustment to cost of sale(2)	**999**	(10,669)	**10,395**	(12,677)
Adjusted gross margin(1)	**40,193**	39,141	**155,331**	143,482
Results from operating activities	**22,815**	(38,345)	**94,963**	13,313
Adjusted results from operating activities(1)	**21,816**	22,324	**84,568**	75,990
EBITDA(1)	**29,568**	18,283	**121,249**	89,461
Adjusted EBITDA(1)	**28,569**	28,952	**110,854**	102,138
Net earnings	**11,876**	(45,502)	**51,789**	(16,568)
per share (basic)	**0.12**	(0.44)	**0.50**	(0.16)
per share (diluted)	**0.09**	(0.44)	**0.44**	(0.16)
Adjusted net earnings(1)	**11,283**	12,161	**44,494**	40,659
Adjusted net earnings per share (basic)(1)	**0.11**	0.12	**0.42**	0.39
Trailing twelve months free cash flow(3)	**45,765**	46,751	**45,765**	46,751
Dividends per share	**0.09**	0.09	**0.36**	0.36

(1) See "Non-GAAP Measures" section for definition and reconciliation to GAAP measures
(2) See "Adjusted results" section
(3) See "Free cash flow" section









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 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 gain/losses related to interest rate swaps that do not qualify under hedged accounting are accounted in the consolidated statement of earnings and comprehensive income. The amount recognized in other comprehensive income is removed and included in net earnings under the same line item in the consolidated statement of earnings and comprehensive income as the hedged item, in the same period that the hedged cash flows affect net earnings, reducing earnings volatility related to the movements of the valuation of these 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-GAAP measurement. See "Non-GAAP measures" section.

We use the non-GAAP 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-GAAP measures are evaluated on a consolidated basis and at a segmented level, excluding adjusted gross margin percentage, adjusted gross margin rate, 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-GAAP measures" section.

OUR RESULTS ARE ADJUSTED AS FOLLOWS:

Income (loss) (In thousands of dollars)	**Q4 2023**			Q4 2022		
	Sugar	**Maple Products**	**Total**	Sugar	Maple Products	Total
Mark-to-market on:						
Sugar futures contracts	**3,444**	**-**	**3,444**	(190)	-	(190)
Foreign exchange forward contracts	**(94)**	**(727)**	**(821)**	(5,339)	(2,384)	(7,723)
Total mark-to-market adjustment on derivatives	**3,350**	**(727)**	**2,623**	(5,529)	(2,384)	(7,913)
Cumulative timing differences	**(1,560)**	**(64)**	**(1,624)**	(3,037)	281	(2,756)
Total adjustment to costs of sales	**1,790**	**(791)**	**999**	(8,566)	(2,103)	(10,669)

Income (loss) (In thousands of dollars)	**YTD 2023**			YTD 2022		
	Sugar	**Maple Products**	**Total**	Sugar	Maple Products	Total
Mark-to-market on:						
Sugar futures contracts	**11,018**	**-**	**11,018**	1,325	-	1,325
Foreign exchange forward contracts	**1,085**	**(111)**	**974**	(5,058)	(2,474)	(7,532)
Total mark-to-market adjustment on derivatives	**12,103**	**(111)**	**11,992**	(3,733)	(2,474)	(6,207)
Cumulative timing differences	**(3,728)**	**2,131**	**(1,597)**	(6,563)	93	(6,470)
Total adjustment to costs of sales	**8,375**	**2,020**	**10,395**	(10,296)	(2,381)	(12,677)

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

We recognize cumulative timing differences, as a result of mark-to-market gains or losses, only when sugar or maple product 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 three and twelve months periods ended on September 30, 2023, the total cost of sales adjustment is a gain of \$1.0 million and \$10.4 million, respectively to be deducted from the consolidated results. For comparable periods last year, the total cost of sales adjustment is a loss of \$10.7 million and \$12.7 million, respectively to be added to the consolidated results.

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

SEGMENTED INFORMATION

Segmented Results (In thousands of dollars)	**Q4 2023**			Q4 2022		
	Sugar	**Maple Products**	**Total**	Sugar	Maple Products	Total
Revenues	**256,229**	**51,807**	**308,036**	220,142	47,264	267,406
Gross margin	**35,512**	**5,680**	**41,192**	26,758	1,714	28,472
Administration and selling expenses	**7,703**	**2,777**	**10,480**	9,138	2,411	11,549
Distribution costs	**7,414**	**483**	**7,897**	4,958	310	5,268
Goodwill impairment	**-**	**-**	**-**	-	50,000	50,000
Results from operating activities	**20,395**	**2,420**	**22,815**	12,662	(51,007)	(38,345)
Adjustment to cost of sales[2]	**(1,790)**	**791**	**(999)**	8,566	2,103	10,669
Adjusted Gross margin[1]	**33,722**	**6,471**	**40,193**	35,324	3,817	39,141
Adjusted results from operating activities[1][3]	**18,605**	**3,211**	**21,816**	21,228	1,096	22,324
EBITDA[1]	**25,453**	**4,115**	**29,568**	17,609	674	18,283
Adjusted EBITDA[1]	**23,663**	**4,906**	**28,569**	26,175	2,777	28,952
Additional information:						
Additions to property, plant and equipment and intangible assets, net of disposals	**8,949**	**252**	**9,201**	11,460	946	12,406
Increase in asset retirement obligation provision included in property, plant and equipment	**350**	**-**	**350**	-	-	-
Additions to right-of-use assets	**10,056**	**33**	**10,089**	113	-	113

(1) See "Non-GAAP Measures" section for definition and reconciliation to GAAP measures
(2) See "Adjusted results" section
(3) Adjusted results exclude impact of goodwill impairment

Segmented Results (In thousands of dollars)	**YTD 2023**			YTD 2022		
	Sugar	**Maple Products**	**Total**	Sugar	Maple Products	Total
Revenues	**893,482**	**211,231**	**1,104,713**	792,200	213,934	1,006,134
Gross margin	**144,397**	**21,329**	**165,726**	115,872	14,933	130,805
Administration and selling expenses	**33,250**	**10,979**	**44,229**	35,733	10,050	45,783
Distribution costs	**24,637**	**1,897**	**26,534**	19,681	2,028	21,709
Goodwill impairment	**-**	**-**		-	50,000	50,000
Results from operating activities	**86,510**	**8,453**	**94,963**	60,458	(47,145)	13,313
Adjustment to cost of sales[2]	**(8,375)**	**(2,020)**	**(10,395)**	10,296	2,381	12,677
Adjusted Gross margin[1]	**136,022**	**19,309**	**155,331**	126,168	17,314	143,482
Adjusted results from operating activities[1][3]	**78,135**	**6,433**	**84,568**	70,754	5,236	75,990
EBITDA[1]	**106,021**	**15,228**	**121,249**	79,838	9,623	89,461
Adjusted EBITDA[1]	**97,646**	**13,208**	**110,854**	90,134	12,004	102,138
Additional information:						
Additions to property, plant and equipment and intangible assets, net of disposals	**36,151**	**951**	**37,102**	22,642	1,364	24,006
Increase in asset retirement obligation provision included in property, plant and equipment	**350**	**-**	**350**	100	-	100
Additions to right-of-use assets, net of disposals	**11,667**	**78**	**11,745**	8,842	-	8,842

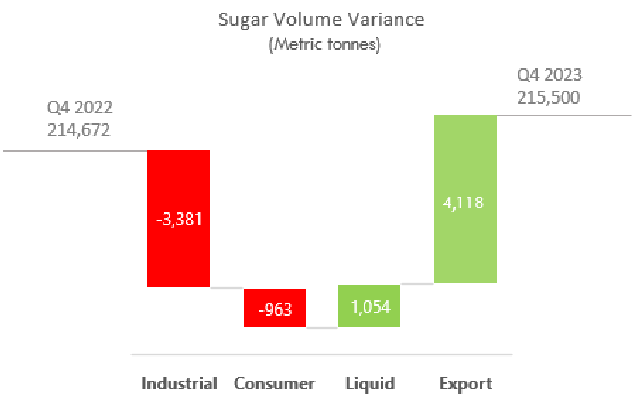
(1) See "Non-GAAP Measures" section for definition and reconciliation to GAAP measures
(2) See "Adjusted results" section
(3) Adjusted results exclude impact of goodwill impairment

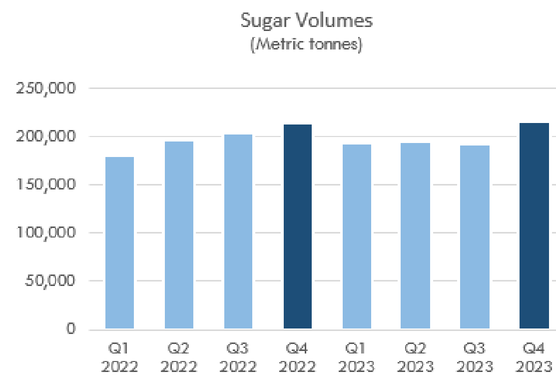
Sugar

REVENUES

	Q4 2023	Q4 2022	Δ	**YTD 2023**	YTD 2022	Δ
(In thousands of dollars)	**256,229**	220,142	36,087	**893,482**	**792,200**	101,282

In the fourth quarter of 2023, revenues increased by $36.1 million, compared to the same period last year. The variance was driven mainly by higher average market-price for Raw #11, and improved average pricing for refining-related activities.



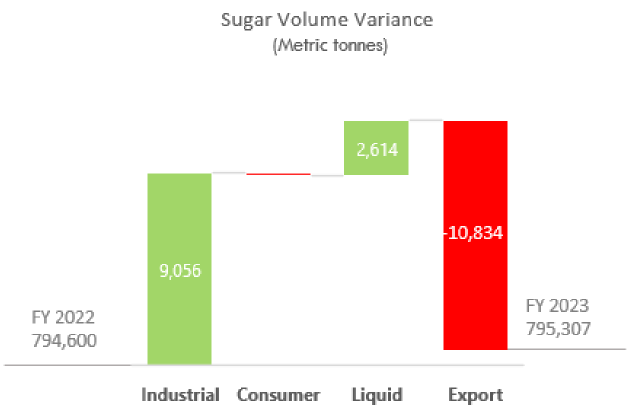


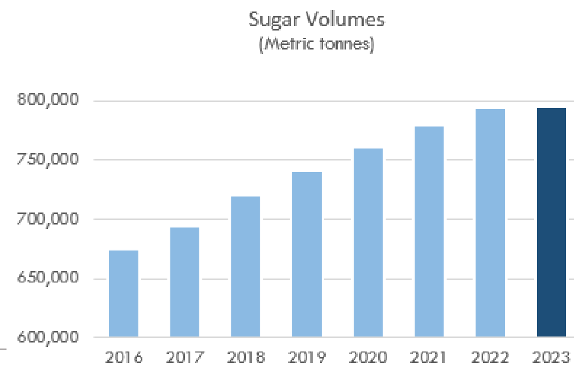
Overall, sugar volume increased slightly in the fourth quarter of 2023 compared to the same quarter last year, as a result of higher export and liquid sales volumes, partially offset by lower volumes in our industrial and consumer categories.

- Industrial volume decreased by 3,381 metric tonnes compared to the same period last year, largely due to the impact of an unforeseen peak in demand resulting from a temporary market disruption event that occurred in the second half of fiscal 2022.
- Consumer volume decreased by 963 metric tonnes compared to the same quarter last year, mainly due to timing of orders from customers.
- Liquid volume increased by 1,054 metric tonnes compared to the same period last year mainly due to stronger demand from existing customers.
- Export volume increased by 4,118 metric tonnes compared to the same period last year, when in fiscal 2022, we focused our sales efforts on serving the domestic industrial market, which was experiencing a temporary increase in demand.

In the 2023 fiscal year, revenues increased by $101.3 million compared to last year. The variance was driven mainly by higher average market-price for Raw #11, higher sales volume, improved average pricing for refining-related activities, and higher by-product sales revenues.

The average prices for Raw #11 sugar increased by US 3.6 cents per pound to US 22.5 cents per pound for the 2023 fiscal year, when compared to last year.





During fiscal year 2023, sugar volume totaled 795,307 metric tonnes, an increase of 707 metric tonnes compared to last year.

- Industrial volume increased by 9,056 metric tonnes compared to last year as a result of the continued strong demand in the domestic market.
- Consumer volume remained largely unchanged from last year.
- Liquid volume increased by 2,614 metric tonnes compared to last year as a result of higher demand from existing customers.
- Export volume decreased by 10,834 metric tonnes compared to last year, as we focussed our sales effort toward serving the domestic industrial market.

GROSS MARGIN

(In thousands of dollars, except per metric tonne information)	**Q4 2023**	Q4 2022	Δ	**YTD 2023**	YTD 2022	Δ
Gross margin	**35,512**	26,758	8,754	**144,397**	115,872	28,525
Total adjustment to cost of sales[2]	**(1,790)**	8,566	(10,356)	**(8,375)**	10,296	(18,671)
Adjusted gross margin[1]	**33,722**	35,324	(1,602)	**136,022**	126,168	9,854
Adjusted gross margin per metric tonne[1]	**156.48**	164.55	(8.07)	**171.03**	158.78	12.25
Included in gross margin:						
Depreciation of property, plant and equipment and right-of-use assets	**4,022**	4,300	(278)	**15,396**	16,835	(1,439)

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

Gross margin was $35.5 million and $144.4 million for the current quarter and the 2023 fiscal year, and included gains of $1.8 million and $8.4 million respectively, for the mark-to-market of derivative financial instruments. For the same periods last year, gross margin was $26.8 million and $115.9 million, respectively, with mark-to-market losses of $8.6 million and $10.3 million, respectively.

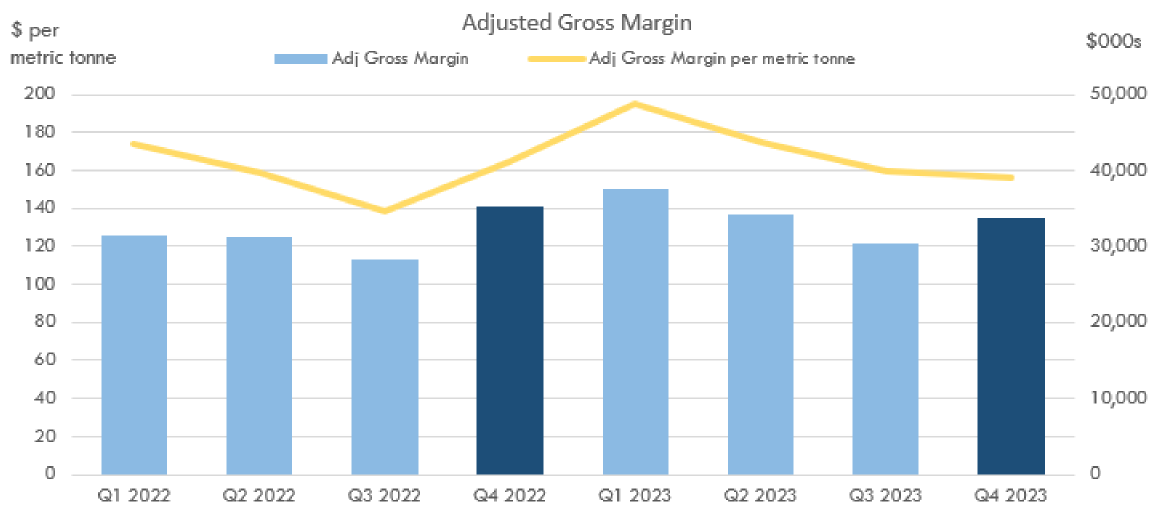
Adjusted gross margin was $33.7 million and $136.0 million for the current quarter and for the 2023 fiscal year, respectively, as compared to $35.3 million and $126.2 million in the same periods of 2022.

Adjusted gross margin decreased by $1.6 million in the current quarter compared to the same quarter last year mainly due to higher operating costs associated with unforeseen electrical maintenance at the Montréal plant and incremental costs associated with the importation of refined white sugar to support customer demand. These unfavourable variances were partially offset by higher sugar sales margin from improved average pricing on sugar refining-related activities.

On a per-unit basis, adjusted gross margin for the fourth quarter was $156 per metric tonne, as compared to $165 per metric tonne for the same period last year.

For the 2023 fiscal year, adjusted gross margin increased by $9.9 million driven mainly by improved average pricing on sugar refining-related activities, partially offset by higher production costs mainly driven by higher maintenance activities, market-based inflationary pressures on operating costs and higher energy prices.

On a per-unit basis, for the fiscal 2023, adjusted gross margin amounted to $171 per metric tonne compared to $159 per metric tonne for the same period last year. The favourable variance of $12 per metric tonne was mainly due to improved average pricing, partially offset by higher production costs.



OTHER EXPENSES

(In thousands of dollars, except per metric tonne information)	**Q4 2023**	Q4 2022	Δ	**YTD 2023**	YTD 2022	Δ
Administration and selling expenses	**7,703**	9,138	(1,435)	**33,250**	35,733	(2,483)
Distribution costs	**7,414**	4,958	2,456	**24,637**	19,681	4,956
Included in Administration and selling expenses:						
Depreciation of property, plant and equipment and right-of-use assets	**194**	223	(29)	**929**	867	62
Included in Distribution costs:						
Depreciation of right-of-use assets	**842**	424	418	**3,186**	1,679	1,507

In the fourth quarter of fiscal 2023, administration and selling expenses were lower by $1.4 million compared to the same quarter last year. The variance was mainly due to lower cash-settled share-based compensation expenses driven by a decrease in the share price used to estimate the related expense, partially offset by higher compensation costs and related employee benefits. Distribution costs increased by $2.5 million compared to the same quarter last year, mainly due to an increase in logistical costs to support the strong demand in Eastern Canada and the lower-than-expected production from our beet sugar facility in Taber in fiscal 2023.

For the year, administration and selling expenses were $2.5 million lower than the comparable period last year. The variance was mainly due to lower cash-settled share-based compensation expenses driven by a decrease in the share price used to estimate the related expense, partially offset by higher compensation costs and related employee benefits. Distribution costs increased by $5.0 million compared to the 2022 fiscal year, mainly due to an increase in logistical costs to support the strong demand in Eastern Canada and the lower-than-expected production from our beet sugar facility in Taber.

RESULTS FROM OPERATING ACTIVITIES AND ADJUSTED EBITDA

	Q4 2023	Q4 2022	Δ	YTD 2023	YTD 2022	Δ
(In thousands of dollars)						
Results from operating activities	**20,395**	12,662	7,733	**86,510**	60,458	26,052
Total adjustment to cost of sales (2)	**(1,790)**	8,566	(10,356)	**(8,375)**	10,296	(18,671)
Adjusted results from operating activities(1)	**18,605**	21,228	(2,623)	**78,135**	70,754	7,381
Depreciation of property, plant and equipment, right-of-use assets, and amortization of intangible assets	**5,058**	4,947	111	**19,511**	19,380	131
EBITDA(1)	**25,453**	17,609	7,844	**106,021**	79,838	26,183
Adjusted EBITDA(1)	**23,663**	26,175	(2,512)	**97,646**	90,134	7,512

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

Results from operating activities for the fourth quarter and the 2023 fiscal year were $20.4 million and $86.5 million, respectively, an increase of $7.7 million and $26.1 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 fourth quarter of fiscal 2023 were $2.6 million lower than 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 2023 fiscal year were $7.4 million higher than the same period last year as higher adjusted gross margin and lower administration and selling expenses were partially offset by higher distribution costs.

EBITDA for the fourth quarter and the 2023 fiscal year were $25.5 million and $106.0 million, respectively, an increase of $7.8 million and $26.2 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 EBITDA for the fourth quarter decreased by $2.5 million compared to the same period last year, largely due to lower adjusted gross margin and higher distribution costs, partially offset by lower administration and selling expenses. Adjusted EBITDA for the 2023 fiscal year increased by $7.5 million largely due to higher adjusted gross margin and lower administration and selling expenses, partially offset by higher distribution costs, as mentioned above.

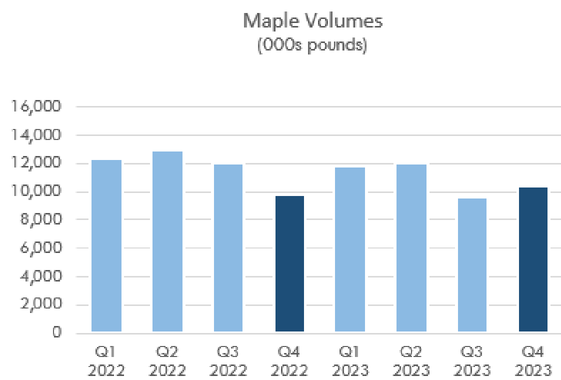
Maple

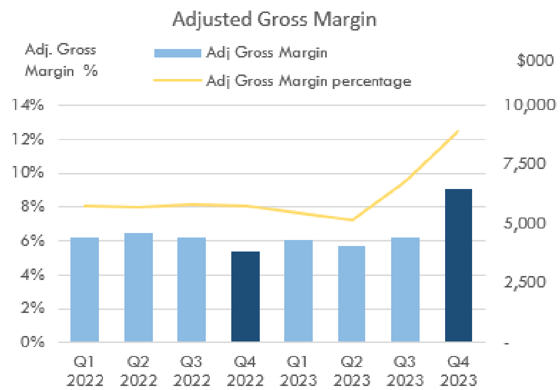
REVENUES

	Q4 2023	Q4 2022	Δ	YTD 2023	YTD 2022	Δ
(In thousands of dollars, except volume)						
Volume (000 pounds)	**10,363**	9,838	525	**43,871**	47,063	(3,192)
Revenues	**51,807**	47,264	4,543	**211,231**	213,934	(2,703)

Revenues for the fourth quarter were $4.5 million higher than the same period last year due to improved average selling prices and an increase in sales volume. For the 2023 fiscal year, revenues were $2.7 million lower than last fiscal year largely due to lower volume, partially offset by higher average selling prices.

Total volume sold decreased by 3.2 million lbs or 6.8% in 2023 as compared to 2022. The decrease in volume was mainly attributable to lower demand and unfavourable market dynamics impacting negatively the global demand for maple syrup.





GROSS MARGIN

	Q4 2023	Q4 2022	Δ	**YTD 2023**	YTD 2022	Δ
(In thousands of dollars, except adjusted gross margin rate information)						
Gross margin	**5,680**	1,714	3,966	**21,329**	14,933	6,396
Total adjustment to cost of sales (1) (2)	**791**	2,103	(1,312)	**(2,020)**	2,381	(4,401)
Adjusted gross margin (1)	**6,471**	3,817	2,654	**19,309**	17,314	1,995
Adjusted gross margin percentage (1)	**12.5%**	8.1%	4.4%	**9.1%**	8.1%	1.0%
Included in Gross margin:						
Depreciation of property, plant and equipment and right-of-use assets	**818**	807	11	**3,265**	3,278	(13)

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

(2) See "Adjusted results" section

Gross margin was $5.7 million and $21.3 million for the three months and the current fiscal year and includes a loss of $0.8 million and a gain of $2.0 million respectively, for the mark-to-market of derivative financial instruments. For the same periods last year, gross margin was $1.7 million and $14.9 million, respectively, with a mark-to-market loss of $2.1 million and $2.4 million, respectively.

Adjusted gross margin for the fourth quarter of fiscal 2023 was higher by $2.7 million due to higher average selling prices, higher sales volume and lower production costs from recent automation initiatives.

Adjusted gross margin for fiscal 2023 was $2.0 million higher than the prior year, due to higher average selling prices and lower operating costs, partially offset by lower sales volume. Operating costs were slightly lower in 2023 as compared to 2022 as market-based inflationary increases in costs were more than offset by savings related to automation initiatives implemented in the second half of 2023.

Adjusted gross margin percentage for the fourth quarter of 2023 was 12.5% as compared to 8.1% for the same quarter last year. The favourable variance was mainly related to higher average pricing and lower operating costs from savings related to automation initiatives. Adjusted gross margin percentage for fiscal year 2023 was 9.1% as compared to 8.1% for fiscal year 2022. The favourable variance was mainly related to higher average pricing and lower operating costs.

OTHER EXPENSES

	Q4 2023	Q4 2022	Δ	**YTD 2023**	YTD 2022	Δ
(In thousands of dollars)						
Administration and selling expenses	**2,777**	2,411	366	**10,979**	10,050	929
Distribution costs	**483**	310	173	**1,898**	2,028	(130)
Goodwill impairment	**-**	50,000	(50,000)	**-**	50,000	(50,000)
Included in Administration and selling expenses:						
Amortization of intangible assets	**877**	874	3	**3,510**	3,490	20

Administration and selling expenses for the last three months and for the twelve months ended in the current fiscal year were $0.4 million and $0.9 million higher than the comparable periods last year. These variances were largely due to market-based cost increases for compensation-related expenses and administrative business support costs.

Distribution costs for the fourth quarter were higher by $0.2 million compared to the same period last year, due to incremental logistics costs from higher sales volume. Distribution costs for the 2023 fiscal year were lower by $0.1 million due to lower volume sold, partially offset by market-based cost increases.

At the end of fiscal 2022, we performed our annual accounting impairment testing and concluded that the carrying value of the net assets of our Maple business segment exceeded the recoverable amount by $50.0 million at that point in time. As a result, we recorded a non-cash impairment charge to our goodwill balance of $50.0 million in the fourth quarter of fiscal 2022. This reduction in goodwill was mainly attributable to the lower-than-expected financial results of the Maple business segment in 2022, caused by unfavourable market dynamics and significant inflationary pressures.

We performed our annual accounting impairment testing on the Maple business segment at the end of fiscal 2023 and concluded that the carrying value of the net assets was lower than the recoverable value of such assets. Accordingly, no impairment charge was recorded at the end of fiscal year 2023.

RESULTS FROM OPERATING ACTIVITIES AND ADJUSTED EBITDA

	Q4 2023	Q4 2022	Δ	**YTD 2023**	YTD 2022	Δ
(In thousands of dollars)						
Results from operating activities	**2,420**	(51,007)	53,427	**8,453**	(47,145)	55,598
Total adjustment to cost of sales (1)	**791**	2,103	(1,312)	**(2,020)**	2,381	(4,401)
Goodwill impairment	**-**	50,000	(50,000)	**-**	50,000	(50,000)
Adjusted results from operating activities (1)(3)	**3,211**	1,096	2,115	**6,433**	5,236	1,197
Depreciation and amortization	**1,695**	1,681	14	**6,775**	6,768	7
EBITDA (1)	**4,115**	674	3,441	**15,228**	9,623	5,605
Adjusted EBITDA (1)	**4,906**	2,777	2,129	**13,208**	12,004	1,204

(1) See “Non-GAAP Measures” section for definition and reconciliation to GAAP measures
(2) See “Adjusted results” section
(3) Adjusted results for operating activities exclude goodwill impairment

Results from operating activities for the fourth quarter and the 2023 fiscal year were $2.4 million and $8.5 million respectively, compared to a loss of $51.0 million and $47.1 million respectively, in the same periods last year. These results include gains and losses from the mark-to-market of derivative financial instruments and the goodwill impairment recorded in the fourth quarter of 2022.

Adjusted results from operating activities for the current quarter were $2.1 million higher than the comparable period last year, due mainly to higher adjusted gross margin, partially offset by higher distribution costs, administration and selling expenses.

Adjusted results from operating activities for the 2023 fiscal year were $1.2 million higher than the comparable period last year, due mainly to higher adjusted gross margin, partially offset by higher administration and selling expenses, as explained above.

EBITDA for the fourth quarter and the 2023 fiscal year were $4.1 million and $15.2 million, respectively, an increase of $3.4 million and $5.6 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 EBITDA for the current quarter of fiscal 2023 increased by $2.1 million, due to higher sales volume and increased adjusted gross margin as explained above. Adjusted EBITDA for the 2023 fiscal year increased by $1.2 million, compared to the same period last year, largely driven by higher adjusted gross margins, partially offset by higher administration and selling expenses, as explained above.

OUTLOOK

Following a solid performance in 2023, we expect to continue to deliver a strong, stable financial performance in 2024. The continued strength in demand and pricing is expected to support stable organic growth for our Sugar business segment going forward. We expect our Maple segment to modestly recover during 2024 as the unfavorable inflationary pressures encountered over the last two years begin to recede.

Sugar

We expect the Sugar segment to perform well in fiscal 2024. Underlying North American demand remains strong across all customer segments supported by favourable market dynamics. Improvements in pricing implemented over the last two years will continue to positively support our financial results, allowing us to mitigate the current impact of inflationary pressures on costs. However, the current labour disruption at our Vancouver refinery is expected to negatively impact our 2024 financial results, the extent of which is not yet known. The magnitude of the impact will depend mainly on the length of the strike and the potential internal incremental costs associated with servicing our Western customers impacted by the labour disruption.

Since the beginning of the strike, on September 28, 2023, the Vancouver sugar refinery, which represents approximately 17% of our production of refined sugar, has been operating at approximately a third of its capacity, and we have been using some of the production of our Taber facility to support our customers in Western Canada. As at the time of preparation of this MD&A, we remain committed in reaching an agreement that is acceptable to both parties.

The initial volume expectation for fiscal year 2024 was set at 800,000 metric tonnes, representing an increase of 4,700 metric tonnes as compared to fiscal year 2023. Considering the current labour situation at our Vancouver refinery, we expect our volumes will be lower in 2024 compared to 2023. The reduction in volume sold to customers will depend on the length of the labour disruption. We will continue to prioritize domestic sales and focus on meeting our commitments to our customers. We will provide updates on the expected impact of the labour disruption on sales volumes as the situation evolves.

The harvest period for our sugar beet facility in Taber was completed in early November and we have received the expected quantity of beets from the growers. We are currently in the processing stage of the 2023 sugar beet campaign, with expected completion by the end of February. Based on our early assessment, we anticipate the 2023 crop to deliver between 105,000 metric tonnes and 110,000 metric tonnes of beet sugar, consistent with our expectations. The volume expectations align with the acreage contracted with the ASBG and the volume of sugar beets received.

Production costs and maintenance programs for our three production facilities are expected to continue to be moderately impacted by the current inflationary market-based pressures. We continue to focus on cost control initiatives throughout our operations.

Distribution costs are expected to be stable in 2024. These expenditures reflect the transfer of sugar produced between our facilities to serve our customers, including some of the costs associated with meeting the growing market demand with imported refined white sugar from Central America.

Administration and selling expenses are expected to increase in 2024 as compared to 2023, due mainly to market-based increases for compensation expenditures and external services supporting our business.

We anticipate our financing costs to increase in fiscal 2024 due to higher working capital needs, mainly associated with the purchase of raw sugar. We have been able to mitigate the impact of recent increases in interest rates and energy costs through our multi-year hedging strategy. We expect our hedging strategy will continue to mitigate such exposure in fiscal 2024.

Spending on regular business capital projects is also expected to remain stable for fiscal 2024. We anticipate spending approximately $25 million on various initiatives. This capital spending estimate excludes expenditures relating to our recently announced Expansion Project in Eastern Canada, which are currently estimated to be at $70 million for fiscal 2024.

Maple

The Maple segment financial results were lower than anticipated for 2023. This was due mainly to lower volume and lingering inflationary pressures on costs. Although we expect these financial and operating pressures to remain in the first part of fiscal 2024, we expect the Maple business segment to continue to benefit from automation initiatives at its Granby and Dégelis plants. Such initiatives, combined with recently negotiated price increases, are supporting the anticipated modest recovery of our Maple business segment in 2024. The expected sales volume for 2024 is stable when compared to 2023 at approximately 43.5 million lbs. The sales volume expectations reflects the sector-wide challenging market dynamics, impacting the global demand for maple syrup.

Capital investments have decreased significantly in recent years. The Maple segment is expected to spend between $1 million and $1.5 million annually on capital projects. The main driver for the selected projects is to improve productivity and profitability through automation.

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

CONSOLIDATED RESULTS AND SELECTED FINANCIAL INFORMATION

(unaudited) (In thousands of dollars, except volume and per share information)	**Q4 2023**	Q4 2022	**YTD 2023**	YTD 2022
Sugar (metric tonnes)	**215,500**	214,672	**795,307**	794,600
Maple syrup (000 pounds)	**10,363**	9,838	**43,871**	47,063
Total revenues	**308,036**	267,406	**1,104,713**	1,006,134
Gross margin	**41,192**	28,472	**165,726**	130,805
Adjusted gross margin(1)	**40,193**	39,141	**155,331**	143,482
Results from operating activities	**22,815**	(38,345)	**94,963**	13,313
Adjusted results from operating activities(1)	**21,816**	22,324	**84,568**	75,990
EBITDA(1)	**29,568**	18,283	**121,249**	89,461
Adjusted EBITDA(1)	**28,569**	28,952	**110,854**	102,138
Net finance costs	**6,687**	5,057	**24,577**	17,567
Income tax expense	**4,252**	2,099	**18,597**	12,314
Net (loss) earnings	**11,876**	(45,502)	**51,789**	(16,568)
per share (basic)	**0.12**	(0.44)	**0.50**	(0.16)
per share (diluted)	**0.09**	(0.44)	**0.44**	(0.16)
Adjusted net earnings(1)	**11,283**	12,161	**44,494**	40,659
per share (basic)(1)	**0.11**	0.12	**0.42**	0.39
Dividends per share	**0.09**	0.09	**0.36**	0.36

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

Total revenues

Revenues increased by $40.6 million and $98.6 million for the fourth quarter and for the 2023 fiscal year, respectively, compared to the same periods last year. The increase in revenues was mainly attributable to higher prices paid for Raw #11 sugar and higher average pricing for refining related activities in the Sugar segment, as well as higher pricing in the Maple segment.

Gross margin

Gross margin increased by $12.7 million and $34.9 million respectively for the current quarter and for fiscal 2023 compared to the same periods last year. Excluding the mark-to-market of derivative financial instruments, adjusted gross margin for the current quarter and for the 2023 fiscal year increased by $1.1 million and $11.8 million respectively, compared to the same period last year. These positive variances were mainly due to higher adjusted gross margin in both the Sugar and Maple segments largely driven by improved selling price.

For the Sugar segment, the adjusted gross margin for the current quarter amounted to $156 per metric tonne, a decrease of $8 per metric tonne compared to the same period last year. Adjusted gross margin per metric tonne for fiscal 2023 in the Sugar segment at $171 per metric tonnes, was higher by $12 per metric tonne compared to last year, mainly due to improved average pricing, partially offset by higher production costs. For the Maple segment, the adjusted gross margin percentage for the current quarter and the 2023 fiscal year were higher by 4.4% and 1.0% respectively, when compared to the same period last year, mainly driven by higher pricing and lower operating costs.

Results from operating activities

Results from operating activities for the current quarter were $22.8 million compared to a loss of $38.3 million in the same quarter last year, representing an increase of $61.1 million. For fiscal 2023, results from operating activities were $95.0 million compared to $13.3 million last year, representing an increase of $81.7 million. Adjusted results from operating activities for the current quarter amounted to $21.8 million compared to $22.3 million in the same quarter last year, a decrease of $0.5 million. For fiscal 2023, adjusted results from operating activities were $84.6 million compared to $76.0 million, representing an increase of $8.6 million. The improvement of adjusted results from operating activities in both periods was mainly driven by higher contribution from the Sugar segment during the 2023 fiscal year.

Net finance costs

(In thousands of dollars)	**Q4 2023**	Q4 2022	Δ	**YTD 2023**	YTD 2022	Δ
Interest expense on convertible unsecured subordinated debentures, including accretion of $1,024 (2022 - $969)	**2,140**	2,125	15	**8,530**	8,413	117
Interest on revolving credit facility	**1,946**	1,113	833	**7,293**	5,063	2,230
Interest on senior guaranteed notes, including accretion of $158 (2022- $116)	**917**	895	22	**3,639**	3,595	44
Amortization of deferred financing fees	**308**	311	(3)	**1,231**	1,240	(9)
Interest on Producteurs et Productrices Acérioles du Québec supplier balance	**840**	497	343	**2,265**	900	1,365
Other interest expense	**-**	142	(142)	**21**	157	(136)
Interest accretion on discounted lease obligations	**335**	301	34	**1,075**	1,000	75
Net change in fair value of interest rate swaps	**201**	(328)	529	**523**	(2,801)	3,324
Net finance costs	**6,687**	5,056	1,630	**24,577**	17,567	7,010

For the fourth quarter of 2023 and fiscal 2023, net finance costs were higher by $1.6 million and $7.0 million respectively, compared to the same periods last year, largely driven by the increase in interest expense on our revolving credit facility from higher average borrowing, the increase in interest expense related to the purchase of maple syrup from PPAQ and the impact of market-based changes in fair value related to interest rate swaps contracts.

Taxation

(In thousands of dollars)	**Q4 2023**	Q4 2022	Δ	**YTD 2023**	YTD 2022	Δ
Current	**3,606**	1,595	2,011	**14,676**	14,275	401
Deferred	**646**	504	142	**3,921**	(1,961)	5,882
Income tax expense	**4,252**	2,099	2,153	**18,597**	12,314	6,283

The variations in current and deferred tax expense for the current quarter and the fiscal 2023 are consistent with the variation in earnings before income taxes compared to the same periods last year, excluding the impact of the goodwill impairment charge recorded in the fourth quarter of 2022.

Deferred income taxes reflect temporary differences, which result primarily from the difference between depreciation claimed for tax purposes and depreciation amounts 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 fourth quarter and for the fiscal 2023 were higher by $57.4 million and $68.4 million, respectively, compared to the same periods last year. Excluding the goodwill impairment of $50.0 million recorded in the fourth quarter of fiscal 2022, net earnings in the fourth quarter and for the fiscal 2023 were higher by $7.4 million and $18.4 million, respectively, compared to the same periods last year. These variances were mainly attributable to non-cash variances in the mark-to-market of derivative financial instruments associated with sugar futures contracts and foreign exchange forward contracts, higher adjusted results from operating activities, partially offset by higher net finance costs and income tax expenses.

Adjusted net earnings in the fourth quarter were $0.9 million lower compared to the same period last year, mainly due to higher net finance costs. Adjusted net earnings for the 2023 fiscal year were higher by $3.8 million compared to the same periods last year, largely attributable to higher adjusted results from operating activities, partially offset by higher net finance costs.

Summary of Quarterly Results

The following is a summary of selected financial information of the consolidated financial statements and non-GAAP measures of the Company for the last eight quarters:

(In thousands of dollars, except for volumes and per share information)	QUARTERS[2]							
	2023				2022			
	Fourth	Third	Second	First	Fourth	Third	Second	First
Sugar volumes (MT)	**215,500**	191,411	195,547	192,849	214,672	203,315	196,570	180,043
Maple products volumes ('000 pounds)	**10,363**	9,630	12,059	11,819	9,838	12,027	12,912	12,286
Total revenues	**308,036**	262,285	272,949	261,443	267,406	254,632	253,341	230,755
Gross margin	**41,192**	41,685	41,659	41,191	28,472	24,948	33,899	43,486
Adjusted gross margin[1]	**40,193**	34,912	38,233	41,993	39,141	32,654	35,887	35,800
Results from operations	**22,815**	24,008	21,856	26,284	(38,345)	8,822	15,499	27,337
Adjusted results from operations[1]	**21,816**	17,235	18,431	27,086	22,324	16,528	17,487	19,651
EBITDA[1]	**29,568**	30,523	28,445	32,713	18,283	15,402	22,029	33,748
Adjusted EBITDA[1]	**28,569**	23,750	25,020	33,515	28,952	23,108	24,017	26,061
Net (loss) earnings	**11,876**	14,177	11,062	14,674	(45,502)	3,138	8,570	17,226
Per share - basic	**0.12**	0.13	0.11	0.14	(0.44)	0.03	0.08	0.17
Per share - diluted	**0.09**	0.12	0.10	0.13	(0.44)	0.03	0.08	0.15
Adjusted net earnings[1]	**11,283**	8,749	9,115	15,347	12,161	8,419	9,122	10,957
Per share - basic	**0.11**	0.08	0.09	0.15	0.12	0.08	0.09	0.11
Per share - diluted	**0.10**	0.08	0.09	0.31	0.11	0.08	0.09	0.10
Sugar - Adjusted gross margin rate per MT[1]	**156.48**	159.31	174.62	195.29	164.55	138.68	159.11	174.25
Maple - Adjusted gross margin percentage[1]	**12.5%**	9.5%	7.2%	7.7%	8.1%	8.2%	8.0%	8.1%

(1) See "Non-GAAP Measures" section for definition and reconciliation to GAAP 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 best quarters for the sugar segment for adjusted gross margin, adjusted EBITDA, and adjusted net earnings due to the favourable sales product mix associated with an increased proportion of consumer sales during these periods of the year. At the same time, the second quarter (January to March) and the third quarter (April to June) historically have the lowest volumes as well as an unfavourable sales product mix, resulting in lower adjusted gross margins, adjusted EBITDA, and adjusted net earnings. Over the last eight quarters, this trend was less correlated due to sustained strong demand in the domestic market and sales that were delayed from the first quarters of both, 2023 and 2022.

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

Financial condition

(In thousands of dollars)	**September 30, 2023**	October 1, 2022	October 2, 2021
Total assets	**$ 960,901**	$ 937,956	$ 879,930
Total liabilities	**654,005**	646,537	560,972

The increase in total assets of $22.9 million in the current fiscal year was mainly due to an increase in inventory of $20.6 million, an increase in property, plant, and equipment of $19.2 million and incremental right-of-use assets of $7.0 million. These positives variances were partially offset by a decrease in derivative financial instruments assets of $17.9 million, a decrease in intangible assets of $3.4 million and lower trade and other receivables of $2.0 million.

Total liabilities for the current fiscal year increased by $7.5 million due mainly to an increase in outstanding balance under the revolving credit facility of $32.0 million, higher lease obligations of $7.3 million and an increase in deferred tax liabilities of $3.3

million. These variances were partially offset by a decrease in trade and other payables of $13.0 million, a reduction in the employee benefits liabilities of $15.6 million and a decrease in derivative financial instruments liabilities of $6.6 million.

Liquidity

Cash flow generated by Lantic is mainly paid to Rogers by way 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 distribution of cash arising from compliance with financial covenants for the year.

	FY 2023	FY 2022
(In thousands of dollars)		
Net cash flow from operating activities	**44,318**	21,552
Cash flow used in financing activities	**(8,886)**	(13,554)
Cash flow used in investing activities	**(35,398)**	(23,730)
Effect of changes in exchange rate on cash	**(139)**	240
Net decrease in cash	**(105)**	(15,492)

Cash flow from operating activities for the current year increased by $22.8 million compared to last year, due mainly to higher net earnings adjusted for non-cash items of $11.4 million, a positive non-cash working capital variation of $8.2 million and lower income taxes paid of $6.7 million. These positive variances were partially offset by higher interest paid of $3.6 million.

Cash flow used in financing activities decreased by $4.7 million for the current year compared to last year due mainly to an increase in borrowings from the revolving credit facility, partially offset by increase in payment of financing fees.

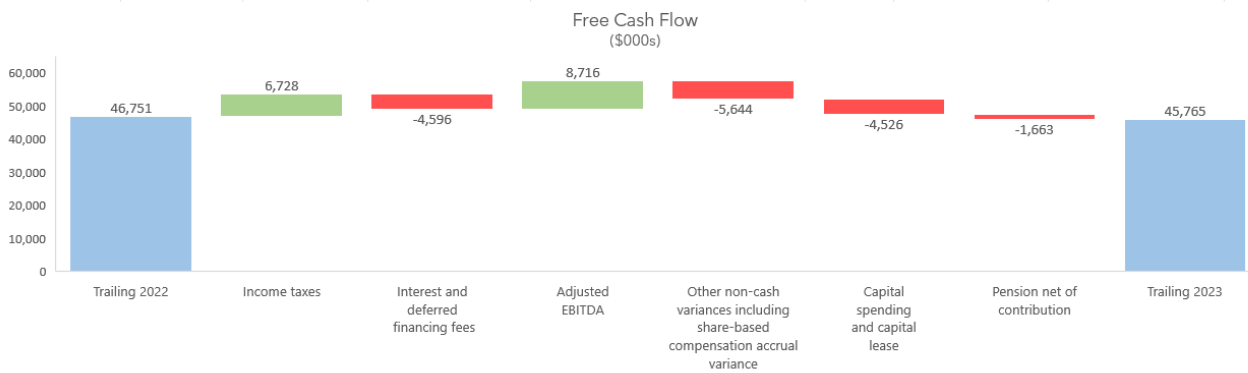
The cash flow used in investing activities increased by $11.7 million in the current year compared to last year due mainly to the capitalization of $9.7 million in expenditures in connection with the planning and design stage of our planned Expansion Project in Eastern Canada.

In order to provide additional information, we believe it is appropriate to measure free cash flow that is generated by our operations. Free cash flow is a non-GAAP 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 capital expenditures and intangible assets, net of value-added capital expenditures, and the payment of lease obligations.

FREE CASH FLOW

	Trailing twelve months	
(In thousands of dollars)	**2023**	2022
Cash flow from operations	**44,318**	21,552
Adjustments:		
Changes in non-cash working capital	**35,039**	43,195
Mark-to-market and derivative timing adjustments	**(9,871)**	9,876
Payment of deferred financing fees	**(1,308)**	(268)
Financial instruments non-cash amount	**5,687**	(4,030)
Capital expenditures and intangible assets	**(35,398)**	(23,730)
Value-added capital expenditures	**12,717**	5,306
Payment of lease obligations	**(5,419)**	(5,150)
Free cash flow (1)	**45,765**	46,751
Declared dividends	**37,752**	37,500

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



Free cash flow for the trailing twelve months ending September 30, 2023 amounted to $45.8 million, representing a decrease of $1.0 million compared to the same period last year. This decrease in free cash flow was mainly due to higher capital expenditures, intangible assets and value-added capital expenditures of $4.3 million, the reduction of non-cash impact of $5.8 million related to the variance in the accrual for cash-settled share-based compensation of senior managements, and the increase in payment of interest and deferred financing fees of $4.6 million. This variance was partially offset by higher adjusted EBITDA of $8.7 million and the decrease in income taxes paid of $6.7 million.

Capital and intangible assets expenditures, net of value-added capital expenditures, increased by $4.3 million compared to last year's rolling twelve months due mainly to higher investment in production assets. Free cash flow is not reduced by value-added capital expenditures, as these projects are not necessary for the operation of the plants but are undertaken because of the operational savings that are realized once the projects are completed. The increase in the amount spent in value-added capital expenditures for 2023 as compared to the same period in 2022, was mainly related to costs amounting to $9.7 million incurred in connection with the planning and design stage of our planned Expansion Project in Eastern Canada.

The Board of Directors declared a quarterly dividend of $0.09 per common share every quarter, totalling $0.36 for the 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 $4.2 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

The following table identifies the outstanding contractual obligations of our company as at year-end, and the effects such obligations are expected to have on liquidity and cash flow over the next several years:

	Total	**Under 1 year**	**1 to 3 years**	**4 to 5 years**	**After 5 years**
(In thousands of dollars)					
Revolving credit facility	**158,000**	58,000	100,000	-	-
Senior Guaranteed Notes	**100,000**	-	-	-	100,000
Interest on convertible debentures	**11,700**	7,506	4,194	-	-
Interest based on swaps	**3,370**	2,422	948	-	-
Interest on Senior Guaranteed Notes	**26,466**	3,490	6,980	3,490	12,506
Lease obligations	**38,731**	5,965	11,302	6,975	14,489
Purchase obligations	**92,062**	92,062	-	-	-
	430,329	169,445	23,424	110,465	126,995
Sugar purchase obligations ('000 MT)	**901**	711	190	-	-
Maple purchase obligations ('000 pounds)	**4,700**	4,700	-	-	-

The Sixth and Seventh series debentures, which mature in December 2024 and June 2025, respectively, have been excluded from the above table due to the holders' conversion option and the Company's option to satisfy the obligations at redemption or maturity in common shares. Interest has been included in the above table to the date of maturity.

Lantic has a revolving credit facility to support its financial and operational needs. The revolving credit facility is syndicated with six Canadian chartered banks and includes an accordion feature allowing for the borrowing of up to $400 million. This agreement has been amended and extended from time to time. The revolving credit facility is subject to covenants and is secured by the assets of Lantic and TMTC. As of September 30, 2023, the approved amount available for borrowing was $265 million, of which $158 million was drawn.

On November 1, 2023, Lantic amended its revolving credit facility, by extending its term to October 31, 2027, and by increasing the amount available for borrowing for working capital and for the Expansion Project by $75 million to $340 million. In addition, in order to conform with the IBOR reform, Lantic will borrow at prime rate, SOFR Rate or under Adjusted Term CORRA loan, plus 20 to 250 basis points, based on achieving certain financial ratios.

On April 30, 2021, Lantic issued a private placement of $100 million in the form of senior guaranteed notes (the "**Notes**") under a note purchase agreement entered into with certain institutional investors. The Notes are guaranteed and rank *pari-passu* with our existing revolving credit facility. The Notes mature on April 30, 2031. The interest of the Notes was set at 3.49% and the interest is payable semi-annually in arrears in equal installments on April 30th and October 30th of each year, commencing on October 30, 2021. The proceeds received from the private placement of the Notes were used to repay existing credit facility indebtedness.

As at September 30, 2023, Lantic was in compliance with all the covenants under its revolving credit facility and its private placement and a total of $630.0 million have been pledged as security, compared to $590.6 million as at October 1, 2022 including trade receivables, inventories and property, plant and equipment.

In order to fix the interest rate on a substantial portion of the expected drawdown of the revolving credit facility, we enter into interest rate swap agreements. The following table provides the outstanding swap agreements as at September 30, 2023 as well as their respective value, interest rate and time period:

Fiscal year contracted	**Date**	**Total Value**
		(In thousands of dollars)
Fiscal 2019	March 12, 2019 to June 28, 2024 – 2.08%	**20,000**
Fiscal 2019	June 28, 2022 to June 28, 2024 – 2.17%	**80,000**
Fiscal 2020	October 3, 2019 to June 28, 2024 – 1.68%	**20,000**
Fiscal 2020	February 24, 2020 to June 28, 2025 – 1.60%	**20,000**
Fiscal 2020	June 28, 2024 to June 28, 2025– 1.18%	**80,000**
Total outstanding value as at September 30, 2023		**220,000**

Lease obligations relate mainly to the leasing of facilities and various mobile equipment for our Sugar and Maple products segment operations.

Purchase obligations represent all open purchase orders as at year-end along with an amount of approximately $50.4 million for sugar beets that will be harvested and processed in fiscal 2024. However, it excludes any raw sugar priced against futures contracts. The purchase obligation regarding the sugar beets represents our best estimate of the amount expected to be payable in fiscal 2024 as of the date of this MD&A.

A significant portion of our sales are made under fixed-price, forward-sales contracts, which extend up to three years. Lantic also contracts to purchase raw cane sugar substantially in advance of the time it delivers the refined sugar produced from the purchase. To mitigate our exposure to future price changes, we manage the volume of refined sugar sales contracted for future delivery in relation to the volume of raw cane sugar contracted for future delivery.

We use derivative instruments to manage exposures to changes in raw sugar prices, natural gas prices and foreign exchange. Our objective for holding derivatives is to minimize risk using the most efficient methods to eliminate or reduce the impacts of these exposures.

To reduce price risk, our risk management policy is to manage the forward pricing of purchases of raw sugar in relation to its forward refined sugar sales. We attempt to meet this objective by entering into futures contracts to reduce our exposure. Such financial instruments are used to manage our exposure to variability in fair value attributable to the firm commitment purchase price of raw sugar.

We have hedged the majority of our exposure to raw sugar price risk movement through to March 2026.

As at September 30, 2023, we had a net short sugar position of 10,189 metric tonnes with a current net contract value of $12.8 million. This short position is mainly related to hedging activities related to the sale of beet sugar and the offset of a larger volume of sugar priced from suppliers than sugar priced with customers.

We use forward contracts and commodity swaps to help manage our natural gas costs. As at September 30, 2023, we had $56.8 million in natural gas derivatives, with a current contract value of $61.2 million.

Our activities, which result in exposure to fluctuations in foreign exchange rates, consist of the purchasing of raw sugar, the selling of refined sugar and maple products and the purchasing of natural gas. We manage this exposure by creating offsetting positions through the use of financial instruments. These instruments include forward contracts, which are commitments to buy or sell at a future date and may be settled in cash.

The credit risk associated with foreign exchange contracts arises from the possibility that counterparties to a foreign exchange contract in which we have an unrealized gain, fail to perform according to the terms of the contract. The credit risk is much less than the notional principal amount, being limited at any time to the change in foreign exchange rates attributable to the principal amount.

Forward foreign exchange contracts have maturities of less than three years and relate mostly to US dollar, and to a much smaller extent, to Euro and Australian dollar. The counterparties to these contracts are major Canadian financial institutions. We do not anticipate any material adverse effect on our financial position resulting from our involvement in these types of contracts, nor do we anticipate non-performance by the counterparties.

As at September 30, 2023, we had a net short position of $89.7 million in foreign currency forward contracts with a current contract value of $90.7 million, representing an unrealized loss of $1.0 million.

As part of our normal business practice, we also enter into multi-year supply agreements with raw sugar processors for raw cane sugar. Contract terms will state the quantity and estimated delivery schedule of raw sugar. The price is determined at specified periods of time before such raw sugar is delivered based upon the value of Raw #11 as traded on the ICE world raw sugar market. As at September 30, 2023, we had commitments to purchase a total of 901,000 metric tonnes of raw sugar, of which approximately 228,136 metric tonnes had been priced, for a total dollar commitment of $187.2 million.

TMTC has $4.1 million remaining to pay related to an agreement to purchase approximately 4.7 million pounds of maple syrup from the PPAQ.

We have no other off-balance sheet arrangements.

Capital resources

As at September 30, 2023, Lantic had a total of $265.0 million of available working capital from its revolving credit facility, from which it can borrow at prime rate, SOFR rate or under bankers' acceptances, plus 20 to 250 basis points, based on achieving certain financial ratios. This balance was increased to $340 million on November 1, 2023. As at September 30, 2023, a total of $630.0 million of assets have been pledged as security for the revolving credit facility, compared to $590.6 million as at October 1, 2022; including trade receivables, inventories and property, plant and equipment.

As at September 30, 2023, $158.0 million had been drawn from the working capital facility and $2.6 million in cash was also available.

The Taber beet operation requires seasonal working capital in the first half of the fiscal year, when inventory levels are high and a substantial portion of the payments due to the Growers is made. TMTC also has seasonal working capital requirements. Although the syrup inventory is received during the third quarter of the fiscal year, its payment terms with the PPAQ requires cash payment in the first half of the fiscal year. We have sufficient cash and availability under our line of credit to meet such requirements.

Future commitments of approximately $18.8 million have been approved for completing capital expenditures presently in progress. In addition, subsequent to year end, the Company entered into commitments related to the Expansion Project for a total value of $24.0 million.

We also have funding obligations related to our employee future benefit plans, which include defined benefit pension plans. As at September 30, 2023, our Montréal and Taber registered defined benefit pension plans were in a net asset position. The most recent actuarial valuation of the pension plans for funding purposes was as of January 1, 2022, and the next required valuation will be as of December 31, 2024. We monitor our pension plan assets closely and follow strict guidelines to ensure that pension fund investment portfolios are diversified in line with industry best practices. Nonetheless, pension fund assets are not immune to market fluctuations and, as a result, we may be required to make additional cash contributions in the future. In fiscal 2023, cash contributions to defined benefit pension and other plans amounted to $4.3 million. In total, we expect to incur cash contributions of approximately $3.8 million for fiscal 2024 relating to employee defined benefit pension plans. For more information regarding our employee benefits and related assets and liabilities, please refer to Note 20 of the audited consolidated financial statements.

Cash requirements for working capital and other capital expenditures are expected to be paid from available cash resources and funds generated from operations. The Expansion Project is expected to be financed using a combination of various financial instruments, including the revolving credit facility, approved loans from Investissement Quebec for up to $65 millions, and other debt and/or equity instruments.

Management believes that the unused credit under the revolving facility along with the loans from Investissement Quebec related to the Expansion Project are adequate to meet our expected cash requirements.

OUTSTANDING SECURITIES

A total of 105,096,120 shares were outstanding as at September 30, 2023 and November 29, 2023, respectively (104,372,045 as at October 1, 2022).

During fiscal 2023, the total amount outstanding under the Sixth and Seventh series debentures were $57.4 million and $97.6 million respectively. No conversion of debentures into common shares has been done during the current fiscal year or the last fiscal year.

We currently have a share option plan that was established in 2011 and amended in 2021. Under this plan, we have set aside 6,000,000 common shares to be granted to key personnel. As at September 30, 2023, a total of 3,789,786 options had been granted, of which 3,025,711 were outstanding, at exercise prices ranging between $4.28 per share and $6.51 per share. These share options are exercisable to a maximum of twenty percent per year, starting after the first anniversary date of the granting of the options and will expire after a term of ten years.

In fiscal 2018, a Performance Share Unit plan ("PSU") was created. The following table provides the detail of the grants under the PSU:

Grant Date	PSUs	Additional PSUs(1)	Total PSUs	Performance Cycle
December 7, 2020	491,412	98,920	590,332	2021-2023
December 6, 2021	386,709	42,563	429,272	2022-2024
December 12, 2022	310,964	14,476	325,440	2023-2025

(1) Additional PSUs refer to aggregate of PSUs that were allocated from the dividend earned during the quarters since inception.

During fiscal 2023, the grant related to fiscal 2020 was cash settled for an amount of $640,000. The grant related to fiscal 2021 will be cash settled in December 2023, representing an expected payout of $3,908,000.

The PSUs were granted to executives and other key management employees and will vest at the end of the Performance Cycle based on the achievement of total shareholder returns set by the Human Resources and Compensation Committee ("HRCC") and the Board of Directors of the Company. If the level of achievement of total shareholder returns is within the specified range, the value to be paid-out to each participant will be equal to the result of: the number of PSUs granted to the participant which have vested, multiplied by the volume weighted average closing price of the Common Shares on the Toronto Stock Exchange (the "TSX") for the five trading days immediately preceding the day on which the Company shall pay the value to the participant under the PSU Plan. If the level of achievement of total shareholder returns is below the minimum threshold, the PSU will be forfeited without any payments made.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

Rogers and its board of directors recognize the importance of corporate governance in effectively managing the business, protecting employees and shareholders, and enhancing shareholder value. We believe that our corporate governance practices are in compliance with applicable Canadian requirements for TSX-listed issuers. The Company is committed to monitoring governance developments to ensure its practices remain current and appropriate.

The board of directors of the Rogers has appointed an environmental, social and governance committee (the "**ESG Committee**") responsible for:

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

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

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

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

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

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

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

During the third quarter of 2023, we published our annual ESG report. The report can be accessed on SEDAR or on our website at www.Lanticrogers.com.

ESG Reports

In July 2023, we published the 2022 ESG Report, the report which incorporates key performance indicators from the Agricultural Products Sustainability Accounting Standard Board ("**SASB**"), builds on the 2021 ESG Report and the 2020 ESG Report and includes more information around our sustainability program, including our efforts to improve workplace safety and diversity.

In its 2022 ESG Report, we present our ESG performance, priorities, and initiatives for the fiscal year 2022, which ended on October 1, 2022. The report covers the following topics: climate action, operational waste, water management, packaging, health and safety, diversity, equality and inclusion, human rights, employee wellbeing and development, food safety, community involvement, responsible sourcing, and governance.

One of the key aspects of our ESG program is the implementation of an occupational health and safety management system that aims to provide a safe work environment for all its employees and contractors. Rogers has a health and safety policy and standards that are regularly reviewed and updated, and a team that collaborates with local health care and safety professionals to monitor and suggest improvements. Rogers also benchmarks itself against the Occupational Safety and Health Administration (OSHA) standards and sets continuous improvement objectives to reduce risk and achieve a culture of zero harm. Our efforts have resulted in a significant reduction in our recordable injury frequency ("**RIF**") and lost time incident rate ("**LTIR**") over the last five years, as well as zero fatal accidents in fiscal 2022. In 2022, Rogers achieved a record low incidence rate across its operations, with a 47% reduction in RIF and a 41% reduction in LTIR compared to 2021.

Another important aspect of Rogers' ESG program is the implementation of measures to further ensure the labour rights of its employees and its suppliers. We are a proud equal opportunity employer that ensures there is no discrimination of any type on hiring and that there is pay equity, regardless of gender, ethnicity or any other factors not related to performance. We maintain policies and a Code of Business Conduct that outline its expectations and guidelines on topics such as equality and diversity, harassment and offensive behavior, freedom of association, and no child or forced labour. In 2019, Rogers released its Human Rights Policy, which applies to all its employees and reflects its commitment to social responsibility and respect for human dignity. In 2022, Rogers developed and released its Ethical and Sustainable Sourcing Policy and the associated Ethical and Sustainable Sourcing Supplier Code of Conduct, which encompass comprehensive criteria on anti-bribery and corruption, labour rights, fair and safe working conditions, and environmental compliance. In 2023, we expanded the scope of our Ethical and Sustainable Sourcing Policy and the associated Ethical and Sustainable Sourcing Supplier Code of Conduct to include governance and land rights aspects, and created a robust distribution and tracking plan to monitor the updated documents distribution to all suppliers across the sugar and maple business segments.

Rogers is also committed to promoting responsible management of its resources and the environment through addressing the environmental risks associated with the impact of its operations and its supply chain. We recognize that climate change, including the impacts of global warming and extreme weather events, represents a risk that could adversely affect both of our business segments. Rogers is proud to have invested over $9 million since 2018 in projects that have improved its manufacturing process energy efficiency and reduced the associated carbon emissions, an investment strategy that will continue in the coming years.

In previous years, Rogers has reported greenhouse gas ("**GHG**") emissions associated only with fuel combustion. The results provided in the 2022 ESG Report form a more complete organizational GHG emission inventory, calculated based on the World Resource Institute's Greenhouse Gas Protocol. In 2022, we expanded our reported GHG emissions inventory to include all known Scope 1 and Scope 2 emissions sources, along with a limited Scope 3 inventory. This more comprehensive accounting approach will allow us to develop future oriented carbon reduction strategies and measurable targets going forward, using 2022 as its baseline.

In 2022, Rogers also conducted its first water risk assessment and identified that eight of its nine facilities were located in areas of low overall water risk, and one facility in an area of low-medium overall water risk. Rogers strives to reduce water use through initiatives that include water recycling and water conservation, and to monitor the quality of water it discharges to protect the aquatic ecosystems in which it operates. We have a published target to source 100% of raw sugar from producers who follow certified or verified sustainable agricultural practices by 2027, and in 2022, we took a significant step in meeting this target by entering into a multi-year supply partnership with Raízen, a source of certified non-GMO and certified Bonsucro sugar for our Eastern Canada operations. Rogers currently traces almost 100% of its sugar beets and maple syrup supply to the farms where they are sourced in Canada and the US, and ensures that the beets are grown using sustainable agriculture practices verified by the Farm Sustainability Assessment (FSA) performance assessment from the Sustainable Agriculture Initiative (SAI).

Rogers is committed to using sustainable packaging across both its sugar and maple segments, and to minimizing the impact of its product packaging on the environment. We conducted an assessment of the primary packaging components used in our own brand retail packaging and found that approximately 93% of our branded retail packaging utilized plastic alternative materials and consisted of materials that generally have well developed recycling systems and end-markets. Rogers recognizes that making its packaging more sustainable and recyclable will provide it with a competitive advantage and place it in a strong position as more Extended Producer Responsibility (EPR) regulations are released by both Provincial/State and Federal Governments.

Lastly, we are proud to support the communities in which we operate and to provide financial support to various local and international charitable organizations each year. Rogers has a Donation Policy that guides its contributions to organizations active in the local community, including those supporting underprivileged families, agricultural education, community welfare and employees in crisis. We support our employees volunteering for causes that they support and provide them with a process to do so with the support of Rogers. In 2022, Rogers donated to various charities, including the Red Cross, Le Chic-Resto-Pop, and the Taber Food Bank.

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

RISKS AND UNCERTAINTIES

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 behaviors. It also includes clear directions to 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.

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

Dependence Upon Lantic

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

No Assurance of Future Performance

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

Changes in General Economic Conditions

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

The recent changes in general economic conditions and the potential for further worsening of the global economy could impact the performance, and the financial results and conditions of Rogers.

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

In 1995, Revenue Canada made a determination that there was dumping of refined sugar from the US, Denmark, Germany, the United Kingdom ("UK"), the Netherlands and the Republic of Korea into Canada, 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 protection was removed.

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

Supply of Raw Cane Sugar

There are approximately 180 million metric tonnes of sugar produced worldwide. Of this, approximatively 55 million metric tonnes of sugar are traded on the world market. Lantic, through its cane refining plants, buys approximately 0.7 million metric tonnes of raw sugar per year. Even though worldwide raw sugar supply is much larger than Lantic's yearly requirements, concentration of supply in certain countries like Brazil, combined with an increase in cane refining operations in certain countries, may create tightness in raw sugar availability at certain times of the year. To prevent any raw sugar supply shortage, Lantic normally enters into long-term supply contracts with reputable suppliers. For raw sugar supply not under contract, significant premiums may be paid on the purchase of raw sugar on a nearby basis, which may have a material impact on our performance, and financial results and conditions.

Supply and Quality of Sugar Beets in Alberta

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

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

Raw #11 Price and Foreign Exchange Risk for Sugar Segment

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

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

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

Recently Announced Eastern Capacity Expansion Project

The completion of the recently announced Expansion Project is subject to several conditions and risks, certain of which are outside of the control of Lantic. The detailed engineering plan for the project has been completed and includes estimates as it relates to costs, construction period and incremental production capacity. The expected total cost of the project is estimated at approximately $200 million.

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

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

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

Competition in the Sugar Segment

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

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

Price of Natural Gas

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

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

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

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

Bulk maple syrup may be sold to the PPAQ or to authorized buyers accredited by the PPAQ. In Québec, nearly 90% of the total production of maple syrup is sold to the PPAQ or the authorized buyers, leaving only approximately 10% of the total production being sold directly by the producers to consumers or grocery stores. TMTC is an authorized buyer with the PPAQ. The authorized buyer status is renewed on an annual basis. There is no certainty that TMTC will be able to maintain its status as an authorized buyer with the PPAQ. Failure by TMTC to remain an authorized buyer with the PPAQ would affect our capacity to supply our bottling facilities and therefore would impact materially the performance, and financial results of the Maple segment.

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

Pursuant to the PPAQ rules and regulations, authorized buyers must commit to buying Maple syrup in barrels corresponding to their anticipated sales volume. The anticipated volume must be realistic and in line with volumes purchased in previous years. The refusal from the PPAQ to accept our anticipated volume or failure by us to properly estimate the anticipated volume for a given year may affect our ability to increase our production capacity and therefore this could impact materially the performance, and financial results of the Maple segment.

Supply of Maple Syrup

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

Maple Segment Relying Substantially on Exports

The size of the global market for maple syrup is currently estimated at $1.4 billion, the US being by far the world's largest importer, followed by Japan and Germany. Despite the increase of sales of maple products that the Canadian market has experienced in recent years, the industry largely relies on the international market. Over the last few years, New York, Vermont and Maine have increased their production of maple syrup and have now become competitors of Québec, which however remains the largest producer and exporter of maple syrup in the world.

While 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 distributers, 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.

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

Competition in the Maple Segment

Our Maple segment is the largest branded and private label maple syrup bottling and distributing company in the world. We have five major competitors located in Canada and US and also compete against a multitude of US bottlers and distributing companies.

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

Foreign Exchange Exposure in the Maple Segment

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

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

Cybersecurity

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

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

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

Employee Relations with Unionized Employees

The majority of our operations are unionized, and agreements are currently in place in each unionized facility, with the exception of our Vancouver sugar refinery. On September 28, 2023, the unionized employee of the Vancouver sugar refinery, represented by the Public and Private Workers of Canada Local 8 went on strike. As of the date of this MD&A, the strike is still on-going. This labour disruption is expected to negatively impact our financial results for 2024, the extent of which is not yet known, and will depend mainly on the length of the strike, and the potential internal incremental costs associated with servicing our western customers impacted by the labour disruption.

During fiscal 2023, we signed a new collective agreement with the union at our Granby maple syrup bottling plant facility.

We have contingency plans in place to mitigate the potential impact of labour disruptions at our facilities. However, such potential disruptions in current and future years could restrict our ability to service our customers in the affected regions, consequently affecting our performance and, financial results and conditions.

Interest Rate Fluctuations

We use our revolving credit facility to finance our day-to-day operations and a portion of the Expansion Project. We face interest rate risks in respect to the floating rate nature of our revolving short term credit facility. We are mitigating the risk of volatility in short term interest rate by hedging a portion of our exposure using interest rate swap agreements. There is no assurance that effective interest rate swap agreements will be available to mitigate such risk in the future.

Pandemics, Epidemics or Other Public Health Emergencies

Our business, results of operations, financial conditions, cash flows and stock price can by adversely affected by pandemics, epidemics, or other public health emergencies, such as the COVID-19 pandemic. Such events could result in health or other government authorities requiring the closure of offices or other businesses and could also result in a general economic decline, impacting economic activity through disruption in supply and delivery chains.

Food Safety and Consumer Health

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

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

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

Health, Safety and Environmental Risks

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

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

Global Climate Change

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

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

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

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

Carbon Pricing Mechanisms

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

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

Water Stress

Our sugar refining operations and the farming activities of our suppliers depend on the availability of usable water. To better understand this risk, we conduct water risk assessments periodically to prioritize actions and investments in our facilities, with the objective of optimizing the water consumption in our production process. We also engage with our suppliers relying on water for their farming activities to monitor our potential exposure and to ensure a steady and sustainable supply of raw material for our production facilities.

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

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

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

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

Income Tax Matters

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

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

Management and Operation of Lantic

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

NON-GAAP 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-GAAP financial measures. A non-GAAP 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-GAAP financial measures are not standardized; therefore, it may not be possible to compare these financial measures with the non-GAAP 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-GAAP financial measures in addition to, and in conjunction with, results presented in accordance with IFRS. These non-GAAP 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-GAAP measures we used in the MD&A:

- Adjusted gross margin is defined as gross margin adjusted for "the adjustment to cost of sales", which comprises the mark-to-market gains or losses on sugar futures and foreign exchange forward contracts as shown in the notes to the consolidated financial statements and the cumulative timing differences as a result of mark-to-market gains or losses on sugar futures and foreign exchange forward contracts.
- Adjusted results from operating activities are defined as results from operating activities adjusted for the adjustment to cost of sales and goodwill impairment.
- EBITDA is defined as earnings before interest, taxes, depreciation, amortization and goodwill impairment.

- Adjusted EBITDA is defined as adjusted results from operating activities adjusted to add back depreciation and amortization expenses.
- Adjusted net earnings is defined as net earnings adjusted for the adjustment to cost of sales, goodwill impairment and the income tax impact on these adjustments.
- Adjusted gross margin rate per MT is defined as adjusted gross margin of the Sugar segment divided by the sales volume of the Sugar segment.
- Adjusted gross margin percentage is defined as the adjusted gross margin of the Maple segment divided by the revenues generated by the Maple segment.
- Adjusted net earnings per share is defined as adjusted net earnings divided by the weighted average number of shares outstanding.
- Free cash flow is defined as cash flow from operations excluding changes in non-cash working capital, mark-to-market and derivative timing adjustments, financial instruments non-cash amount, goodwill impairment and includes deferred financing charges, funds received from stock options exercised, capital and intangible assets expenditures, net of value-added capital expenditures, and payments of capital leases.

In the MD&A, we discuss the non-GAAP 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-GAAP measures should not be considered in isolation, or as a substitute for, analysis of our results as reported under GAAP. Reconciliations of non-GAAP financial measures to the most directly comparable IFRS financial measures are as follows:

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO IFRS FINANCIAL MEASURES

	Q4 2023			Q4 2022		
Consolidated results (In thousands of dollars)	**Sugar**	**Maple Products**	**Total**	Sugar	Maple Products	Total
Gross margin	**35,512**	**5,680**	**41,192**	26,758	1,714	28,472
Total adjustment to the cost of sales[(1)]	**(1,790)**	**791**	**(999)**	8,566	2,103	10,669
Adjusted gross margin	**33,722**	**6,471**	**40,193**	35,324	3,817	39,141
Results from operating activities	**20,395**	**2,420**	**22,815**	12,662	(51,007)	(38,345)
Total adjustment to the cost of sales[(1)]	**(1,790)**	**791**	**(999)**	8,566	2,103	10,669
Goodwill impairment	**-**	**-**	**-**	-	50,000	50,000
Adjusted results from operating activities	**18,605**	**3,211**	**21,816**	21,228	1,096	22,324
Results from operating activities	**20,395**	**2,420**	**22,815**	12,662	(1,007)	(38,345)
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**5,058**	**1,695**	**6,753**	4,947	1,681	6,628
Goodwill impairment	**-**	**-**	**-**	-	50,000	50,000
EBITDA[(1)]	**25,453**	**4,115**	**29,568**	17,609	674	18,283
EBITDA[(1)]	**25,453**	**4,115**	**29,568**	17,609	674	18,283
Total adjustment to the cost of sales[(1)]	**(1,790)**	**791**	**(999)**	8,566	2,103	10,669
Adjusted EBITDA	**23,663**	**4,906**	**28,569**	26,175	2,777	28,952
Net (loss) earnings			**11,876**			(45,502)
Total adjustment to the cost of sales[(1)]			**(999)**			10,669
Goodwill impairment			**-**			50,000
Net change in fair value in interest rate swaps[(1)]			**201**			(328)
Income taxes on above adjustments			**205**			(2,678)
Adjusted net earnings			**11,283**			12,161
Net (loss) earnings per share (basic)			**0.12**			(0.44)
Adjustment for the above			**(0.01)**			0.56
Adjusted net earnings per share (basic)			**0.11**			0.12

(1) See "Adjusted results" section

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

	Fiscal 2023			Fiscal 2022		
Consolidated results (In thousands of dollars)	**Sugar**	**Maple Products**	**Total**	Sugar	Maple Products	Total
Gross margin	**144,397**	**21,329**	**165,726**	115,872	14,933	130,805
Total adjustment to the cost of sales(1)	**(8,375)**	**(2,020)**	**(10,395)**	10,296	2,381	12,677
Adjusted gross margin	**136,022**	**19,309**	**155,331**	126,168	17,314	143,482
Results from operating activities	**86,510**	**8,453**	**94,963**	60,458	(47,145)	13,313
Total adjustment to the cost of sales(1)	**(8,375)**	**(2,020)**	**(10,395)**	10,296	2,381	12,677
Goodwill impairment	**-**	**-**	**-**	-	50,000	50,000
Adjusted results from operating activities	**78,135**	**6,433**	**84,568**	70,754	5,236	75,990
Results from operating activities	**86,510**	**8,453**	**94,963**	60,458	(47,145)	13,313
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	**19,511**	**6,775**	**26,286**	19,380	6,768	26,148
Goodwill impairment	**-**	**-**	**-**	-	50,000	50,000
EBITDA(1)	**106,021**	**15,228**	**121,249**	79,838	9,623	89,461
EBITDA(1)	**106,021**	**15,228**	**121,249**	79,838	9,623	89,461
Total adjustment to the cost of sales(1)	**(8,375)**	**(2,020)**	**(10,395)**	10,296	2,381	12,677
Adjusted EBITDA(1)	**97,646**	**13,208**	**110,854**	90,134	12,004	102,138
Net (loss) earnings			**51,789**			(16,568)
Total adjustment to the cost of sales(1)			**(10,395)**			12,677
Goodwill impairment			**-**			50,000
Net change in fair value in interest rate swaps(1)			**523**			(2,800)
Income taxes on above adjustments			**2,577**			(2,650)
Adjusted net earnings			**44,494**			40,659
Net (loss) earnings per share (basic)			**0.50**			(0.16)
Adjustment for the above			**(0.08)**			0.55
Adjusted net earnings per share (basic)			**0.42**			0.39

(1) See "Adjusted results" section

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

(In thousands of dollars, except for volumes and per share information)	QUARTERS(1) For the fiscal year ended September 30, 2023				
	2023				
	Fourth	Third	Second	First	**Total**
Gross margin	41,192	41,685	41,658	41,191	**165,726**
Total adjustment to the cost of sales(2)	(999)	(6,773)	(3,425)	802	**(10,395)**
Adjusted gross margin	40,193	34,912	38,233	41,993	**155,331**
					-
Results from operating activities	22,815	24,008	21,856	26,284	**94,963**
Total adjustment to the cost of sales(2)	(999)	(6,773)	(3,425)	802	**(10,395)**
Goodwill impairment	-	-	-	-	**-**
Adjusted results from operating activities	21,816	17,235	18,431	27,086	**84,568**
					-
Results from operating activities	22,815	24,008	21,856	26,284	**94,963**
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	6,753	6,515	6,589	6,429	**26,286**
Goodwill impairment	-	-	-	-	**-**
EBITDA	29,568	30,523	28,445	32,713	**121,249**
					-
EBITDA	29,568	30,523	28,445	32,713	**121,249**
Total adjustment to the cost of sales(2)	(999)	(6,773)	(3,425)	802	**(10,395)**
Adjusted EBITDA	28,569	23,750	25,020	33,515	**110,854**
					-
Net (loss) earnings	11,876	14,177	11,062	14,674	**51,789**
Total adjustment to the cost of sales(2)	(999)	(6,773)	(3,425)	802	**(10,395)**
Goodwill impairment	-	-	-	-	**-**
Net change in fair value in interest rate swaps(2)	201	(203)	479	46	**523**
Income taxes on above adjustments	205	1,548	999	(175)	**2,577**
Adjusted net earnings	11,283	8,749	9,115	15,347	**44,494**

(1) All quarters are 13 weeks
(2) See "Adjusted results" section

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

(In thousands of dollars, except for volumes and per share information)	QUARTERS[1] For the fiscal year ended October 1,2022				
	2022				
	Fourth	Third	Second	First	**Total**
Gross margin	28,472	24,948	33,899	43,486	**130,805**
Total adjustment to the cost of sales[2]	10,669	7,706	1,988	(7,686)	**12,677**
Adjusted gross margin	39,141	32,654	35,887	35,800	**143,482**
Results from operating activities	(38,345)	8,822	15,499	27,337	**13,313**
Total adjustment to the cost of sales[2]	10,669	7,706	1,988	(7,686)	**12,677**
Goodwill impairment	50,000	-	-	-	**50,000**
Adjusted results from operating activities	22,324	16,528	17,487	19,651	**75,990**
Results from operating activities	(38,345)	8,822	15,499	27,337	**13,313**
Depreciation of property, plant and equipment, amortization of intangible assets and right-of-use assets	6,628	6,580	6,530	6,410	**26,148**
Goodwill impairment	50,000	-	-	-	**50,000**
EBITDA	18,283	15,402	22,029	33,747	**89,461**
EBITDA	18,283	15,402	22,029	33,747	**89,461**
Total adjustment to the cost of sales[2]	10,669	7,706	1,988	(7,686)	**12,677**
Adjusted EBITDA	28,952	23,108	24,017	26,061	**102,138**
Net (loss) earnings	(45,502)	3,138	8,570	17,226	**(16,568)**
Total adjustment to the cost of sales[2]	10,669	7,706	1,988	(7,686)	**12,677**
Goodwill impairment	50,000	-	-	-	**50,000**
Net change in fair value in interest rate swaps[2]	(328)	(632)	(1,246)	(594)	**(2,800)**
Income taxes on above adjustments	(2,678)	(1,793)	(190)	2,011	**(2,650)**
Adjusted net earnings	12,161	8,419	9,122	10,957	**40,659**

(1) All quarters are 13 weeks
(2) See "Adjusted results" section

CRITICAL ACCOUNTING ESTIMATES

The preparation of our audited consolidated financial statements in conformity with IFRS requires us to make estimates and judgements that affect the reported amounts of assets and liabilities, net revenues and expenses, and the related disclosures. Such estimates include the valuation of goodwill and intangible assets. These estimates and assumptions are based on management's best estimates and judgments. Management evaluates its estimates and assumptions on an ongoing basis using historical experience, knowledge of economics and market factors, and various other assumptions that management believe to be reasonable under the circumstances. We adjust such estimates and assumptions when facts and circumstances dictate. Our actual results could differ from these estimates. Changes in those estimates and assumptions are recognized in the period in which the estimates are revised. Refer to note 2 (d) to the audited consolidated financial statements for more detail.

CHANGES IN ACCOUNTING PRINCIPLES AND PRACTICES NOT YET ADOPTED

A number of new standards and amendments to standards and interpretations are not yet effective for the year ended September 30, 2023 and have not been applied in preparing these consolidated financial statements. New standards and amendments to standards and interpretations that are currently under review include:

- Definition of Accounting Estimates (Amendments to IAS 8)
- Disclosure initiative – Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12)
- Lease liability in a sale and leaseback (Amendments to IFRS 16 Leases)
- Supplier finance arrangements (Amendments to IAS 7 and IFRS 7)

We do not intend to adopt the Amendments in our consolidated financial statements before the annual period beginning on October 1, 2023 and we do not expect the amendments to have a material impact on the consolidated financial statements.

CONTROLS AND PROCEDURES

In compliance with the provisions of Canadian Securities Administrators' Regulation 52-109, we have filed certificates signed by the President and Chief Executive Officer ("CEO") and by the Vice-President Finance and Chief Financial Officer ("CFO"), in that, among other things, report on:

- their responsibility for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for RSI; and
- the design and effectiveness of disclosure controls and procedures and the design and effectiveness of internal controls over financial reporting.

DISCLOSURE CONTROLS AND PROCEDURES

The CEO and the CFO, have designed the disclosure controls and procedures ("DC&P"), or have caused them to be designed under their supervision, in order to provide reasonable assurance that:

- material information relating to the Company is made known to the CEO and CFO by others, particularly during the period in which the interim and annual filings are being prepared; and
- information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation.

As at September 30, 2023, an evaluation was carried out, under the supervision of the CEO and the CFO, of the design and operating effectiveness of the Company's DC&P. Based on this evaluation, the CEO and the CFO concluded that the Company's DC&P were appropriately designed and were operating effectively as at September 30, 2023.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The CEO and CFO have also designed internal controls over financial reporting ("ICFR"), or have caused them to be designed under their supervision, in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS using the framework established in "Internal Control – Integrated Framework (COSO 2013 Framework) published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO)". As at September 30, 2023, an evaluation was carried out, under the supervision of the CEO and the CFO, of the design and operating effectiveness of Rogers' ICFR. Based on that evaluation, they have concluded that the design and operation of the Company's internal controls over financial reporting were effective as at September 30, 2023.

In designing and evaluating such controls, it should be recognized that, due to inherent limitations, any controls, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and may not prevent or detect misstatements. Projections of any evaluations of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Additionally, management is obliged to use judgement in evaluating controls and procedures.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes in the Company's internal controls over financial reporting during the year that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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:

- demand for refined sugar and maple syrup;
- our recently announced Expansion Project;
- future prices of raw sugar;
- expected inflationary pressures on costs;
- natural gas costs;

- beet production forecasts;
- growth of the maple syrup industry and the refined sugar industry;
- the status of labour contracts and negotiations, including the impact of the current labour disruption in Vancouver;
- the level of future dividends; and
- the status of government regulations and investigations

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

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