

RIO GRANDE VALLEY SUGAR GROWERS, INC. (956) 636-1411

P.O. BOX 459

SANTA ROSA, TEXAS 78593

Texas Sugar Texas Grown

PRESS RELEASE

February 22, 2024 Santa Rosa, Texas

It is with great sadness that the Board of Directors of Rio Grande Valley Sugar Growers, Inc. (RGVSG, Inc.) announced today that after 51 years of continuously growing and processing sugarcane into raw sugar in the Rio Grande Valley of Texas, the recently completed harvest and milling season will be its last. RGVSG, Inc. was the last remaining sugar operation in Texas after the 1997 closure of the Holly Sugar Corporation sugar beet plant in Hereford, Texas.

Agriculture in the Rio Grande Valley depends on adequate and reliable irrigation water deliveries. For over 30 years, farmers in South Texas have been battling with Mexico's failure to comply with the provisions of the 1944 Water Treaty between the U.S. and Mexico that governs water sharing between the two nations on the Colorado River and the Lower Rio Grande. For over 25 years, the U.S. State Department's unwillingness to prioritize the citizens and agricultural producers of South Texas has led to numerous water shortages in our area. Despite the valiant efforts of the U.S. Section of the International Boundary & Water Commission, led by Commissioner Maria Elena-Giner fighting for South Texas farmers and ranchers, without the U.S. State Department's support, all attempts to negotiate timely water releases from Mexico have failed.

Over the past half-century, RGVSG, Inc. has injected hundreds of millions of dollars into the local, state, and national economies. With over 100 local growers growing over 40,000 acres at times and the mill employing over 500 full-time and seasonal workers annually, RGVSG, Inc. proudly contributed to the food security of the United States. Despite our grower's deep desire to continue this legacy for future generations, without reliable supplies of irrigation water and the necessary crop insurance provisions and administrative guidelines to maintain acres, RGVSG, Inc. has no choice but to close its doors. We regret the impact our closure will have on communities across the Valley. especially those closest to the mill, La Villa, Santa Rosa, and Edcouch.

RGVSG, Inc. would like to express its most sincere appreciation to all of its past and present employees. Sean Brasher, President and CEO, stated, "Our employees' dedication and sacrifice to RGVSG, Inc. has been exemplary. Working alongside them for the past 20 years has been my honor. It is a sad day for all of us at RGVSG, Inc. As we wind down our operations, we will do everything possible to assist our employees and their families during the transition. I would also like to thank the Members of Congress who fought for us."

Tudor Uhlhorn, Chairman, added, "While the closure of RGVSG, Inc. saddens us, we are grateful for the memories, relationships, and experiences we have gained throughout the years. Thank you to everyone who has been a part of RGVSG, Inc.'s journey."