



SUCRO LIMITED

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026

Table of Contents

Overview.....	3
Factors Affecting Our Performance.....	5
Key Components of Results of Operations.....	6
Results for Three-Month Periods Ended June 30, 2026, and June 30, 2025	11
Results for Six-Month Periods Ended June 30, 2026, and June 30, 2025	14
Summary of Quarterly Results	17
Capital Resources	17
Liquidity.....	19
Credit Facilities and Debt Management Strategy.....	20
Contingencies.....	21
Off-Balance Sheet Arrangements	21
Transactions with Related Parties.....	22
Outstanding Security Data	22
Financial and Other Instruments.....	22
Financial Risk Management	24
Standards, amendments and interpretations issued but not yet adopted.....	27
Risk Factors	27
Events Subsequent to June 30, 2026.....	28
Forward-Looking Information	28
Disclosure of Internal Controls.....	30

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This management's discussion and analysis of operations and financial condition for the three and six months ended June 30, 2026 (the "MD&A"), is dated August 12, 2026, and should be read in conjunction with the audited annual consolidated financial statements of Sucro Limited (the "Company") for the fiscal year ended December 31, 2025, and accompanying notes, and the unaudited condensed interim consolidated financial statements of the Company for the three and six months ended June 30, 2026, and accompanying notes.

Certain information included herein is forward-looking and based upon current assumptions and anticipated results that are subject to significant risks and uncertainties and speak only as of the date of this MD&A. Should one or more of these uncertainties materialize or should any of the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See "Forward-Looking Information" and "Risk Factors". All references in this MD&A to "we", "us", "our" and "our Company" refer to Sucro Limited and its subsidiaries. The financial information presented is derived from the Company's unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2026, which have been prepared in accordance with IFRS Accounting Standards and related Interpretations ("IFRS") issued by the International Accounting Standards Board ("IASB"). Unless otherwise noted, amounts contained herein are in thousands of U.S. Dollars (\$). Certain totals, subtotals and percentages may not reconcile due to rounding. For additional information, readers should also refer to other Company information filed on www.sedarplus.ca.

Overview

The Company is a growing sugar trader and refiner that operates throughout the Americas with a primary focus in North America. The Company operates a highly integrated and interconnected sugar trading business, utilizing the entire sugar supply chain to service its customers, including sourcing from third party suppliers in addition to its own refineries. The Company's integrated supply chain includes sourcing raw and refined sugar from countries throughout Latin America and delivering (after processing, in some cases) to customers in North America and the Caribbean.

The Company operates in multiple sugar industry segments throughout North America, leveraging its operational assets with innovative design features to effectively compete against existing industry participants by using its production assets and logistics and supply networks to capture quality, geographic, and time premiums. We believe this innovative and unique sugar supply chain model takes advantage of multiple cost factors to produce competitively priced sugar, within the profitable and sizable North American sugar industry. The Company has achieved profitability and growth, as its assets have facilitated entry into profitable business segments, including both conventional and organic sugar markets in Canada and the U.S.

Typically sugar suppliers are categorized as either refiners (selling sugar entirely produced within their own refineries), as "trade houses" (selling sugar exclusively produced by third party refiners and mills), or as "distributors" (that purchase sugar from third parties and seek to add value through light processing or freight logistics services).

The Company operates a hybrid or integrated trading model, which seeks to provide the most optimal solution for its customers, while maximizing profitability based on dynamic purchase, sale, production, and logistics decisions, based on evolving market dynamics. Accordingly, the Company operates fully integrated cane sugar refineries in Hamilton, Ontario, Lackawanna, New York, and University Park, Illinois. In addition to the refineries owned and operated by the Company directly, the Company has commercial interests in liquid sugar processing and packaging facilities in the United States and Canada, as well as in sugar refineries under development in Belize and Guyana, whose entire production will be marketed and sold by the Company. These Caribbean refineries will be managed by local operating joint venture partners and are expected to begin operations in the second half of 2026 (in the case of Belize) and the first half of 2027 (in the case of Guyana).

The Company has developed its business based on innovation and investment in strategically located refining assets that are highly integrated. In Canada and the United States, the Company has developed strong commercial

relationships with many leading multinational food and beverage companies. Market consolidation, demand growth, refinery closures, low industry investment, and substantial freight and logistics cost increases have created significant demand for new and innovative services, supported by modern, efficient and geographically advantaged assets. In the Caribbean region, once the refinery projects are completed, the Company expects to benefit from existing Caribbean Community and Common Market (CARICOM) trade rules that are expected to provide significant improvements on margins and profitability.

The business of the Company consists of capturing profits through sourcing, merchandising, and managing logistics of sugar, including by changing its quality through the refining process. Income is earned on sugar bought and sold, where a margin is made by capturing a price differential in time, geographical location, or quality. Fixed price purchase and sale commitments, as well as sugar held in inventory, expose the Company to risks related to adverse changes in market prices. The Company seeks to hedge these risks through strict controls of its positions and limits. Sugar prices are typically comprised of two components, futures prices on regulated commodity exchanges and local basis adjustments. The Company manages the futures price risk by entering into exchange-traded futures contracts with regulated commodity exchanges or by entering into an offsetting fixed price contract with a counterparty. Regulated commodity exchanges maintain futures markets for the sugar merchandised by the Company other than organic or other specialty sugar.

The Company's sugar refineries and other facilities provide refining, processing, handling, packaging, quality assurance, storage, and other services, primarily to the Company. Controlling these strategic assets allows the Company to capture incremental margins on its sugar forward contracts and inventory positions by capturing value added refining margins.

Sucro Limited was incorporated on July 31, 2023, under the Companies Act (2023 Revision) (Cayman Islands) as an exempt company. The Company's head office is located at 2020 Ponce de Leon Blvd., Suite 1204, Coral Gables Florida 33134, and its registered office is located at 4th Floor, Harbour Place, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands.

The Company is the successor to the sugar business previously conducted by Sucro Holdings, LLC ("Sucro Holdings"). Effective October 2, 2023, a reorganization was completed (the "Reorganization") pursuant to which the members of Sucro Holdings contributed all of the units of Sucro Holdings into Sucro Limited in exchange for an aggregate of 167,189.29 proportionate voting shares ("PVS") and 5,164,421 subordinate voting shares ("SVS") of Sucro Limited. Each unit of Sucro Holdings was exchanged for 3 SVS or 0.03 PVS, as applicable. Each PVS is convertible into 100 SVS. The result of the Reorganization was to establish Sucro Limited as the top holding company in the Sucro group of companies domiciled in the Cayman Islands.

In October 2023, the Company filed a final prospectus in all provinces of Canada other than Quebec for the distribution of 1,364,000 SVS in an initial public offering from treasury at a price of CAD \$11.00 per share for gross proceeds of approximately CAD \$15.0 million (the "Offering"). The Offering was completed on October 30, 2023, at which time the SVS were posted for trading on the TSX Venture Exchange in Canada under the ticker symbol "SUG" (subsequently changed to the current ticker symbol "SUGR"). On May 14, 2024, the SVS additionally began trading on the OTCQB Venture Market in the United States under the ticker symbol "SUGRF".

On November 5, 2024, the Company announced that Mexican sugar refiner Beta San Miguel, S.A. de C.V. ("BSM") had acquired 3,750,000 SVS from the Company's controlling shareholder, SC Americas Corp. ("SC Americas"), representing 15.93% of the voting and equity shares of the Company (and 35.5% of the issued and outstanding SVS). The Company also announced (i) the grant by BSM to the Company of certain first offer, first refusal and matching rights for the purchase of raw and refined sugar exported by BSM from Mexico; (ii) the appointment of a nominee of BSM to the board of directors of the Company and the grant to BSM of certain board nomination and pre-emptive rights under an investor rights agreement; and (iii) the entry into by the Company's founder and Chief Executive Officer and his holding company, SC Americas, of a "hard" lock-up and support agreement with BSM under which they have agreed, subject to certain conditions, to tender that number of shares of the Company to BSM to allow BSM to acquire, when added to its existing shares, at least 51% of the outstanding voting and equity shares of the Company on a partially-diluted basis if BSM makes a formal takeover bid for all SVS of the Company within

certain defined periods in 2027 or 2028, or to vote in favor of an equivalent alternative transaction. Among the tender conditions, BSM must offer a minimum price of at least nine times income from continuing operations per share – diluted of the Company for the fiscal year ending December 31, 2026, or at least eight times income from continuing operations per share – diluted of the Company for the fiscal year ending December 31, 2027.

On September 4, 2025, the Company announced the formation of a 50/50 joint venture with Belizean sugar mill, Santander Sugar Limited (“Santander Sugar”), for the development of a fully functional cane sugar refinery in Belize to serve member states of the CARICOM. Initial operations for the new refinery are targeted for the second half of 2026.

On December 10, 2025, the Company announced the formation of a joint venture with Guyanese company, GAICO Construction & General Services Inc. (“GAICO”) to develop, construct, finance and operate a cane sugar refinery at Wales, West Bank Demerara, Guyana. Sucro is expected to hold a 15% indirect interest in the joint venture through its Belize sugar refinery joint venture. A significant part of the equipment from Sucro’s former Hamilton, Ontario, refinery, which is being decommissioned following the startup of the new Canadian refinery, would be sold to the Guayana refinery. Initial operations for the new refinery are targeted for the first half of 2027. As of the date of this MD&A this project remains in the planning, design, permitting and financing stage.

Factors Affecting Our Performance

Availability of Sugar on Favorable Terms

The sugar industry is highly competitive. Sugar supply fluctuates from year to year depending on weather, energy prices (which dictate how much sugar cane goes into ethanol production), and other factors. While we have longstanding relationships with our suppliers, we must compete each year to secure sugar allocations on competitive terms. In addition, sugar regulations, especially in the U.S., dictate the sugar origins and qualities that are available at any point in time. Finally, sugar is a relatively inexpensive product, making the management of supply chain costs essential to achieving favorable margins. Our ability to secure sugar on competitive terms from origins that are adequate to fulfill our plants and customers’ needs significantly affects our performance and key performance indicators (“KPIs”).

Available Capacity and Volumes We Are Able to Process at Our Refineries

Our revenue, cash flow and profitability are highly dependent on the volumes of refined sugar available for sale from our refining facilities. Available volumes of sugar are in turn dependent upon the capacity of sugar we are able to process and produce at our facilities. Construction and development at our new Hamilton, Ontario, and University Park, Illinois, refineries have been completed, and these refineries are undergoing commissioning and early commercial operations. The Belize and Guyana refineries (both under joint venture arrangements) are currently in development and are expected to become operational in Q3 2026 (Belize) and the first half of 2027 (Guyana). It can take several years following the commencement of commissioning of these facilities to reach targeted capacity. Any delays in increasing our capacity at these facilities to targeted levels can significantly affect our performance and KPIs.

Effectiveness of Our Hedging and Pricing Strategies

We manage our overall sugar position through a combination of exchange-traded futures contracts, which we mostly use for variable price contracts (i.e., contracts priced against a market index, net of a differential) and offsetting supply and sales fixed price contracts. Within our overall sugar position, however, we may have market-specific positions that are not hedged against the same market but that reflect the physical execution within our innovative supply chain. Our performance (on a mark-to-market basis) may vary to the extent that we have a net long or short position in our overall book or within a specific market. Moreover, the effectiveness of our hedging and pricing strategy is highly dependent on our counterparties’ performance of their contractual obligations as customer or supplier defaults may leave us exposed to a futures or physical position that would need to be covered at then-current market prices. For that reason, we have established counterparty limits and regularly evaluate and monitor our counterparties’ creditworthiness and risk of default.

Effective Management of Supply Chain Costs

Our performance is highly dependent on our ability to control supply chain costs and to keep them within the values forecasted. These costs include freight, handling, storage, delivery, processing, and other logistical costs necessary to bring sugar from its port of origin and deliver it to our customers on the agreed terms.

The imposition of tariffs on goods imported into the United States from Canada, Mexico, Brazil, and other countries relevant to our business and the sugar markets have created additional economic turbulence for every company engaged in cross border trade, including Sucro. In addition, the recent elimination of the specialty sugar quota to fulfill the U.S. market demand for organic sugar is poised to significantly change the organic sugar supply chain and market dynamics. Our team is engaged, monitoring and developing an appropriate action plan to navigate the potential impacts over the short and longer term when details become available. See “Risk Factors.”

Effective Management of Processing Costs at Our Plants

As our refining operations grow in scale, processing costs become more relevant to our overall performance. Processing costs are driven by scale – the higher the output of a plant, the lower the per-unit cost of sugar refined – as well as by certain variable costs, primarily labor and energy.

Effective Management of Inventories and Our Cash Conversion Cycle

We finance inventory purchases predominantly with short term debt. As a result, effective management of inventories can reduce interest expense, while inefficient management of inventory balances and low inventory turnover can result in higher interest expense. Moreover, the availability of favorable credit terms from our key suppliers and customers can significantly impact interest expense.

Seasonality

Historically, our revenues have not been significantly impacted by seasonality of sugar deliveries in a predictable fashion. On the other hand, forward contracts for any given year, and therefore unrealized gains (losses) on forward contracts, which is included in cost of sales, are typically entered into during the third and fourth calendar quarters of the preceding year.

Key Components of Results of Operations

Revenue

Revenue is derived primarily through the purchase and sale of sugar, where a margin is made by capturing a price differential in time, geographical location, or quality. The Company’s physical assets, which include refineries and processing facilities, provide a competitive advantage in capturing these differentials.

Revenue from forward sales contracts with customers is recognized for the contractually stated amount when the contracts are settled, either physically (through delivery of sugar in accordance with the contractual terms) or, to a lesser extent, in cash. Forward sales contracts are typically firm commitments by a customer to buy a certain amount of sugar, delivered at a specified location and meeting certain specifications, over a defined delivery period (typically a full calendar year).

The Company treats its commodity forward contracts, for both purchases and sales, as financial instruments. Forward sales meet the definition of a derivative as their value changes in response to the change in a specified commodity price (sugar), there is no initial net investment, and they can be net settled at a future date. The values of the Company’s commodity forward contracts are recorded in the statement of financial position as unrealized gains (losses) on forward commitments and any changes in the aggregate value of these contracts, which is primarily driven by the increase in the underlying volume committed by Sucro during the period in question (i.e., a growing forward book), are recorded in cost of sales. Revenue also includes sugar futures and options (F&O) trading results, which corresponds to hedging of our physical positions.

Cost of Sales

Cost of sales includes the cost of sugar and other direct costs related to the acquisition, transit, processing, and delivery of goods, including costs of the entire logistics chain, such as freight, handling, sugar processing, additives, tariffs, duties and customs fees, storage costs, licenses, inspection, and supervision, as well as depreciation of plant and equipment used to process sugar. Cost of sales also includes cargo and credit insurance, foreign exchange hedging results and fees and commissions relating to futures and foreign exchange hedging, and cost of our production personnel.

Cost of sales also includes any unrealized gains and losses on the Company's forward, futures, and foreign currency contracts as well as mark-to-market adjustments to the Company's commodity inventories. Commodity inventories are valued at fair value minus cost to sell. The Company treats its commodity forward contracts, for both purchases and sales, as financial instruments. The Company uses such commodity forwards, as well as exchange traded futures and foreign exchange contracts, to mitigate the fixed-price exposure inherent in inventory and forward sugar commodity commitments. The Company has elected to not designate any of these instruments as hedging activities. Therefore, the Company marks to market all open forward and futures sugar contracts, as well as its inventory and foreign exchange contracts. Unrealized gains and losses on forward contracts reflect market variations on existing positions, which are subject to strict limits, as well as the growth of the Company's operations from period to period (the latter being historically the largest component).

Selling, General and Administrative Expenses

Selling, general and administrative expenses include the cost of our employees and contractors. This includes administrative, management, sales, logistics, futures and hedging, and trading personnel. Selling, general and administrative expenses also include audit, legal and other professional fees, travel and entertainment, and communication and IT expenses.

Interest Income and Expense

Interest income is earned on prepayments to suppliers. Interest expense is incurred in connection with term debt financing fixed assets, such as equipment and real property, and revolving debt financing working capital assets, such as inventory, accounts receivable, and margin posted in our futures account. While interest rates on term debt are fixed and subject to change only at maturity or refinancing, interest rates applicable to revolving loans, to the extent not subject to an interest rate hedging agreement, are variable and subject to base rate (typically the Secured Overnight Financing Rate ("SOFR")) fluctuations.

Non-IFRS and Other Financial Measures (Key Performance Indicators)

We monitor a number of KPIs to help us evaluate our business, measure our performance, identify trends affecting our business, and formulate strategic plans. The Company has adopted the following non-IFRS measures:

Adjusted Gross Profit and Adjusted Gross Profit Margin

Adjusted Gross Profit and Adjusted Gross Profit Margin provide an insight into the performance of our physical operations. We define Adjusted Gross Profit as gross profit, adjusted for the effects of fair-value accounting for commodity forwards, futures (adjusting for any closed-out positions corresponding to physical settlements), foreign exchange contracts, and inventory. We define Adjusted Gross Profit Margin as Adjusted Gross Profit divided by revenue. The most directly comparable IFRS measure for Adjusted Gross Profit is gross profit. When reporting Adjusted Gross Profit per metric ton delivered, we adjust for any cash settlement of forward contracts during the relevant period to ensure that only the margin derived from physical deliveries during such period is reported and can be consistently compared across periods.

Three Months Ended June 30		2026		2025	
Revenue	\$	130,609	\$	231,854	
Deduct Cost of sales		(108,641)		(217,068)	
Gross Profit	\$	21,968	\$	14,786	
Deduct mark-to-market unrealized positions		(9,352)		(32)	
Add back (deduct) unrealized gains (losses) on future contracts for delivered inventory		161		(1,412)	
Adjusted Gross Profit	\$	12,777	\$	13,342	
Adjusted Gross Profit Margin		9.8%		5.8%	
Adjusted Gross Profit on delivered inventory	\$	12,777	\$	13,342	
Sugar deliveries (metric tons)		198,308		286,989	
Adjusted Gross Profit per metric ton delivered	\$	64.43	\$	46.49	

Six Months Ended June 30		2026		2025	
Revenue	\$	279,806	\$	387,595	
Deduct Cost of sales		(237,116)		(345,604)	
Gross Profit	\$	42,690	\$	41,991	
Deduct mark-to-market unrealized positions		(19,651)		(13,396)	
Deduct unrealized gains losses on future contracts for delivered inventory		(440)		(1,333)	
Adjusted Gross Profit	\$	22,599	\$	27,262	
Adjusted Gross Profit Margin		8.1%		7.0%	
Adjusted Gross Profit on delivered inventory	\$	22,599	\$	27,262	
Sugar deliveries (metric tons)		378,072		463,308	
Adjusted Gross Profit per metric ton delivered	\$	59.78	\$	58.84	

EBITDA, EBITDA Margin, Adjusted EBITDA and Adjusted EBITDA Margin

We define EBITDA as net income (loss) for a period, as reported, before interest, taxes, depreciation and amortization. We define EBITDA Margin as EBITDA divided by revenue. Adjusted EBITDA is EBITDA further adjusted to remove one-time transaction costs (if any), equity-based compensation expense, earnings (loss) from equity investment, and the effects of fair-value accounting for commodity forwards, futures (adjusting for any closed-out positions corresponding to physical settlements), foreign exchange contracts, and inventory. We use Adjusted EBITDA as a measure of the profitability of our physical operations as it removes the effects of unrealized and mark-to-market gains and losses. We define Adjusted EBITDA Margin as Adjusted EBITDA divided by revenue. Below is a reconciliation of these measures. The most directly comparable IFRS measure for each of EBITDA and Adjusted EBITDA is net income.

Three Months Ended June 30	2026	2025
Net Income	\$ 8,137	\$ 2,040
Add back interest expense	6,641	5,287
Add back depreciation expense	2,234	1,749
Add back depreciation of right-of-use assets	677	576
Deduct interest income	(165)	(148)
Add back tax expense	211	435
EBITDA	17,735	9,939
Add back stock-based compensation expense	332	439
Deduct earnings from equity investment	-	(90)
Deduct mark-to-market unrealized gains	(9,351)	(32)
Add back (deduct) unrealized foreign exchange losses (gains) on leases and loans	(627)	1,576
Add back (deduct) unrealized gains (losses) on future contracts for delivered inventory	161	(1,413)
Adjusted EBITDA	8,250	10,419
Divide by Revenue	130,609	231,854
EBITDA Margin	13.6%	4.3%
Adjusted EBITDA Margin	6.3%	4.5%

Six Months Ended June 30	2026	2025
Net Income	\$ 13,499	\$ 14,047
Add back interest expense	12,284	12,305
Add back depreciation expense	4,282	3,042
Add back depreciation of right-of-use assets	1,489	1,176
Deduct interest income	(192)	(270)
Add back tax expense	3,025	2,501
EBITDA	34,387	32,801
Add back stock-based compensation expense	681	821
Deduct earnings from equity investment	-	(152)
Deduct mark-to-market unrealized positions	(19,650)	(13,396)
Add back (deduct) unrealized foreign exchange losses (gains) on leases and loans	(1,548)	1,637
Deduct unrealized losses on future contracts for delivered inventory	(440)	(1,333)
Adjusted EBITDA	13,430	20,378
Divide by Revenue	279,806	387,595
EBITDA Margin	12.3%	8.5%
Adjusted EBITDA Margin	4.8%	5.3%

Return on Equity

Return on equity measures the total return to our equity holders from our physical, trading, and services operations. We define return on equity as net income for the prior 12-month period divided by average total shareholders' equity at the beginning and end of the period, expressed as a percentage.

	June 30, 2026	December 31, 2025
Net Income, as reported (previous 12 months)	\$ 40,418	\$ 40,966
Divide by Total Shareholders' Equity at the beginning of period	211,002	169,365
Return on Equity	19.2%	24.2%

Free Cash Flow

Free Cash Flow is defined as cash flow from operations excluding changes in non-cash working capital and including capital expenditures, net of value-added capital expenditures (capital expenditures to increase production and net income), and lease payments. The most directly comparable IFRS measure for Free Cash Flow is cash flow provided by (used in) operating activities.

Three Months Ended June 30		2026		2025
Net cash flow provided by (used in) operating activities	\$	(2,374)	\$	43,759
Changes in non-cash operating assets and liabilities		11,557		(36,964)
Lease Payments		(953)		(571)
Purchase of property plant and equipment (capital expenditures)		(15,656)		(13,773)
Value-added capital expenditures		15,159		13,665
Free cash flow	\$	7,732	\$	6,116

Six Months Ended June 30		2026		2025
Net cash flow provided by (used in) operating activities	\$	(3,844)	\$	54,457
Changes in non-cash operating assets and liabilities		11,714		(45,263)
Lease Payments		(2,440)		(1,318)
Purchase of property plant and equipment (capital expenditures)		(24,419)		(20,492)
Value-added capital expenditures		23,638		19,954
Free cash flow	\$	4,649	\$	7,338

Adjusted Net Debt and Capitalization

Adjusted net debt is defined as total Loans and borrowings less the net collateral value of current assets eligible as collateral, against which we can borrow on our borrowing base facilities, and other cash balances. For a description of our borrowing base facility, see “Capital Resources.” The most directly comparable IFRS measure for Adjusted net debt is total Loans and borrowings. Capitalization is defined as our shareholders’ equity plus Adjusted net debt, lease liabilities, and amounts due to related parties. The most directly comparable IFRS measure for Capitalization is Shareholders’ equity. Adjusted leverage ratio is defined as the ratio of Adjusted net debt to Adjusted EBITDA.

Maturity in years	Up to 1	1-2	2-3	3-5	Over 5
Loans and borrowings, current portion					
Borrowing base revolving credit facility	222,576				
Inventory repurchase transactions	29,550				
Other revolving facilities	450				
Current portion of long-term loans and borrowings	29,138				
Loans and borrowings, net of current portion		7,427	7,142	20,359	43,567
Loans and Borrowings	281,714	7,427	7,142	20,359	43,567
Unused credit facilities (total)	135,435				
Unused committed facilities	50,000				
Financial covenants include:					
Maximum Total liabilities-to-Tangible net worth ¹	4.00:1				
Reported as of June 30, 2026	2.18				

Our KPIs may be calculated in a manner different than similar metrics used by other companies.

Results for Three-Month Periods Ended June 30, 2026, and June 30, 2025

Three Months Ended June 30	2026	2025
Sugar Deliveries (Metric Tons)	198,308	286,989
Revenue	\$ 130,609	\$ 231,854
Gross Profit	21,968	14,786
Adjusted gross profit	12,777	13,342
Adjusted gross profit margin	9.8%	5.8%
Income From Operations	14,081	14,554
Income Before Income Taxes	8,348	2,475
Net Income	8,137	2,040
Net Income per share - basic	0.72	0.19
Net Income per share - diluted	0.34	0.08
EBITDA	17,735	9,939
Adjusted EBITDA	8,250	10,419
Adjusted EBITDA Margin	6.3%	4.5%
Adjusted gross profit per metric ton delivered (net of cash settlements)	64.43	46.49
Free cash flow	7,732	6,116
Refineries Results		
Refineries Volume ¹ (Metric Tons)	99,798	59,074
Adjusted Gross Profit ²	\$ 8,111	6,832
Adjusted Gross Profit per MT	81.27	115.66

¹ Beginning January 1, 2026, refinery volumes include deliveries from our University Park facility and the related third-party Memphis operation (totaling 20,484 MT for the three months ended June 30, 2026). Prior periods are not reported on the same basis and exclude these volumes.

² Refinery results include sugar refined at our facilities and delivered during the relevant period. Adjusted Gross Profit from our refining operations include results from our Trading and Services segments directly attributable to those refining activities. Beginning January 1, 2025, these figures include the results of raw sugar sales on an FOB (free on board) or CIF (cost, insurance and freight) basis at the port of origin, as management believes the Adjusted Gross Profit from these sales are an integral part of the refineries' operations. Prior periods are not reported on the same basis and exclude these results.

For the three months ended June 30, 2026, customer deliveries decreased compared with the three months ended June 30, 2025 (286,989 MT in 2025 compared with 198,308 MT in 2026, or 30.9%). The main driver for the decrease is lower deliveries into Mexico and U.S. wholesale sales that have been compensated with increased deliveries from our refineries, which saw volumes of 99,798 MT, driven by export opportunities from our Canadian refinery and the inclusion of our University Park and related Memphis operations in our refined volumes beginning January 1, 2026. This inclusion was guided by the conversion in 2026 of our University Park facility into a full refinery that also supplies the Memphis third-party facility.

Adjusted EBITDA was \$8.3 million for the three months ended June 30, 2026, compared with \$10.4 million for the corresponding 2025 period, a 20.8% decrease, mainly because of lower Adjusted Gross Profit (\$12.8 million for the three months ended June 30, 2026, compared with \$13.3 million for the corresponding 2025 period). The decrease in Adjusted Gross Profit was driven mainly by a decrease in volumes, mainly in our U.S. and Mexican wholesale operations, both of which are opportunistic in nature and subject to market-driven fluctuations. The decrease in these wholesale volumes (which present lower operating margins) led to improvements in Adjusted EBITDA margin (6.3% in Q2 2026 compared to 4.5% in Q2 2025) and Adjusted Gross Profit margin (9.8% in Q2 2026 compared to 5.8% in Q2 2025).

Refinery volumes nearly doubled in Q2 2026 when compared with Q2 2025, resulting in another quarterly record at nearly 100.0 thousand MT. Refining margins, however, decreased by \$28.37, to \$87.28 per MT in Q2 2026, driven by customs duties and tariffs, as well as by freight costs related to the transfer of product between our facilities during the commissioning and ramp-up of our University Park refinery. Following the U.S. Supreme Court decision overturning the International Emergency Powers Act ("IEEPA") tariffs imposed by the U.S. government in 2025,

the Company has received refund approval for \$4.9 million, which is included in cost of sales for the period (of which \$2.0 million and \$2.9 million were included in our refinery and wholesale results, respectively). Of this \$4.9 million, as of the date of this MD&A, the Company has received refunds of \$1.0 million. The Company has proactively sought to protect its right to obtain refunds and expects to receive refunds for the full amount of its IEEPA tariff payments of approximately \$6.2 million.

EBITDA was \$17.7 million for the three months ended June 30, 2026, compared with \$9.9 million for the corresponding 2025 period, a 78.4% increase. Likewise, net income for the three months ended June 30, 2026, amounted to \$8.1 million, an increase of \$6.1 million when compared to net income of \$2.0 million for the three months ended June 30, 2025. These increases were driven primarily by higher unrealized mark-to-market gains on inventory.

The composition of the Company's revenue for the three months ended June 30, 2026, and 2025, was as follows:

Three Months Ended June 30		2026		2025
Commodity	\$	130,815	\$	233,024
Tolling		235		450
Warehousing		1		6
Futures and options results		(442)		(1,626)
Total revenue	\$	130,609	\$	231,854

Revenue for the three months ended June 30, 2026, decreased by 43.9%, to \$130.8 million, from \$233.0 million for the three months ended June 30, 2025. This decrease was mainly driven by lower volumes and lower average sugar delivery prices of \$659.66 per MT for the three months ended June 30, 2026, compared to \$811.96 per MT for the corresponding 2025 period, reflective of market conditions.

The composition of cost of sales for the Company for the three months ended June 30, 2026, and 2025, was as follows:

Three Months Ended June 30		2026		2025
Purchases	\$	93,298	\$	177,508
Production and processing		4,840		3,168
Logistics/ freight		10,114		28,266
Labor		3,883		3,517
Overheads		3,931		3,301
Foreign exchange loss		(39)		(186)
Depreciation on plant and equipment		1,771		1,327
Depreciation on right-of-use plant and equipment		194		199
Mark to market unrealized positions		(9,351)		(32)
Total cost of sales	\$	108,641	\$	217,068

Cost of sales decreased by 50.0% from \$217.1 million for the three months ended June 30, 2025, to \$108.6 million for the three months ended June 30, 2026. The \$84.2 million, or 47.4% decrease in the cost of sugar is reflective of decrease in volume sold and of lower average cost of sugar deliveries in Q2 2026 (\$470.47 per MT) compared to Q2 2025 (\$618.52 per MT). However, when divided into revenue for the respective period, the cost of sugar delivered showcases the Company's ability to manage sugar costs effectively. Logistics and freight costs for the three months ended June 30, 2026, decreased by 64.2%, or \$18.2 million, due predominantly to lower volumes and their associated intake and delivery costs, as well as by the \$4.9 million in IEEPA tariff refunds recognized for the period.

Production and processing expense increased by 52.8% from \$3.2 million for the three months ended June 30, 2025, to \$4.8 million for the three months ended June 30, 2026, driven by the increase in refinery deliveries for the period. Likewise, the Company saw increases in labor, depreciation, and overheads associated with the startup of its University Park and Hamilton refineries while simultaneously running the existing Hamilton refinery prior to decommissioning in Q3, when we expect to see an improvement in our production and overhead costs per metric ton in Canada from the consolidation of our operations into a single state-of-the-art facility. Each of these increases were comparatively lower than the 68.9% increase in refinery deliveries, demonstrating the Company's ability to scale and manage costs during the early stages of its new facilities.

Mark-to-market gains on inventory drove the \$9.4 million gains on unrealized mark-to-market positions for the three months ended June 30, 2026 (compared with \$0.0 million for the same period in 2025). During the three months ended June 30, 2026, the Company had net unrealized mark-to-market gains on inventory of \$21.7 million for the three months ended June 30, 2026, compared to \$0.6 million gains on inventory for the same period of 2025, mainly driven by an improvement in conventional raw sugar mark-to-market valuations year-over-year. This was partially offset by net unrealized mark-to-market losses on forward sugar contracts of \$12.1 million compared with a gain of \$1.7 million in 2025. The mark-to-market losses on commodity forward contracts were primarily driven by a decrease in volume booked in forward contracts (in particular, conventional sugar sales from our refinery in Buffalo) as of June 30, 2026, compared to a year earlier. This is due to the timing of forward bookings for the following fiscal year, which can extend through Q4 of the prior year. During the three months ended June 30, 2026, the Company had unrealized losses of \$0.3 million and a gain \$0.1 million on sugar futures contracts and foreign currency forwards, respectively (2025 - \$2.0 million loss, and \$0.3 million loss, respectively). These gains and losses relate to hedging of Sugar 11 and Sugar 16 Contracts and Mexican Peso positions on our inventory, forward contracts, and accounts receivable. See “Financial Risk Management” below.

The composition of selling, general and administrative expenses for the three months ended June 30, 2026, and 2025, was as follows:

Three Months Ended June 30		2026		2025
Administrative expenses	\$	4,866	\$	5,184
Selling and distribution expenses		87		30
Other operating expenses		1,655		278
Depreciation		463		422
Depreciation of right-of-use assets		484		377
Equity-based compensation		332		439
Total Selling, General and Administrative Expenses	\$	7,887	\$	6,730
Total Selling, General and Administrative Expenses / Revenue		6.04%		2.90%

The Company’s selling, general and administrative expenses amounted to \$7.9 million for the three months ended June 30, 2026, an increase of \$1.2 million (17.2%) when compared to expenses of \$6.7 million for the three months ended June 30, 2025, driven by an increase in other operating expenses. Other operating expenses, which include travel and entertainment, write offs, licenses, communication expenses, among others were \$1.7 million for the three months ended June 30, 2026, an increase of \$1.4 million (495.3%) from \$0.3 million for the three months ended June 30, 2025. The most significant driver for this increase was bad debt write-offs of \$1.0 million relating to our Mexican and World Market operations. Other components of selling, general and administrative expenses, including administrative expenses, were in line with those for the prior year, once again showing the Company’s ability to manage costs during the early stages of two new refineries (and while operating a legacy asset that will be decommissioned in Q3).

During the three months ended June 30, 2026, the Company incurred interest expense of \$6.6 million, an increase of \$1.4 million, or 25.6%, over the three months ended June 30, 2025. The increase was due to long-term debt interest expense corresponding to financing for our new facilities that was previously being capitalized and higher borrowings during the quarter from our revolving credit facilities to finance our working capital assets.

The Company’s current and deferred income tax expense decreased by \$0.2 million from \$0.4 million for the three months ended June 30, 2025, to \$0.2 million for the three months ended June 30, 2026. The Company recognized \$6.8 million gain and a \$7.0 million expense in current and deferred income tax expense, respectively, during the three months ended June 30, 2026, owing to deductions associated with unrealized gains on inventory and forward, futures and foreign exchange contracts, as well as with the difference between accounting and tax depreciation rates of property, plant, and equipment.

Results for Six-Month Periods Ended June 30, 2026, and June 30, 2025

Six Months Ended June 30	2026	2025
Sugar Deliveries (Metric Tons)	378,072	463,308
Revenue	\$ 279,806	\$ 387,595
Gross Profit	42,690	41,991
Adjusted gross profit	22,599	27,262
Adjusted gross profit margin	8.1%	7.0%
Income From Operations	26,855	28,967
Income Before Income Taxes	16,524	16,548
Net Income	13,499	14,047
Net Income per share - basic	1.21	1.28
Net Income per share - diluted	0.56	0.59
EBITDA	34,387	32,801
Adjusted EBITDA	13,430	20,378
Adjusted EBITDA Margin	4.8%	5.3%
Adjusted gross profit per metric ton delivered (net of cash settlements)	59.78	58.84
Free cash flow	4,649	7,338
Refineries Results		
Refineries Volume ¹ (Metric Tons)	196,305	107,276
Adjusted Gross Profit ²	\$ 16,871	\$ 14,991
Adjusted Gross Profit per MT	85.94	139.74

¹ Beginning January 1, 2026, refinery volumes include deliveries from our University Park facility and the related third-party Memphis operation (totaling 41,051 MT for the six months ended June 30, 2026). Prior periods are not reported on the same basis and exclude these volumes.

² Refinery results include sugar refined at our facilities and delivered during the relevant period. Adjusted Gross Profit from our refining operations include results from our Trading and Services segments directly attributable to those refining activities. Beginning January 1, 2025, these figures include the results of raw sugar sales on an FOB (free on board) or CIF (cost, insurance and freight) basis at the port of origin, as management believes the Adjusted Gross Profit from these sales are an integral part of the refineries' operations. Prior periods are not reported on the same basis and exclude these results.

For the six months ended June 30, 2026, customer deliveries decreased by 18.4% compared with the six months ended June 30, 2025 (463,308 MTs in 2025 compared with 378,072 MTs in 2026). The decrease is mainly driven by lower Mexican and world market bulk sugar deliveries that have been offset in part by increased deliveries from our refineries. Our refining operations saw volumes of 196,305 MT (an 83.0% increase with respect to the first half of 2025) in two successive record-breaking quarters, driven by export opportunities from our Canadian refinery and the inclusion of our University Park and related Memphis operations in our refined volumes beginning January 1, 2026. This inclusion was guided by the conversion in 2026 of our University Park facility into a full refinery that also supplies the Memphis third-party facility.

Adjusted EBITDA was \$13.4 million for the six months ended June 30, 2026, compared with \$20.4 million for the corresponding 2025 period, a 34.1% decrease, mainly as a result of lower Adjusted Gross Profit (\$22.9 million for the six months ended June 30, 2026, compared with \$27.4 million for the corresponding 2025 period) and higher selling, general and administrative expenses (\$15.8 million for the six months ended June 30, 2026, compared with \$13.0 million for the corresponding 2025 period). The decrease in Adjusted Gross Profit was driven by margin compression in the U.S. driven in turn by market dynamics that rendered the Company unable to pass on additional logistics and freight costs, including tariffs, to its customers, as well as by lower overall volumes in our U.S. and Mexican wholesale operations. Relatedly, the decrease in Mexican and world market wholesale delivery volumes (which present lower operating margins) led to an improvement in Adjusted Gross Profit margin (8.1% in H1 2026 compared to 7.0% in Q2 2025).

Refinery volumes nearly doubled in H1 2026 when compared with H1 2025, refining margins decreased by \$50.74, to \$89.00 per MT in 2026 (compared to a \$28.37 decrease when only comparing the three-month periods ended June 30, 2026, and 2025), driven by customs duties and tariffs, as well as by freight costs related to the transfer product

between our facilities during the commissioning of the University Park refinery. Following the U.S. Supreme Court decision overturning the IEEPA tariffs imposed by the U.S. government in 2025, the Company has received refund approval for \$4.9 million, which is included in cost of sales for the period (of which \$2.0 million and \$2.9 million were included in our refinery and wholesale results, respectively). Of this \$4.9 million, as of the date of this MD&A, the Company has received refunds of \$1.0 million. The Company has proactively sought to protect its right to obtain refunds and expects to receive refunds for the full amount of its IEEPA tariff payments of approximately \$6.2 million.

EBITDA was \$34.4 million for the six months ended June 30, 2026, compared with \$32.8 million for the corresponding 2025 period, a 4.8% increase. Likewise, net income for the six months ended June 30, 2026, amounted to \$13.5 million, a decrease of \$0.5 million when compared to net income of \$14.0 million for the six months ended June 30, 2025. These results were driven primarily by lower Adjusted Gross Profit that was offset by an increase in unrealized mark-to-market gains on inventory.

The composition of the Company's revenue for the six months ended June 30, 2026, and 2025, was as follows:

Six Months Ended June 30	2026		2025	
Commodity	\$	279,869	\$	388,248
Tolling		410		975
Warehousing		1		24
Futures and options results		(474)		(1,652)
Total revenue	\$	279,806	\$	387,595

Revenue for the six months ended June 30, 2026, decreased by 27.9%, to \$279.8 million, from \$388.2 million for the six months ended June 30, 2025. This decrease was mainly driven by lower customer deliveries, explained above, and lower average sugar delivery prices of \$740.25 per MT for the six months ended June 30, 2026, compared to \$837.99 per MT for the corresponding 2025 period, reflective of market conditions.

The composition of cost of sales for the Company for the six months ended June 30, 2026, and 2025, was as follows:

Six Months Ended June 30	2026		2025	
Purchases	\$	188,475	\$	287,331
Production and processing		12,899		11,271
Logistics/ freight		35,267		44,669
Labor		6,896		6,577
Overheads		9,236		6,537
Foreign exchange loss		116		-55
Depreciation on plant and equipment		3,385		2,232
Depreciation on right-of-use plant and equipment		492		438
Mark to market unrealized positions		(19,650)		(13,396)
Total cost of sales	\$	237,116	\$	345,604

Cost of sales decreased by \$108.5 million (31.4%) from \$345.6 million for the six months ended June 30, 2025, to \$237.1 million for the six months ended June 30, 2026. When compared to the 18.4% decrease in sugar deliveries, the \$98.9 million, or 34.4% decrease in the cost of sugar displays the Company's ability to manage sugar costs effectively during the period. As such, the cost of sugar deliveries in H1 2026 was \$498.52 per MT compared to \$620.17 per MT in H1 2025. Likewise, the Company saw a decrease of 21.0%, or \$9.4 million, in logistics and freight, driven by the lower volume delivered and by the \$4.9 million in IEEPA tariff refunds recognized for the period.

On the other hand, the increases in overhead expenses (\$2.7 million or 41.3%), production and processing (\$1.6 million or 14.4%), labor (\$0.3 million or 4.9%), and depreciation expense (\$1.2 million or 51.7%) were mainly driven by increased refined sugar production volumes from our facilities and the initial recognition of equipment (previously classified as construction in progress) corresponding to our new Hamilton refinery. These increases compare favorably to the 83.0% increase in refinery delivery volumes and demonstrate the Company's ability to

scale and manage costs during the early stages of its new facilities while simultaneously operating its existing Hamilton refinery prior to decommissioning in Q3, when we expect to see an improvement in our production and overhead costs per metric ton in Canada from the consolidation of our operations into a single state-of-the-art facility.

Mark-to-market gains on inventory drove the \$19.7 million gains on unrealized mark-to-market positions for the six months ended June 30, 2026 (compared with \$13.4 million for the same period in 2025). During the six months ended June 30, 2026, the Company had net unrealized mark-to-market gains on inventory of \$18.9 million compared with a loss of \$2.7 million in 2025. The mark-to-market gains increase on inventory were primarily driven by an improvement in conventional raw sugar mark-to-market valuations year-over-year. On the other hand, mark-to-market gains on commodity forward contracts decreased from \$17.8 million for the six months ended 2025 to nearly nil for the same period in 2026 driven by a decrease in volume booked (in particular, conventional sugar sales from our refinery in Buffalo). This is due to the timing of forward bookings for the following fiscal year, which can extend through Q4 of the prior year. During the six months ended June 30, 2026, the Company had unrealized gains of \$0.5 million and \$0.1 million on sugar futures contracts and foreign currency forwards, respectively (2025 - \$1.3 million loss, and \$0.4 million loss, respectively). These gains and losses relate to hedging of Sugar 11 and Sugar 16 Contracts and Mexican Peso positions on our inventory, forward contracts, and accounts receivable. See “Financial Risk Management” below.

The composition of selling, general and administrative expenses for the six months ended June 30, 2026, and 2025, was as follows:

Six Months Ended June 30		2026		2025
Administrative expenses	\$	10,600	\$	9,292
Selling and distribution expenses		334		345
Other operating expenses		2,326		1,018
Depreciation		897		810
Depreciation of right-of-use assets		997		738
Equity-based compensation		681		821
Total Selling, General and Administrative Expenses	\$	15,835	\$	13,024
Total Selling, General and Administrative Expenses / Revenue		5.66%		3.36%

The Company’s selling, general and administrative expenses amounted to \$15.8 million for the six months ended June 30, 2026, an increase of \$2.8 million (21.6%) when compared to expenses of \$13.0 million for the six months ended June 30, 2025, driven by an increase in administrative expenses and other operating expenses. Administrative expenses, which include staff payroll, benefits and pension costs, professional fees, insurance, bank service charges, and other office expenses were \$10.6 million for the six months ended June 30, 2026, an increase of \$1.3 million (14.1%) from \$9.3 million for the six months ended June 30, 2025. The most significant driver for this increase is the relatively large reversal of over accrued bonus expense corresponding to 2024 in 2025, which was not repeated in 2026. Other operating expenses, which include travel and entertainment, write offs, licenses, communication expenses, among others, were \$2.3 million for the six months ended June 30, 2026, an increase of \$1.3 million (128.5%) from \$1.0 million for the six months ended June 30, 2025. The most significant driver for this increase was bad debt write-offs of \$1.1 million relating to our Mexican and World Market operations. The relative growth in selling, general and administrative expenses, including administrative expenses, especially when compared to refinery volumes, once again showing the Company’s ability to manage costs during the early stages of two new refineries (and while operating a legacy asset that will be decommissioned in Q3).

During the six months ended June 30, 2026, the Company incurred interest expense of \$6.6 million, an increase of \$1.4 million, or 25.6%, over the three months ended June 30, 2025. The increase was due to an increase in long-term debt interest expense corresponding to financing for our new facilities that was previously being capitalized and higher borrowings during the period from our revolving credit facilities to finance our working capital assets.

The Company’s current and deferred income tax expense increased by \$0.5 million from \$2.5 million for the six months ended June 30, 2025, to \$3.0 million for the six months ended June 30, 2026. The Company recognized \$4.5 million in current income tax gain and \$7.5 million in deferred income tax expense during the six months ended June 30, 2026, primarily due to deductions related to unrealized gains on inventory; forward, futures, and foreign exchange contracts; and differences between accounting and tax depreciation rates for property, plant, and

equipment.

Summary of Quarterly Results

The table below contains a summary of selected financial information for the previous eight quarters of the Company.

Unaudited	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Sugar Deliveries (Metric Tons)	198,308	179,764	227,447	147,853	286,989	176,319	154,773	181,023
Total Revenue	\$ 130,609	\$ 149,197	\$ 149,410	\$ 132,870	\$ 231,854	\$ 155,741	\$ 160,455	\$ 171,932
Adjusted Gross Profit	12,777	9,822	9,133	13,442	13,342	13,920	12,393	13,971
Adjusted Gross Profit Margin	9.8%	6.6%	6.1%	10.1%	5.7%	8.9%	7.7%	8.1%
Adjusted EBITDA	8,250	5,180	3,421	7,172	10,419	9,958	(19,290)	8,232
Free Cash flow	7,732	(3,083)	(944)	4	6,116	1,222	1,471	1,348
Net Income from continuing operations	8,137	5,362	11,552	15,367	2,040	12,007	(6,945)	7,438
Total								
Per share	0.72	0.48	1.05	1.40	0.19	1.10	(0.92)	1.06
Diluted per share	0.34	0.22	0.48	0.64	0.08	0.50	(0.29)	0.31
Net Income	8,137	5,362	11,552	15,367	2,040	12,007	(6,945)	7,438
Total								
Per Share	0.72	0.48	1.05	1.40	0.19	1.10	(0.92)	1.06
Diluted per share	0.34	0.22	0.48	0.64	0.08	0.50	(0.29)	0.31

Refineries Results

Refineries Volume ¹ (Metric Tons)	99,798	96,507	44,561	53,873	59,074	48,202	44,534	57,093
Adjusted Gross Profit ²	\$ 8,111	\$ 8,760	\$ 5,550	\$ 10,110	\$ 6,832	\$ 8,158	\$ 6,260	\$ 7,917
Adjusted Gross Profit per MT	81.27	90.77	124.55	187.66	115.66	169.25	140.56	138.68

¹ Beginning January 1, 2026, refinery volumes include deliveries from our University Park facility and the related third-party Memphis operation. Prior periods are not reported on the same basis and exclude these volumes.

² Refinery results include sugar refined at our facilities and delivered during the relevant period. Adjusted Gross Profit from our refining operations include results from our Trading and Services segments directly attributable to those refining activities. Beginning January 1, 2025, these figures include the results of raw sugar sales on an FOB (free on board) or CIF (cost, insurance and freight) basis at the port of origin, as management believes the Adjusted Gross Profit from these sales are an integral part of the refineries' operations. Prior periods are not reported on the same basis and exclude these results.

Capital Resources

As of June 30, 2026, the Company had working capital of \$90.6 million compared to working capital of \$96.3 million as of December 31, 2025.

	June 30, 2026	December 31, 2025
Current Assets	\$ 463,801	\$ 438,000
Less: Current Liabilities	373,173	341,742
Working Capital	\$ 90,628	\$ 96,258

As of June 30, 2026, the Company had \$135.4 million of unused credit facilities, including \$55.5 million available under uncommitted physical repurchase facilities, as well as \$55.0 million of unused committed credit facilities. The Company considers that it has sufficient funds available to meet its current and long-term financial obligations as they come due.

As of June 30, 2026, the Company had revolving credit facilities in an aggregate amount of \$355.0 million, which had \$135.0 million of unused capacity as of that date, based on the total value of the facilities. These are borrowing base facilities secured by substantially all the current assets of the Company, including inventory, accounts receivable, cash, futures accounts, prepayments to providers, and forward commodity contracts.

The Company may draw on its revolving credit facilities based on the value of the pledged current assets, adjusted to reflect different limits and deductions imposed by the lenders. As of June 30, 2026, and December 31, 2025, the Company had \$4.8 million and \$15.8 million, respectively, available to draw under its revolving facilities, based on the value of the pledged collateral, with \$50.4 million of committed availability available for drawing. These credit facilities are subject to certain financial and other covenants, which include, among others, minimum tangible net worth and working capital requirements and a maximum debt to tangible net worth ratio. Compliance with these

covenants is a condition to draw under this facility. As of June 30, 2026, the Company was in compliance with these covenants.

During Q2 2026, the Company entered into an uncommitted bilateral trade finance facility with a maximum aggregate amount of \$30.0 million to support its Caribbean trading operations, including the expected volume growth from the Belize sugar refinery that is currently under development. The facility provides transactional financing for inventory, in-transit shipments and eligible accounts receivable on a self-liquidating basis and is secured by the underlying financed assets.

During Q2 2026, the Company completed the acquisition of 100% of the outstanding shares of Tile World Corporation, a business engaged in the packaging, importing, marketing and sale of retail sugar products, a strategic market segment for the Company. In connection with the acquisition, the Company established dedicated financing facilities consisting of a \$5.0 million revolving working capital facility and a \$1.0 million term loan. These facilities support the working capital and long-term funding requirements of the acquired business.

In addition, the Company has physical inventory repurchase lines with financial institutions in the aggregate amount of \$85.0 million (\$85.0 million as of December 31, 2025). These lines provide for the sale of inventory with an agreement to repurchase the same at a future date. The Company had \$55.5 million and \$53.0 million of total unused capacity under these lines as of June 30, 2026, and December 31, 2025, respectively. These are uncommitted, discretionary lines, with each transaction being subject to its own terms.

The main drivers for the increase in current assets for the six months ended June 30, 2026, were increases in our inventory and accounts receivable of \$17.9 million and \$7.2 million respectively. The increase in inventory during the first six months of 2026 was driven by an improvement in conventional raw sugar mark-to-market valuations, as the Company sold inventory positions that had relatively high costs when compared to sugar at current market prices. The increase in accounts receivable corresponds to higher sales on credit terms for the period.

The increase in current liabilities as of June 30, 2026, was mainly due to an increase in the current portion of loans and borrowings, driven by higher balances on our revolving credit facilities and the reclassification as current debt during the period of a mortgage loan balance of \$12.7 million coming due in April 2027. The Company is currently in the process of refinancing its term debt maturing in less than 12 months (totaling \$17.5 million) and expects to complete this process before year-end.

The Company's objectives when managing capital resources are to:

1. Deploy capital to provide an appropriate return on investment for shareholders;
2. Explore profitable growth opportunities;
3. Maintain financial flexibility to preserve the ability to meet its short-term and long-term financial obligations; and
4. Maintain a capital structure that provides financial flexibility to execute strategic opportunities, while adhering to the financial covenants imposed by its lenders.

The Company's strategy is formulated to maintain a flexible capital structure consistent with the objectives stated above as well as to respond to changes in economic conditions and to the risks inherent in its underlying assets. The Company promotes year-over-year sustainable profitable growth and has established a quantitative return on capital criterion, which takes into account factors such as the Company's borrowing costs and the cost of its outstanding equity, on a weighted average basis. The Company is subject to various capital requirements imposed by its lenders, both on a consolidated and standalone basis (for one or more of its subsidiaries). As of June 30, 2026, the Company was in compliance with these requirements.

Our working capital needs are funded with cash from operating activities and short-term debt. To maintain or alter the capital structure, the Company may adjust capital spending, take on new debt or issue equity. The Company anticipates that it will have adequate liquidity to fund future working capital, commitments, and forecasted capital expenditures through a combination of cash flow, cash-on-hand, and debt financing as required.

For fiscal 2026, the Company had estimated approximately \$10.0 million of capital expenditures for its Canadian and U.S. refinery projects, in addition to its Belizean project described below. We are revising our estimate to \$20.0 million to include additional labor and materials costs during the final development and initial commissioning stages of our projects, as well as the construction of a new raw sugar warehouse at our Lackawanna refinery.

In addition, on September 4, 2025, the Company announced the formation of a 50/50 joint venture with Belizean sugar mill, Santander Sugar, for the development of a fully functional cane sugar refinery in Belize to serve member states of CARICOM. This project is expected to commence commercial operation in the first half of 2026. The Company initially estimated a total cost of approximately \$20.0 million for this project, with a phase 1 estimate of \$10.0 million to be incurred by June 30, 2026 (of which the Company will contribute 50%). As of June 30, 2026, the Company had incurred \$5.1 million on the development of this project, which is in the final stages of completion.

Further, on December 10, 2025, the Company announced the formation of a joint venture with Guyanese company, GAICO, to develop, construct, finance and operate a cane sugar refinery at Wales, West Bank Demerara, Guyana. Sucro is expected to hold a 15% indirect interest in the joint venture through its Belize sugar refinery joint venture. It is anticipated that a significant part of the equipment from Sucro's former Hamilton, Ontario, refinery, which is being decommissioned following the startup of the new Canadian refinery, would be sold to the Guayana refinery. Initial operations for the new refinery are targeted for the first half of 2027. The project has an estimated total cost of approximately \$20.0 million (of which the Company will contribute 15%). As of June 30, 2026, the Company has not incurred any capital expenditures on the development of this project, which remains in the planning, design, permitting, and financing stage.

Liquidity

Six Months Ended June 30, 2026, and 2025

A summary of cash flows for continuing operations for the Company for the six months ended June 30, 2026, and 2025, are as follows:

Six Months Ended June 30	2026	2025
Net cash flow provided by (used in) operating activities:		
Operating cash flows before changes in working capital	\$ 7,870	\$ 9,194
Changes in non-cash operating assets and liabilities	(11,714)	45,263
Net cash flow provided by (used in) operating activities	\$ (3,844)	\$ 54,457
Cash flow provided by (used in) financing activities	\$ 21,449	\$ (30,723)
Cash flow provided by (used in) investing activities	\$ (24,419)	\$ (20,492)
Net increase (decrease) in cash	\$ (6,814)	\$ 3,242

Cash flow provided by operating activities for the six months ended June 30, 2026, decreased by \$58.3 million compared to the six months ended June 30, 2025, due to increases in changes in non-cash operating assets and liabilities. Changes in non-cash operating assets and liabilities were negative \$11.7 million for the six months ended June 30, 2026, compared to \$45.3 million for the corresponding 2025 period. In the first six months of 2025, current assets decreased by \$25.8 million (compared to a \$25.8 million increase in the first half of 2026), driven by the reduction of raw sugar inventories that had been purchased at the end of 2024 (prior to closing of ports at our Hamilton and Lackawanna refineries for the winter) to fulfill contracts in early 2025 out of our refineries. In the first half of 2026, while sales from our refineries have nearly doubled, with the addition of two new refineries, inventories have remained in line with year-end volumes, as forecasted production volumes for the remainder of the year are expected to keep growing. Factors driving the changes in non-cash operating assets and liabilities for the six months ended June 30, 2026, included accounts receivable, prepaid expenses, and other receivables.

Factors driving the changes in non-cash operating assets and liabilities for the six months ended June 30, 2026, included accounts receivable, prepaid expenses, and other receivables. On the other hand, for the six months ended

June 30, 2026, the Company saw decreases in inventory and amounts due from related parties and an increase in accounts payable and accrued liabilities.

The Company participates in a supplier finance program with a third-party financial institution. This arrangement allows selected suppliers to receive early payment of their invoices from the financial institution, while the Company settles the amounts payable at a later date, consistent with its normal payment terms. As of June 30, 2026, approximately \$14.8 million of trade payables were outstanding under this program. Suppliers had received early payment on \$14.8 million of these amounts as of quarter-end. The program did not materially impact the Company's cash flow classification or financial position for the quarter ended June 30, 2026. This arrangement supports supplier liquidity and enhances working capital efficiency, without altering the Company's commercial payment obligations.

Cash flow provided by financing activities increased by \$52.2 million, to \$21.4 million for the six months ended June 30, 2026, compared to the same period of 2025. In the first half of 2025, the reduction in cash flow from financing activities was mainly due to repayments of short-term financial liabilities associated with the \$25.8 million decrease in inventory and other current assets for the period. In addition to the short-term loans incurred to support the \$25.8 million increase in current assets in the first half of 2026, the Company saw additional long-term borrowings to finance capital expenditures for the construction and development of its new refineries in University Park, Illinois, and Hamilton, Ontario.

Cash flow used in investing activities increased by \$3.9 million in the first half of 2026 compared to the corresponding 2025 period, to \$24.4 million, mainly relating to capital expenditures for the construction and development of our new refineries in University Park, Illinois, and Hamilton, Ontario, as well as those for the development of the joint venture refinery in Belize.

Operational Cycle

Our financial position is influenced by the seasonal nature of agricultural commodity trading. To ensure long-term supply stability, we enter into forward commitments aligned with upcoming crop harvest periods. Because we manage our portfolio on a crop-year basis, our hedging and procurement commitments typically extend 15 to 24 months. We classify these positions as current because they are executed as part of our normal operating cycle—the period required to procure, process, and deliver sugar to our customers. This classification ensures our Consolidated Statements of Financial Position accurately reflect our working capital requirements, where current assets and liabilities are defined by our recurring business cycle rather than a rigid 12-month calendar window.

Credit Facilities and Debt Management Strategy

	June 30, 2026	December 31, 2025
Loans and borrowings	\$ 360,209	\$ 336,804
Less:		
Net collateral value	(225,316)	(211,377)
Other cash	(2,459)	(8,953)
Adjusted net debt	132,434	116,474
Lease liabilities	18,318	19,472
Due to related parties	478	166
Shareholders' equity	225,642	211,002
Capitalization	376,872	347,114
Adjusted net debt to capitalization	35.1%	33.6%
Adjusted EBITDA (previous 12 months)	24,024	30,971
Adjusted leverage ratio (Adjusted net debt / Adjusted EBITDA)	5.5	3.8

We consider our capital to be our shareholders' equity plus lease liabilities, amounts due to related parties (which, as of June 30, 2026, include amounts due to BSM relating to sugar purchases), and debt, adjusted for the net collateral value of working capital assets (excluding cash) securing our borrowing bases, bilateral lines, and inventory financing obligations, on a mark-to-market basis, and cash balances. As of June 30, 2026, our ratio of Adjusted net

debt to capitalization was 35.1%, compared to 33.6% as of December 31, 2025. As of June 30, 2026, our Adjusted leverage ratio, was 5.5, compared with 3.8 as of December 31, 2025. This is consistent with the timing of our capital expenditures for our new Hamilton, Ontario, and University Park, Illinois, refineries, which have recently become operational and are expected to add refined sugar volumes to our operations. We therefore expect that, in Fiscal 2026, the Company will be able to reduce its leverage indicators by executing on its plan to grow volumes from its refining operations, improve margins through value-added specialty sugar products, control costs, and reduce its capital expenditures.

We fund our working capital requirements primarily through our borrowing base facilities, bilateral lines, and inventory repurchase transactions (discussed in “Capital Resources” above). These facilities generally bear interest at variable SOFR-based rates, plus an applicable margin. The interest rate of our borrowing base facilities was 6.5% and 6.7% as of June 30, 2026, and December 31, 2025, respectively. As of June 30, 2026, we maintained \$60.0 million notional amount of buy fixed-sell variable interest rate swaps that effectively fix the rate of the same notional amount of short-term debt for a period of 2-3 years from their inception date (for further information, see “Financial and Other Instruments,” and “Financial Risk Management” below).

All outstanding long-term loans and borrowings were used to finance capital expenses, including property, plant and equipment and have the maturities set forth below. The average interest rate for our long-term debt for the six months ended June 30, 2026, was 6.7%. As of June 30, 2026, approximately \$47.4 million, or 45.5%, of our long-term debt bears interest at a floating rate. Management intends to fix long-term rates for the remainder of its long-term debt during 2026, as such debt begins amortizing following completion of our projects. As of June 30, 2026, the current portion of long-term debt included \$17.5 million of term debt maturing in under 12 months, which the Company expects to refinance by the end of fiscal 2026.

While our credit facilities include financial and other covenants applicable to our subsidiaries, our borrowing base facility includes a financial covenant applicable to Sucro Limited on a consolidated basis, as set forth in the table below:

Maturity in years	Up to 1	1-2	2-3	3-5	Over 5
Loans and borrowings, current portion					
Borrowing base revolving credit facility	222,576				
Inventory repurchase transactions	29,550				
Other revolving facilities	450				
Current portion of long-term loans and borrowings	29,138				
Loans and borrowings, net of current portion		7,427	7,142	20,359	43,567
Loans and Borrowings	281,714	7,427	7,142	20,359	43,567
Unused credit facilities (total)	135,435				
Unused committed facilities	50,000				
Financial covenants include:					
Maximum Total liabilities-to-Tangible net worth ¹	4.00:1				
Reported as of June 30, 2026	2.18				

² Tangible Net Worth – Total of assets of the consolidated group minus total liabilities of the consolidated group plus subordinated indebtedness minus any intangible assets as defined by IFRS minus receivables and other obligations due from affiliates that are not Loan Parties unless and to the extent such amounts are covered by credit insurance provided by a credit insurance provider with an investment grade credit rating.

Contingencies

The Company is involved in lawsuits or other claims from time to time arising from normal business activities. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Management has reviewed current claims and believes that, as of the date hereof, there is no material current or pending litigation.

Off-Balance Sheet Arrangements

Off balance sheet obligations as of June 30, 2026, include customs bonds in the aggregate amount of \$4.3 million and a letter of credit in the amount of \$2.2 million.

Transactions with Related Parties

The Company had no related-party transactions during the six months ended June 30, 2026, other than those noted in the unaudited condensed interim consolidated financial statements.

Outstanding Security Data

	June 30, 2026	August 12, 2026
Subordinate Voting Shares	11,100,589.00	11,107,999.00
Proportionate Voting Shares	129,689.29	129,689.29
Total – basic outstanding	11,230,278.29	11,237,688.29
Subordinate Voting Shares	11,100,589	11,107,999
Proportionate Voting Shares (as converted to SVS)	12,968,929	12,968,929
Total – basic as converted	24,069,518	24,076,928
Restricted Share Units	144,669	144,669
Options	660,617	660,617
Total – fully diluted	24,874,804	24,882,214

Financial and Other Instruments

The Company treats its commodity forward contracts, for both purchases (from suppliers) and sales (to customers), as financial instruments (derivatives). The Company uses offsetting commodity forward contracts, as well as exchange traded futures and commodity swaps, to mitigate the fixed-price exposure inherent in inventory and forward commodity commitments. The Company marks to market all open forward and futures contracts, as well as its inventory. The fair values of open contracts are based on regulated exchange prices, industry pricing publications, internal pricing models and broker or dealer quotes. The Company has elected to not designate any of its trading activities as hedging activities.

The Company measures and reports the fair value of forward and futures contracts within a hierarchal disclosure framework that prioritizes and ranks the level of observable inputs used in measuring fair value. Inputs based on market data from independent sources are considered observable inputs and inputs generated from internal assumptions based upon the best information available when external market data is limited or unavailable are considered unobservable inputs. The fair value hierarchy prioritizes fair value measurements into three levels based on the nature of the inputs. Quoted prices in active markets for identical assets or liabilities have the highest priority (Level 1), followed by observable inputs from other than quoted prices, including prices for similar but not identical assets or liabilities (Level 2), and unobservable inputs, including the Company's estimates of the assumptions that market participants would use, having the least priority (Level 3). At each statement of financial position date, the Company performs an analysis of all financial instruments subject to fair value measurements.

Fair value is the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). The Company primarily applies the market approach for recurring fair value measurements and attempts to utilize the best available information. Accordingly, the Company also utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

Futures contracts are generally based on exchange prices and unadjusted quoted prices in active markets and are classified within Level 1. Fair values for forward commitments are valued at the prevailing futures rate of the underlying commodity on the reporting date plus management inputs that are determined by a wide variety of factors, including the transportation costs incurred to transport the asset to its most advantageous market and the liquidity of markets in varying locations. Forward commitment and inventory fair values that are derived from

observable inputs and adjusted by management inputs are classified as Level 2. Forward commitments that are derived primarily from management inputs due to lack of an observable market price are classified as Level 3.

Where the fair values of financial instruments recorded on the consolidated statement of financial position cannot be derived from active markets, they are determined using valuation techniques, including the comparable market approach, based on historical transacted prices and estimates. When using these models, a degree of judgment is required in establishing fair values (Level 3). The judgments include considerations of model inputs regarding comparability, forward prices and volatility that are not supported by observable market data. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The fair value of the contracts and derivatives can be significantly impacted by factors such as volatility of futures and spot prices of the underlying commodities and volatility of freight markets. Any change in the fair value of these financial derivatives is recognized currently in profit or loss. As a result, earnings are subject to volatility, even when the underlying expected profit margin over the duration of the contracts is unchanged. Volatility can be significant from period to period.

Prior to settlement, the changes in fair values of forward physical sale and purchase contracts are included in cost of sales and are part of the unrealized forward commitment asset or liability on the consolidated statement of financial position, as appropriate. Upon settlement, physical forward and futures contracts are included in revenues.

The Company has entered into interest rate swaps to manage interest rate risk exposure associated with the Company's floating-rate borrowings. These swaps involve the receipt (or payment) of floating rate payments in exchange for fixed-rate interest payments over their life without an exchange of the underlying principal amount (net cash settlement). The Company designated these interest rate swaps as cash flow hedges for floating rate borrowings.

The Company has also entered into energy swaps to manage price risk exposure associated with its consumption of energy in its processing and refining facilities. These swaps effectively modify its exposure to price risk on part of its natural gas consumption at its refining facilities by converting the Company's variable rate to a fixed-rate basis during the life of the agreement, thus reducing the impact of price changes on future energy payments. The Company designated these energy swaps as cash flow hedges. See "Financial Risk Management" below.

Significant inputs used to estimate the fair value of interest rate and energy swaps include spot and forward rates on the swap yield curve and spot and forward natural gas prices and estimated borrowing costs.

The following table provides a summary of the Company's derivative assets as of the dates indicated:

	June 30, 2026	December 31, 2025
Forward commitments	\$ 165,002	\$ 161,633
Futures contracts	1,651	1,236
Interest rate swap	96	58
Foreign currency forwards	183	-
Total Gains	\$ 166,932	\$ 162,927

The following table provides a summary of the Company's derivative liabilities as of the dates indicated:

	June 30, 2026	December 31, 2025
Forward commitments	\$ 9,506	\$ 7,863
Interest rate swap	122	571
Foreign currency forwards	39	-
Energy rate swap	97	41
Total Losses	\$ 9,764	\$ 8,475

During the six months ended June 30, 2026, and 2025, net unrealized gains (losses) on derivative transactions recognized in cost of sales are as follows:

Six Months Ended June 30	2026	2025
Mark-to-market gains (losses) on commodity forward contracts	\$ (6)	\$ 17,763
Mark-to-market gains (losses) on inventory	18,932	(2,723)
Mark-to-market gains (losses) on futures contracts	580	(1,274)
Mark-to-market gains (losses) on foreign currency forwards	144	(370)
Total	\$ 19,650	\$ 13,396

The amount of gain or loss on derivative transactions is presented in cost of sales, except for the gain (loss) on the interest rate and energy swaps, which are presented under accumulated other comprehensive income in the consolidated statement of comprehensive income and on the consolidated statement of financial position.

Financial Risk Management

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and market risk. Market risk is comprised of interest rate, foreign currency and commodity price risk. The Company regularly evaluates and manages the risks assumed with its financial instruments. The following analysis provides a measure of the Company's risk exposure and concentrations.

a) Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company is exposed to this risk mainly in respect of its unrealized losses on forward commitments, accounts payable and accrued liabilities, current financial liabilities, current lease liabilities and other current liabilities. The Company considers that it has sufficient funds available to meet its current and long-term financial obligations as they come due. As of June 30, 2026, the Company had current assets of \$463.8 million and current liabilities of \$373.2 million. As of December 31, 2025, the Company had current assets of \$438.0 million and current liabilities of \$341.7 million. In addition, as of June 30, 2026, the Company had \$55.0 million of undrawn committed credit facilities and \$135.4 million of undrawn uncommitted credit facilities. Management of liquidity risk during the six months ended June 30, 2025, did not change materially from the year ended December 31, 2025. For more information, see "Capital Resources," "Liquidity," and "Credit Facilities and Debt Management Strategy."

b) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk in the event of non-performance by counterparties in connection with its accounts receivable, forward contracts, and cash and cash equivalents. The Company does not obtain collateral or other security to support the accounts receivable subject to credit risk but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant losses from non-performance. All customers go through a credit approval process. The Company routinely assesses the financial strength of its customers and ensures that counterparty balances are maintained within the approved credit limits. As a result, the Company believes the concentrations of credit risk are limited.

In addition, to mitigate credit risk on its accounts receivable, the Company utilizes credit insurance. Our credit insurance policy is subject to coverage limits on a counterparty basis, as well as to a maximum aggregate insured amount. The maximum risk of loss related to credit risk on the Company's accounts receivables (net of credit insurance) as of June 30, 2026, and December 31, 2025, respectively, were \$54.5 million and \$47.2 million.

Balances for trade accounts receivable are managed on an ongoing basis to ensure estimated credit losses correspond to the specific credit risk of our customers, which are established and maintained at an appropriate amount. The provision for expected credit loss also includes a reserve for amounts that may become uncollectable based on unforeseen future events. This reserve is established based on historical collection results. Accounts receivable

outstanding are written off through the provision for expected credit losses after the Company exhausts all reasonable collection efforts.

The Company maintains cash balances in financial institutions. These financial institutions are insured by the Federal Deposit Insurance Corporation (“FDIC”). From time to time, the Company maintains cash in bank accounts in excess of the FDIC insurance limit. The Company has not experienced any losses from maintaining cash accounts in excess of the FDIC limit. Management believes it is not exposed to any significant credit risk due to the high credit quality of the banks in which it maintains deposits.

The Company also maintains certain cash balances in another financial institution for the primary purpose of clearing and holding custody of futures contracts. Concentration of credit risk is not insured by the FDIC or guaranteed by the financial institution. As of June 30, 2026, and December 31, 2025, the Company had, respectively, deposits of \$1.2 million and \$7.9 million that were not insured by the FDIC or in excess of the FDIC insurance limit.

Management of credit risk during the six months ended June 30, 2026, did not change materially from the year ended December 31, 2025.

c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk. The Company is exposed to other price risk on its fixed price commodities forwards and future contracts.

i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Certain bank loans of the Company have a variable interest rate. The interest rate swaps utilized by the Company effectively modify the Company’s exposure to interest rate risk on certain debt by converting the Company’s floating-rate debt to a fixed-rate basis during the tenor of the swaps, as indicated below, thus reducing the impact of interest-rate changes on future interest expense. As of June 30, 2026, \$56.7 million notional amount of the Company’s long-term debt and \$60.0 million notional amount of short-term debt bears interest at a fixed rate or has been hedged with an interest rate swap. The total notional amount of the Company’s receive-variable/pay-fixed interest rate swaps relating to its short-term debt is set forth below, in each case for 30-day SOFR.

Swap tenor (in years)	Notional amount (USD '000)		Average swap rate	
	June 30, 2026	December 31, 2025	June 30, 2026	December 31, 2025
Less than 1	\$ 60,000	75,000	4.24%	4.24%
More than 1, less than 3	\$ -	\$ 30,000	-	3.62%
Total notional amount	\$ 60,000	\$ 105,000		

Changes in a variable rate loan’s base rate can cause fluctuations in interest payment and cash flows. If the base rate of the Company’s variable rate debt increased/decreased by 50 basis points, the Company’s net income before income taxes for fiscal 2025 would have been \$0.9 million lower/ higher.

ii) Foreign Currency Risk

Foreign currency risk is the risk that the fair value of the Company’s assets or liabilities or future cash flows from the Company’s operations will fluctuate due to changes in foreign exchange rates. The Company has several accounts denominated in currencies other than its functional currency of the U.S. Dollar as described below. The Company operates in the U.S., Canada and Mexico and regularly transacts in currencies other than U.S. Dollars. The Company seeks to manage this risk by constructing natural hedges when it matches sales and purchases in any single currency or with financial instruments, such as foreign currency forward exchange contracts. The Company also has foreign currency translation risk from its investment in Canada. This investment is not hedged as the

currency position is considered long term in nature. The table below summarizes the Company's exposures to different currencies.

	Balance in USD		Balance in USD	
	June 30, 2026		December 31, 2025	
Canadian Dollars Net Exposure	\$	(42,052)	\$	(32,235)
Mexican Pesos Net Exposure	\$	22,472	\$	12,678

As of December 31, 2025, if the Canadian Dollar had strengthened (weakened) 5 percent against the United States Dollar, net income before income taxes would have been \$1.6 million lower (higher) (December 31, 2024 - \$1.0 million lower (higher)). As of December 31, 2025, if the Mexican Peso had strengthened (weakened) 5 percent against the United States Dollar, net income before income taxes would have been \$0.6 million higher (lower) (December 31, 2024 - \$1.0 million higher (lower)).

iii) Commodity Price Risk

The Company is exposed to commodity price risk on its inventory and fixed price commodities forward and future contracts through its exposure to the market price of the commodity of sugar. The Company uses derivative instruments, including swaps, commodity futures and forward contracts, to manage its exposure to fluctuating prices of sugar commodities. The Company manages open positions with strict policies, which limit its exposure to market risk and require routine reporting to management of potential financial exposure. The Company has not elected to designate the derivative instruments as hedges. As a result, gains and losses representing changes in these derivative instruments' fair values are recognized in profit or loss. As of December 31, 2025, if the market price of sugar had increased (decreased) by 10%, the Company's net income before taxes would have been \$1.0 million greater (lower).

The table below summarizes the commodity derivative instrument positions of the Company for sugar as of June 30, 2026:

	Volumes/ Notional Amounts (Net)	Effective Dates		Expiration Dates		Fair (Approximate)	Value
Sugar commodities	6,204 MT	July 2026	-	July 2026	-		\$198,169
		July 2028		July 2028			
Total fair market value							\$198,169

The table below summarizes the commodity derivative instrument positions of the Company for sugar as of December 31, 2025:

	Volumes/ Notional Amounts (Net)	Effective Dates		Expiration Dates		Fair (Approximate)	Value
Sugar commodities	(4,382) MT	January 2026	-	January 2026	-		\$178,329
		July 2028		July 2028			
Total fair market value							\$178,329

The Company is also exposed to other price risk associated with its consumption of natural gas for its refining facilities. For natural gas, the Company manages this risk by entering into energy swap agreements that effectively modify the Company's exposure to price risk by converting the Company's variable rate to a fixed-rate basis, thus reducing the impact of price changes on future payments. For Lackawanna and University Park, the Company has secured its natural gas deliveries through a supply contract until 2030 on a variable rate basis and has a hedging

strategy in place to convert to a fixed rate. As of June 30, 2026, the Company had fixed 100% of its natural gas requirements for its University Park refinery through March 2027. For its Lackawanna refinery, as of June 30, 2026, the Company had fixed 100% and approximately 50% of its natural gas requirements through October 2026 and June 2027, respectively.

In addition, the Company has fixed the delivery basis for its Lackawanna refinery for 100% and 50% of its natural gas needs through October 2026 and March 2027, respectively. For Hamilton, the Company has its natural gas supply secured until December 2028, and as of June 30, 2026, had fixed 100% of its natural gas requirements through December 2026, with a fixed delivery basis that meets 80% of its requirements through December 2028. The Company designated these energy swaps as a cash flow hedge. For electric supply, the Company is on a variable rate at all its facilities and is under contract negotiation to insert hedging and price risk management as part of the supply.

Standards, amendments and interpretations issued but not yet adopted

IFRS 18 Presentation and disclosure in financial statements ("IFRS 18"). In April 2024, the IASB issued IFRS 18 which replaces IAS 1. IFRS 18 introduces new requirements to improve the reporting of financial performance and give investors a better basis for analyzing and comparing companies. Specifically, it introduces:

- three defined categories for income and expenses (operating, investing and financing) and requiring companies to provide new defined subtotals, including operating profit;
- enhanced transparency of management-defined performance measures requiring companies to disclose explanations of those company-specific measures related to the statement of earnings; and
- enhanced guidance on how companies group information in the financial statements, including guidance on whether information is included in the financial statements or is included in the notes.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company is assessing the potential impact of this new standard.

Risk Factors

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment.

On April 2, 2025, President Donald Trump announced a broad tariff framework applicable to U.S. imports, including sugar, under the International Emergency Economic Powers Act ("IEEPA"). Those measures subsequently became subject to legal challenge, and, on February 20, 2026, the U.S. Supreme Court held that IEEPA did not authorize the imposition of those tariffs. In response, the Administration terminated the IEEPA tariff regime and, effective February 24, 2026, imposed a temporary 10% ad valorem import surcharge under Section 122 of the Trade Act of 1974 for a period of up to 150 days. Upon the expiration of the Section 122 surcharge in July 2026, the Administration implemented a new tariff framework under Section 301 of the Trade Act of 1974, imposing additional duties on imports from certain trading partners while maintaining exemptions for qualifying goods under the United States-Mexico-Canada Agreement ("USMCA"). Accordingly, imported sugar from certain non-USMCA qualifying origins may continue to be subject to additional U.S. duties, while the scope, duration and application of these measures remain subject to ongoing legal, administrative and policy developments. These measures may exert upward pressure on input costs and contribute to broader inflationary dynamics; however, the ultimate impact on the Company's operations, customers, supply chains and sugar demand across its markets remains uncertain. The effect of these trade measures, and any further changes thereto, could adversely affect economic conditions, inflation, consumer spending, foreign exchange rates and global trade flows, and may have a material adverse effect on the Company's business, financial condition and results of operations.

Ongoing geopolitical conflicts in the Middle East, including the military conflict involving Israel, Iran and the US, the Israel-Gaza conflict, instability in the Red Sea region and its impact on global shipping routes, Russia's invasion of Ukraine, the civil unrest in Venezuela, and the international response to each of these events, may have negative

effects on financial markets and supply chains, significant impacts on energy, sugar and other commodity prices and freight and shipping prices and transit times, a destabilizing impact on local or regional societies, changes in geopolitical orders, forced movement or displacements across and within borders, societal divisions and other safety and security related ramifications. Although certain shipping routes, including through the Red Sea and Suez Canal, have shown signs of gradual resumption, the stability, timing and cost impact of any broader normalization remain uncertain. There continues to be significant uncertainty relating to the potential impact of these conflicts and events that could have a material and adverse effect on the Company's business, financial condition and results of operations. The Company cannot predict the impact that these ongoing conflicts will have on its business, financial condition and results of operations. Depending on the extent, duration and severity of these conflicts and events, they may have the effect of heightening many of the other risks the Company is subject to and described or incorporated by reference herein.

Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's annual information form dated April 18, 2024, available on SEDAR+ at www.sedarplus.ca, which is specifically incorporated by reference herein, and elsewhere in this MD&A, for a description of these risk factors.

Events Subsequent to June 30, 2026

On July 2, 2026, the Company issued 7,410 subordinate voting shares at a price of C\$7.28 per share under the Company's employee share ownership plan. The shares are issued at a 15% discount to the prevailing market price.

In August 2026, the Company renewed its syndicated borrowing base credit facility described in "Credit Facilities and Debt Management Strategy". As amended, maximum borrowings under the facility, subject to borrowing base limitations per the credit agreement, will be up to \$285.0 million, of which \$23.8 million are on a committed basis, with the remainder being uncommitted. For this renewal, the Company decided to reduce the committed tranche (from \$50.0 million), as it has no practical difference in its day-to-day operations and carries a higher cost. Management will evaluate future increases or the elimination of this tranche. Loans under this facility, as amended, bear interest at SOFR, plus 250 basis points (from 265 basis points as of June 30, 2026), plus a liquidity premium currently set at 0.25%. This facility, as amended, is scheduled to mature in December 2027. As amended, this facility is secured by substantially all the working capital assets of the Company, except for certain Mexican and Caribbean assets. In addition, this facility is guaranteed by Sucro Holdings, LLC and Sucro Limited.

Forward-Looking Information

This MD&A contains "forward-looking information" and "forward-looking statements" (collectively, "**forward-looking information**") within the meaning of applicable Canadian securities laws. Forward-looking information may relate to our future financial outlook and anticipated events or results and may include information regarding our financial position, business strategy, growth strategies, addressable markets, budgets, operations, financial results, taxes, dividend policy, plans and objectives. Particularly, information regarding our expectations of future results, performance, achievements, prospects or opportunities or the markets in which we operate is forward-looking information. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as "annualized", "plans", "targets", "expects", "does not expect", "is expected", "an opportunity exists", "budget", "scheduled", "estimates", "outlook", "forecasts", "projection", "pro forma", "prospects", "strategy", "intends", "anticipates", "does not anticipate", "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", "will", "will be taken", "occur" or "be achieved", or the negative of these terms, or other similar expressions intended to identify forward-looking statements. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances.

This forward-looking information includes, among other things, statements relating to: our expectations regarding the sufficiency of our working capital and capital resources to meet our current and long-term financial obligations; expected capital costs, production capacity, anticipated capacity ramp up and commencement dates for operations for our new Hamilton, Ontario, University Park, Belize, and Guyana refineries; expectation for refined sugar volume growth from new refineries; expected improvement in our production and overhead costs per metric ton in Canada from the consolidation of our operations into a single facility; expectations for improvements in margins and profitability in the Caribbean region due to existing trade rules, once the Belize and Guyana joint venture refinery projects are completed; the Company's expected ownership interest in the Guyana joint venture refinery project; our expected refunds for IEEPA tariff payments; expected volume growth from Belize sugar refinery under development; expected timing for the refinancing of the Company's term debt; intention to fix interest rates on a portion of long-term debt during 2026; our expectation that in fiscal 2026 the Company will be able to reduce its leverage indicators; and expectations regarding capital expenditures for fiscal 2026 and the expected funding of those expenditures.

This forward-looking information and other forward-looking information are based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Certain assumptions include: revenue; our ability to build our market share; our ability to complete our proposed new refineries on time and on budget and with the anticipated processing capacity; our ability to retain key personnel; our ability to maintain and expand geographic scope; our ability to execute on our expansion plans; our ability to continue investing in infrastructure to support our growth; our ability to obtain and maintain existing financing on acceptable terms; currency exchange and interest rates; the impact of competition; our ability to respond to any changes and trends in our industry or the global economy; and the changes in laws, rules, regulations, and global standards are material factors made in preparing forward-looking information and management's expectations.

Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that, while considered to be appropriate and reasonable as of the date of this MD&A, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, our ability to maintain and renew licenses and permits; fluctuations in the price of sugar that we purchase, process and sell; development of new or expansion of our existing refineries may experience cost-overruns and/or delays and actual costs, operational efficiencies, production volumes or economic returns may differ materially from the Company's estimates and variances from expectations; disruptions to our supply chains as a result of outbreaks of illness, geopolitical events or other factors; inflation and rising interest rates; the risk of unhedged trading positions and counterparty defaults; a significant portion of our current credit facility is uncommitted and requests for additional advances may be refused; elimination or significant reduction of protective duties relating to foreign sugar imports; our limited operating history and our recent growth may not be indicative of our future growth; dependence on management's ability to implement its strategy; risks of early stage companies; competitive risks; our dependence on a small number of key persons; demands of growth on our management and our operational and financial resources; and the other risk factors discussed in greater detail under "Risk Factors" in the Company's annual information form dated April 18, 2024 and filed on SEDAR+ at www.sedarplus.ca, which is specifically incorporated by reference herein.

The above-mentioned factors should not be construed as exhaustive. If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information.

Prospective investors should not place undue reliance on forward-looking information, which speaks only as of the date made. The forward-looking information contained in this MD&A represents our expectations as of the date of this MD&A (or as of the date they are otherwise stated to be made) and is subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking

information whether as a result of new information, future events or otherwise, except as required under applicable securities laws.

Disclosure of Internal Controls

Management has established processes to provide it with sufficient knowledge to support representations that it has exercised reasonable diligence to ensure that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the audited financial statements, and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i. (i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii. (ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.