

FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Sucro Limited (the “**Company**”)
2020 Ponce de Leon Blvd., Suite 1204
Coral Gables, FL 33134

2. **Date of Material Change**

November 5, 2024.

3. **News Release**

A news release dated November 5, 2024 announcing the material change described herein was released through Cision, CNW in Toronto, Ontario on November 5, 2024 and was filed on the System for Electronic Data Analysis and Retrieval+ (“**SEDAR+**”). A copy of the news release is available under the Company’s profile on SEDAR+ at www.sedarplus.ca and is attached as Schedule “A” hereto.

4. **Summary of Material Change**

On November 5, 2024 the Company announced that Beta San Miguel, S.A. de C.V.(“**BSM**”), had acquired subordinate voting shares from the Company’s controlling shareholder, SC Americas Corp. (“**SC Americas**”), representing 15.93% of the voting and equity shares of the Company. The Company also announced ancillary transactions under which BSM granted to the Company certain first offer, first refusal and matching rights for the purchase of raw and refined sugar exported by BSM from Mexico, the appointment of a nominee of BSM to the Company’s board of directors and the grant to BSM of certain board nomination, pre-emptive and top-up rights under an investor rights agreement. The Company also announced that Jonathan Taylor and SC Americas entered into a “hard” lock-up and support agreement with BSM under which they have agreed to tender a certain number of shares of the Company to BSM if a formal takeover bid is made by BSM for all subordinate voting shares of the Company within certain defined periods in 2027 or 2028 and meeting certain minimum pricing parameters, or to vote in favour of an equivalent alternative transaction.

5. **Full Description of Material Change**

5.1 Full Description of Material Change

See press release attached as Schedule “A” hereto.

5.2. Disclosure for Restructuring Transactions

Not applicable.

6. **Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

7. **Omitted Information**

Not applicable.

8. **Executive Officer**

The following is the name and telephone number of an executive officer of the Company who is knowledgeable about the material change and this report.

Stefano D'Aniello
Chief Financial Officer
(305) 901-1322
sdaniello@sucro.us

9. **Date of Report**

November 8, 2024.

SCHEDULE "A"



Sucro Announces Purchase of 15.9% Interest by Mexico's Beta San Miguel from Controlling Shareholder and Sugar Supply Agreement

CORAL GABLES, Fla. (November 5, 2024) - Sucro Limited (TSXV: SUGR; OTCQB: SUGRF) ("**Sucro**" or the "**Company**"), an integrated sugar refiner focused primarily on serving North American sugar markets, announced today that Beta San Miguel, S.A. de C.V. ("**BSM**"), one of the largest sugar refiners in Mexico by volume and sales, has acquired subordinate voting shares from the Company's controlling shareholder, SC Americas Corp. ("**SC Americas**"), representing 15.93% of the voting and equity shares of the Company. SC Americas, which prior to the transaction owned approximately 67.5% of the voting and equity shares of the Company, is controlled by Jonathan Taylor, the founder, Chief Executive Officer and a director of the Company. In ancillary transactions, BSM has granted the Company certain first offer, first refusal and matching rights for the purchase of raw and refined sugar exported by BSM from Mexico. Additionally, Sucro has appointed a nominee of BSM to its board of directors and granted BSM certain board nomination and pre-emptive rights under an investor rights agreement. Jonathan Taylor and SC Americas have also entered into a "hard" lock-up and support agreement with BSM under which they have agreed, subject to certain conditions, to tender a certain number of Sucro shares to BSM if BSM makes a formal takeover bid for all subordinate voting shares of the Company within certain defined periods in 2027 or 2028, or to vote in favor of an equivalent alternative transaction.

Jonathan Taylor, founder & CEO of Sucro, commented, "This strategic relationship with BSM brings together two innovative companies with a shared vision for growth and North American expansion. The transaction not only underscores BSM's confidence in our business but also strengthens our ability to serve the North American sugar market." Mr. Taylor also added "While this transaction marks a critical time in Sucro's growth and development, it also provides important potential upside value if Sucro continues to execute on its current operating plan. Following completion of this transaction, Sucro management continues to own in excess of 60% of the voting and equity shares of the Company, and we are extremely motivated and focused on delivering value for all shareholders."

Patrik Palafox, Chairman of the Board of BSM, added "This partnership with Sucro presents a solid strategic rationale for BSM. We recognize the potential to create value for both companies, by leveraging solid complementary strengths and expertise that exist between us. We are enthusiastic about the opportunity presented by Sucro's business plan, which targets high-growth segments such as the Canadian market and the U.S. Northeastern region. This alliance enhances BSM's position as a more prominent player in the international market, further strengthening our geographic diversification."

Share Purchase

Under a securities purchase agreement (the "**Securities Purchase Agreement**"), BSM acquired 3,750,000 subordinate voting shares from SC Americas on November 5, 2024 (the "**Closing Date**"), representing 15.93% of the voting and equity shares of Sucro, at a price of C\$9.00 per share. To effect the sale, SC Americas converted 37,500 proportionate voting shares into 3,750,000 subordinate voting shares in accordance with the terms of the proportionate voting shares. Following the sale, SC Americas continues to own 121,441.02 proportionate voting shares, representing approximately 51.6% of the voting and equity shares of Sucro.

Sugar Supply Agreement

Under a sugar supply agreement (the “**Sugar Supply Agreement**”), BSM has granted to Sucro certain first offer, first refusal and matching rights on all of BSM’s raw sugar export quota and up to 75% of BSM’s refined sugar export quota to the United States assigned by the Mexican Secretary of the Economy (subject to compliance with the current suspension agreement entered into by Mexican sugar producers/exporters with the U.S. Department of Commerce). BSM has also granted to Sucro first offer, first refusal and matching rights on all raw and refined sugar BSM may export outside of the United States and Mexico (after serving the Mexican domestic market).

Lock-up and Support Agreement

Under a lock-up and support agreement (the “**Lock-up and Support Agreement**”), Jonathan Taylor and SC Americas have agreed to tender sufficient shares to BSM to allow it to complete, at BSM’s discretion, a formal takeover bid pursuant to which it would 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 provided that: (i) the formal takeover bid is for all outstanding subordinate voting shares (including those issuable upon the exercise or conversion of convertible securities) and is commenced by BSM during specified periods in either 2027 or 2028 that is not earlier than May 1 in each year; and (ii) the price per subordinate voting share under such takeover bid is not less than the Canadian dollar equivalent of nine-times diluted comprehensive income from continuing operations per share, as reported in Sucro’s audited financial statements for the year ending December 31, 2026, if the takeover bid is commenced within the specified period in 2027, or the Canadian dollar equivalent of eight-times diluted comprehensive income from continuing operations per share, as reported in Sucro’s audited financial statements for the year ending December 31, 2027, if the takeover bid is commenced within the specified period in 2028, in either case subject to a minimum bid price calculated as the Canadian dollar equivalent of eight- times average diluted comprehensive income from continuing operations per share, as reported in Sucro’s audited financial statements (subject to permitted adjustments) for the three most recently completed financial years, divided by two. Jonathan Taylor and SC Americas have also agreed to vote in favor of an equivalent alternative transaction and any ancillary matters and to vote against any acquisition proposal or other action or proposal made in opposition to or competition with or which interferes with or prevents the consummation of the potential BSM takeover bid or alternative transaction. The Lock-up and Support Agreement does not contain any right to withdraw in the event that a superior offer is made for the shares of the Company.

The making of any takeover bid or alternative transaction is in the sole discretion of BSM and there can be no assurance that any takeover bid will be made or an alternative transaction will occur.

Investor Rights Agreement

Sucro has also entered into an investor rights agreement (the “**Investor Rights Agreement**”) with BSM under which BSM is entitled to nominate for election to the board of directors of Sucro a percentage of directors that is not less than the percentage of the voting and equity interest owned by BSM and its affiliates in the capital of Sucro, and BSM has also been granted pre-emptive and top-up rights to maintain, but not increase, its voting and equity interest in the Company. The Investor Rights Agreement also contains customary standstill restrictions on BSM and a covenant of BSM that any shares it may acquire under a formal takeover bid pursuant to, and from parties subject to, the Lock-up and Support Agreement will be excluded for purposes of determining whether “minority approval” of a second-step transaction (that would be completed not more than 120 days after the expiry of the takeover bid) has been obtained under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.

Appointment of BSM Nominee to Board

In connection with the transaction with BSM, Sucro has appointed Patrik Palafox, BSM's nominee, to the Company's board of directors as an additional sixth director. Patrik Palafox has been the Chief Strategy Officer of BSM since 2018 and the Chairman of the board of directors of BSM since 2024. He has 28 years of experience in finance, strategic planning and mergers and acquisitions, having led transactions valued at over US\$1.5 billion. He holds an MBA from the IESE Business School.

Special Committee Review and Board Approval

In connection with the transactions, a committee of independent directors of Sucro (the "**Special Committee**") was formed consisting of Andrew Ferrier (Chair), Brian O'Malley and William Billings, who after reviewing and considering such information and matters determined to be necessary and relevant, and with the advice of independent legal counsel, unanimously determined that the transactions to which Sucro is a party are in the best interest of the Company and unanimously recommended approval thereof by the full board.

The entering into by Sucro of the Sugar Supply Agreement and the Investor Rights Agreement has been approved unanimously by the board of directors of the Company (with Jonathan Taylor abstaining from voting) following the recommendation of the Special Committee.

Early Warning Disclosure

On the Closing Date, BSM acquired 3,750,000 subordinate voting shares (the "**Acquired Shares**") from SC Americas, representing 15.93% of the voting and equity shares of Sucro, at a price of C\$9.00 per share for total consideration of C\$33,750,000. The transaction was completed by private agreement and did not occur on any stock exchange or other securities market. None of the parties to the Securities Purchase Agreement are, and none of the Acquired Shares were acquired from or were offered to be acquired from, parties located in any province or territory of Canada. The value of the consideration paid for the Acquired Shares, including brokerage fees or commissions, was not greater than 115% of the market price of the Acquired Shares as determined in accordance with Section 1.11 of National Instrument 62-104 – *Take-Over Bids and Issuer Bids*.

Immediately prior to the transaction, BSM did not beneficially own or exercise control over any shares of the Company. Upon completion of the transaction, BSM beneficially owns 3,750,000 subordinate voting shares, representing 15.93% of the voting and equity shares of Sucro (and approximately 35.5% of the subordinate voting shares, without considering the proportionate voting shares which are convertible into subordinate voting shares). BSM has advised the Company that BSM has acquired the Acquired Shares for investment purposes. BSM will evaluate its investment in Sucro on an ongoing basis and may increase or decrease its holdings in Sucro, including pursuant to a formal takeover bid in accordance with the Lock-up and Support Agreement, and otherwise engage with the Company in the future, subject to contractual restrictions set out in the Investor Rights Agreement, market conditions and other relevant factors. The address of BSM is Paseo de la Reforma No. 350, Torre del Angel, Piso 15, Col Juarez, C.P. 06600, Mexico City, Mexico.

Immediately prior to the transaction, SC Americas directly beneficially owned 158,941.02 proportionate voting shares, representing approximately 67.5% of the voting and equity shares of Sucro (and approximately 95.1% of the proportionate voting shares). Upon completion of the transaction, SC Americas directly beneficially owns 121,441.02 proportionate voting shares, representing approximately 51.6% of the voting and equity shares of Sucro (and approximately 93.6% of the proportionate voting shares). SC Americas has advised the Company that its remaining shares are held for investment purposes

and it may increase or decrease its holdings in Sucro in the future, including pursuant to a formal takeover bid made by BSM in accordance with the Lock-up and Support Agreement, subject to contractual restrictions (including those set out in the Lock-up and Support Agreement), market conditions and other relevant factors. The address of SC Americas is 2990 Ponce de Leon Blvd. #401, Coral Gables, Florida 33134.

The early warning disclosures above are issued pursuant to National Instrument 62-103 – *The Early Warning Systems and Related Take-Over Bids and Insider Reporting Issues*, which also requires a report to be filed with regulatory authorities in each of the jurisdictions in which the Company is a reporting issuer containing information with respect to the foregoing matters ("**Early Warning Reports**"). BSM and SC Americas have confirmed that the Early Warning Reports containing additional information with respect to the foregoing matters will be filed and made available under the SEDAR+ profile of Sucro at www.sedarplus.ca.

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For additional information or, in the case of BSM or SC Americas, to obtain a copy of their applicable Early Warning Report, please contact:

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About Sucro

Sucro is a growth-oriented sugar company that operates throughout the Americas, with a primary focus on serving the North American sugar market. The Company operates a highly integrated and interconnected sugar supply business, utilizing the entire sugar supply chain to service its customers. Sucro's integrated supply chain includes sourcing raw and refined sugar from countries throughout Latin America, and refined sugar from its own refineries, and delivering to customers in North America and the Caribbean. Since its inception in 2014, Sucro has achieved growth by creating value for customers through continuous process innovation and supply chain re-engineering. Sucro has established a broad production, sales and sourcing network throughout North America with two cane sugar refineries and an additional value-added processing facility, and two sugar cane refineries under development in Hamilton, Ontario and University Park, Illinois (a suburb of Chicago). The Company has offices in Miami, Mexico City, Cali, Sao Paulo, and Port of Spain. For more information, visit sucro.us and follow us on [LinkedIn](#).

About BSM

Beta San Miguel (BSM), is a Mexican leading fully integrated sugar group, operating 11 mills with an annual production of over 1 million tons of sugar. Founded in 1988, BSM has steadily grown, offering a range of high-quality sugar products and flexible services, including year-round availability and swift delivery. Strategically located near major Mexican ports, the company efficiently manages both national and international distribution. BSM is also known for its high sense of social responsibility, actively contributing to the communities in which it operates. For more information, visit bsm.com.mx.

Forward-Looking Statements

This news release contains forward-looking information within the meaning of applicable securities laws, including statements with respect to key provisions of the Sugar Supply Agreement, Investor Rights Agreement and Lock-up and Support Agreement, which reflect the Company's current expectations regarding future events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company's control. Such risks and uncertainties include, but are not limited to, the factors discussed under "Risk Factors" in the Company's annual information form dated April 18, 2024, which is available under Sucro's SEDAR+ profile at www.sedarplus.ca. Actual results could differ materially from those projected herein. The Company does not undertake any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required under applicable securities laws.

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