Bryan: We're delighted to get a chance to catch up with Dole plc. First, we're going to start with a quick disclaimer

Jacinta: Before we get started, I would like to note that our remarks today will include certain forward-looking statements covered by the Federal Security Safe Harbor Law. Our remarks reflect circumstances at the time they're made, and we are not going to provide any updates or revisions. Actual results may, of course, be materially different due to a range of factors that we disclose in our financial filings. Also, we are not going to disclose any material non-public information.

Bryan: Dole plc is a market leader in fresh produce. In 2022, the company generated over $9 billion of revenue and over $300 million of EBITDA, which they reported last week. The company is the product of a merger between Ireland-based Total Produce and US-based US Dole Foods, with subsequent IPO of the new company in the US during 2021.

It's a company with a rich history and an experienced management team. With us today are Chief Executive Officer Rory Byrne, and Chief Financial Officer Jacinta Devine. Welcome and thank you, both of you, for joining us today.

Rory, I'd like to start. For the people in the audience that may not know Dole intimately, perhaps a brief description of the company and principle product lines and geographies.

Rory: Thanks Bryan, thanks very much for inviting us here today. It's a great pleasure for us to participate in your conference this year. So, yeah, I think the optimal word there is probably intimately in terms of Dole because everybody knows the brand per se; Dole obviously the brand, one of the iconic brands in the fresh produce industry. And in terms of the evolution of our group from total produce to Dole, it was one of the main attractions for us.

So the new Dole plc, as you rightly say, came about by the bringing together of two already well established and strong companies in the fresh produce sector with Total Produce PLC and the Dole Food Company. Bringing them together created the global leader in the fresh produce sector, more than twice the size of our nearest competitor. And our objective is to build on the strengths of the two legacy companies, which have very complementary activities.

Just to give you a flavor of what the two companies are, maybe we look firstly at the legacy Total Produce Company and how it evolved. It's a primarily European focused company. Over the years we developed to become the number one fresh produce provider and are the leading fresh produce provider in some markets. The number one position in countries like Ireland, the UK, Holland, Sweden, Denmark, the Czech Republic, Spain, and strong positions in other markets.

What we do in those markets is we tend to offer, to a greater or lesser extent depending on the structure of the market, the full range of the fruit basket to customers. So one of our key skills is making sure that 52 weeks of the year we have the full availability of fruit and veg that all of our customers would want over the course of the year.

Very focused on our service capability, strong import activity to fulfill that category management role of providing fruit every day of the year throughout the full year. We prepack. We distribute specific orders to specific customers. We handle, we ripen, we store, we distribute, and we market to all of the individual available market segments from wholesale through to food service and onto retail.

And then over the last 10 plus years Total Produce in its own right expanded its business in the North American market. We started out acquiring 65% of the Oppy Company, Vancouver-based, but with most of its business in the North American market. And they're a strong specialist. They've developed over the years specialist categories from things like New Zealand kiwis to New Zealand category of apples. They focus on Chile, they focus on Mexico; top fruit, berries, grapes, and a wide range of products. We then added in a couple more pieces to the jigsaw in North America with Progressive Produce and Gambles in particular, which gave us a stronger geographic footprint.

So then turning to the legacy Dole and the legacy Dole business obviously is well known in the North American market. Three essential divisions. They had what they called a Diversified Fruit business, which was all non-banana and pineapple business. It had a strong focus out of Chile, Peru, and Mexico. Strong top fruit, apple/pear business, grape business, berries, and over the last number of years have also developed a very significant cherry business within that group. They also have a strong position in South Africa, which is the other southern hemisphere supplier primarily to Europe as well for a similar product range, and some citrus in that as well.

The Dole Veg business is the second division, and that's a business that consists of a fresh pack producer of a range of salads and vegetables for sale, freshly packed, plus a significant billion dollar revenue business in the value-added salads category.

And the third business is really, division I should say, is really the jewel in the crown and one of the real strong strategic reasons that the business was fundamentally interesting to us as part of the merger. And that's what was known and still remains known as the Fresh Fruit division, which is essentially the banana and pineapple business within Dole.

So significant farming assets, good shipping fleet, the number one market position in North America, the number two market position in Europe. So when you bring all that together as a combined group, we have strong backward integration, strong forward integration into the market; over 115,000 acres of productive land; some 13 ships; more than 250 facilities split between both Europe and North America with some in South America. We sell to over 75 countries, and we've got key leadership positions both in important product categories such as bananas, pineapples, grapes, and a range of other products, depending on the individual market. Plus we've got key strong market positions.

And now obviously looking into the future using that combined strength, we have a strong focus on building in the stronger above average growth categories such as avocados, berries, and organics.

Bryan: So when we talk about growth, what do you see as the secular growth rates for – or the secular growth rate for the industry now?

Rory: It's interesting. I mean it's an industry that gets a lot of free publicity from the medical profession. There's been a lot of promotion in Europe supported by the EU to promote five-a-day programs, fruit for school programs, and we participate in all of those. I think as well, the pandemic forced a lot of us to reassess our healthy eating habits. And I think there's very strong health and wellness trends that are underpinning the demand and the growth.

Having said that, the last couple of years have been a little bit unusual. We've had such high cost inflation, such disruption in supply chain that the growth has really been growth by price rather than growth in volume. Obviously over time we would like to see more growth in volume.

I think one of the interesting standout points within that inflation environment is that the resilience of the consumption of fresh produce that the consumer, if they've got discretionary spends, our sense of it is that one of the last areas that the consumer is cutting back on is in buying fruit and veg. And that supports the underlying health and wellness favorable trends.

The inherent overall category percentage probably increases low single digits, low 2-3%. We're targeting, obviously, to add on to that, using our scale, using our size, using our internal strength and building on the categories that have above average growth as well.

Bryan: So over time, you came from the Total Produce side of the business and created a lot of value in Total Produce through acquisitions, creating the scale you created. Can you give us some perspective on how Total Produce evolved over time and maybe what attracted you to merge with Dole?

Rory: I mean it's an interesting story when you look back on it, and there's probably a book in it somewhere, Bryan, I'd say, when you take a company, a little Irish company that ends up becoming the most significant fresh produce player in world terms, so it is interesting. You can go back even – I suppose the pace of acceleration probably started in the late '70s and '80s with the demands from say the Irish market; the consumers wanting to have full availability of fruit and veg throughout the year. If the importers wanted to be able to supply that they had a necessity to consolidate. And that created a company called Fruit Importers of Ireland. It ended up in the early '80s quoted on the Irish Stock Market and it was an avenue for the owners to have liquidity and to create a platform for future expansion.

Then rather ambitiously it acquired a UK company, which was twice its size, and that proved to be very successful, back in 1986. And that really created the platform then for further growth. And gradually, the company grew in financial strength, expanded to Holland and we made a couple of significant acquisitions in Scandinavia, in Denmark and Sweden in particular.

And then you look back to the early '90s when Europe was creating the single European market. That opened up opportunities in markets, which previously had been very closed markets such as Spain, and we went in, in 1993 to Spain. And by a combination of some joint ventures and acquisitions we've ended up over the last nearly 30 years now becoming significantly the largest fresh produce operator in that market.

We then moved on to the US, as I explained at the outset, where we started – did a lot of research into the market and were very careful about identifying the company. And the Oppy business has been a great platform for us to grow in the North American market. We as a standalone, on a standalone basis, built a pretty decent size in the North American market.

Dole, obviously as a company – the big banana companies, Dole, Chiquita, Del Monte were always on our radar. And Dole, certainly over the years, we would've always looked at Dole, particularly in the fresh fruit business, as I described it earlier, the jewel in the crown. We were always aware that they were the leading innovators, the best managed business, always looking at the latest moves.. We became aware then that David Murdock was looking at the legacy for the company and trying to find an owner and a future for the company that made sure all of the stakeholders in the business were appropriately positioned to make sure that Dole survive for the long-term.

So I think from our perspective, we were, back in 2018, able to construct a deal. Again by having generated shareholder value over the years, we had the financial

capability to do that, and we took an initial 45% stake. We had options then to take the majority fairly quickly if we wanted to, and then longer term option on the balance of it. I think for us the key category strength, particularly on the banana and pineapple business, the strength of backward integration and some of the other categories, particularly out of Chile and South Africa, and we felt that that fitted very well with the upstream Total Produce business with the marketing, handling, and distribution strength in the market.

So obviously the brand as well, and that's one of the reasons we decided to use the name Dole for the entire company, the strength of the brand. And we still believe that there's very strong long-term potential bringing together the two companies, whether it's in logistics and sourcing and marketing are in the brand, as we move forward for the future.

Bryan: So you reported results last week. Can you talk a little bit about like where you feel, now that you've been merged for a while, kind of what's better than expected and maybe where some of the pain points are in terms of the business?

Rory: I mean it's been a fascinating, for want of a better word, last couple of years, I suppose. Certainly when we go back to early 2020 when we were starting the process of trying to renegotiate with David Murdock's people as to how we might configure this new deal, the world looked like a very, very different place. And we've been hit by the pandemic, the knock on consequences of that on supply chain disruption, and the beginning of an inflationary environment.

And then that got exacerbated obviously by the war in Ukraine, the impact on energy prices and fuel prices. The fundamental impact it's had on things like farming inputs such as fertilizers in particular or paper, which obviously the fruit gets packed in cardboard boxes or a large percentage of it still and that the cost increase in that have been huge. And that also triggered some foreign exchange volatility, particularly we saw last year where the dollar breached parity with the euro.

So when you take all those things over the last few years, I think what we're really, really pleased with is the fundamental resilience of the business over that period of time. And we think we've done pretty well. You look, we've got four divisions. Three out of the floor have held their own and done well. Obviously the veg business has been very disappointing. We had a food safety issue at the end of '21. Couldn't come at a worse time. Significant cost associated with the product recall. And then a lot of difficulty getting that business and the profitability of it reestablished in such a complex environment.

But the other two divisions, we have two diversified divisions. One covers the Americas, North and South America, except for one issue around a supply chain

issue on grapes, a big grape program out of Chile. That business in the main held its own. And then in Europe, our diversified business, which is really – the legacy Total Produce business, it, again, has held its own pretty solidly over the course of '22. And the only impact from a reporting perspective has been the huge strength of the dollar dramatically reduced the reported dollar earnings. But on an underlying basis, we're very happy with that division.

Bryan: So you recently came to the decision to sell the fresh veg business. Can you talk a little bit about just the motivation to sell?

Rory: Well, I suppose when you look at the performance over the last 18 months, and probably even going back to 2018 when we took the initial stake, we in the early days had a smaller problem as well, and then we had some management changes. I think essentially it was taking us a long time to return the business to the kind of profitability that we think is appropriate.

It actually became a very big distraction, not just from a management perspective, but also from an investor perspective. Investors became, in our view, disproportionately focused on it, or maybe rightly so. And I think we ended up – we've done a lot of work on a turnaround plan. We're a long way through that. But at the same time we explored all of the other strategic alternatives around it. So to end up with a deal whereby you can actually increase your EBITDA, at the same time take some $250 million off your debt number, I think most people would take that any day of the week.

Bryan: It was a great price. It's different than most of the other businesses that you have currently. So it is sort of unique in terms of kind of the role it played in the portfolio.

Rory: It's very discreet, very different. The interaction with the remaining fruit business is minimal. It's more on the administrative, accounting, and IT side where the interaction is, but on operational integration it's very minimal, very, discreet, very capable of being separated. And I think what it does as well, because it was different and discreet, it does give us – maybe it's no harm to take a little bit of a step back and gives us a great opportunity to refocus on the other fresh fruit businesses.

Bryan: Jacinta, there's going to be about – I guess about $290 million of gross proceeds. Can you give us a sense of kind of what net proceeds will be from the divestiture? And then sort of use of proceeds; how you're thinking about using the proceeds?

Jacinta: We announced the gross proceeds are expected to be $293 million. We'll have some tax leakage. Difficult to know exactly, but in or around $20 million. We'll have some working capital adjustments and some transaction costs. So we expect

the net proceeds will be in or around $250 million. And again, as we stated, we intend to use the majority of those proceeds to repay debt.

Bryan: And the market is still very much focused on leverage ratios. And so can you remind us what your leverage targets are and what the path is to get there?

Jacinta: Our stated target is three times, and in fact, that's where we finished the year. At 31 December, we were just at three times. We were very pleased. We have a working capital outflow during the year, so that was very much our expectation to get back to our target. Post the veg transaction, though, and the inflow of the $250 million proceeds, we'll be somewhere between 2 and 2.5 times, again, with the working capital outflow potentially during the year. So we're pleased with that and the opportunity to repay debt. Still comfortable at three times, but I suppose there's no doubt with the move in interest rates in the last year we're keeping that under review, no doubt.

Bryan: But three is kind of where you're headed for now, and then once you get there we're kind of thinking about what it might be after that.

Jacinta: Exactly. We just really need to keep an eye on the debt burden and the interest cost, so that's a focus for us.

Bryan: And then one of the things that I think is difficult for investors is you have a very complex business.

Jacinta: Yes.

Bryan: And it's difficult to track from the outside. Rory, we've talked about a bunch about this. It's a difficult business to track from the outside for investors. Can you talk a little bit about just how you plan the business, like with the budgeting process?

Jacinta: In some ways it's not as complex perhaps as people might perceive. Firstly, it's worth saying that we do a very detailed bottom/up approach to budgeting and planning. Each business stands on its own, produces its budget, and it rolls up then into the segments as we report it to the market. The businesses are a little different. We look at the fresh fruit business in the first instance, which is vertically integrated. And we look at it, I suppose, as one business, certainly focused on things like price, volume, and the particular markets that it sells into the particular geographies.

The diversified businesses are product focused and market focused. So again, we look very much at margins in those businesses. We have a dynamic pricing model, which you can really see during 2022, where despite the inflation

challenges, we were able to push through prices and maintain our margins, so that's a really key focus for us. The vegetable business is very much focused on products pretty much as Rory described. And again, volume, margin are important in those businesses.

Overall, when we look at it segment-by-segment, the focus is on adjusted EBITDA and delivering returns there. We focus on cash generation and cash flow generally. Working capital is very important, very large turnover, so working capital is a key factor. And then the leverage is a key focus. And things like cash taxes are important. We have a very large global footprint, so we focus on cash taxes as well.

Bryan: So I guess when you think about it from the end, consumers are going to consume fruit and vegetables.

Jacinta: Yes.

Bryan: So that part is relatively consistent. Maybe there's some growth. It's the weather. It's how you get the product to those consumers, I guess, that creates probably the most complexity in the business. Is that a fair way to describe it?

Jacinta: Yeah, no, that's true, that's true. But I suppose we have a very experienced management team who've been doing this over a very long period of time. Certainly, weather issues can have kind of an impact. We have had a couple of issues in – with an issue in California this year. I suppose we had the port disruption that Rory referred to, which does create complexity. But over time we tend to manage our way through those issues pretty effectively.

Bryan: Rory, over time Total Produce really gained a reputation with investors as a really good acquirer of assets. Not just price, but also basically making the target better. Can you talk a little bit about now how you're thinking about the marketplace, I guess. And I say this in the context of obviously interest rates are higher, so it has some impact on value, value creation, but also there's a lot of pressure I guess on maybe companies and maybe that creates more of a willingness to sell. If you could just talk a little bit about just that aspect of the business and how you're thinking about M&A going forward.

Rory: We've a lot of experience Bryan in the M&A sector, and it's been a key element. Obviously if you want to grow from being an Irish company to being the global leader, it's very hard to do that organically. You've got to do it by way of acquisition. I think one of the key strengths we've had is that we've done a lot of the – we've done pretty much all of the work internally, so we know who the players are. We've built up a big database on who's who in the sector and who the most interesting companies are.

And we tend to negotiate – nothing against investment bankers, but we tend to negotiate the deals ourselves. Over the years we've taken a very flexible approach to that where we've taken sometimes 50% shareholdings with the view to becoming the owner over time. We've taken a range of – we tend to try and build a strong relationship with the vendor and we tend to try and find the right balance that works for the vendor for the long-term and works for us. And Oppy in Canada is a good example. I think that business over the last 10 years has doubled since we've become involved in it in terms of bringing ideas, bringing thoughts, bringing a new sources of supply to the business has developed it.

In terms of the backdrop and the overall market environment, it is true to say that there are unusual market dynamics out there. You have interest rate rises. I think that's probably going to more impact upon the private equity side of the business. Haven't been huge players in our sector; more in North America where there's a lot of localized PE firms have been investing. We've seen some in Europe over the last five to six years. And I think that's more been a feature of the cheap money and the amount of money that the PEs have raised over the years where people are seeking yield in a different way. And personally, I think some of the musical chairs or the merry-go-round with PEs might come to a grinding halt at some point in time, and that may open up some opportunities.

But I would have to say, though, that in our sector the good companies in our space, from a trading and operating point of view, are still doing pretty solidly. They have the dynamics that we've displayed where demand has been pretty resilient and they have been doing pretty well. And for us, obviously, that means that in general, values for private companies, even if they're a lot smaller in us, have held up pretty well over the years.

And for us, I think there's a phase of consolidation. I think if we can get the veg deal through the antitrust process and get the cash in, and that gives us an opportunity to refocus and look to the future in a good way.

Bryan: And I guess that kind of leads to the next question. It's just like going back on offense. Like obviously Dole is a big deal for legacy Total Produce. But in terms of being able to go back and be more acquisitive and really play offense, like timeframe-wise, like is that something that's going to take – are we waiting for hitting the leverage targets? Is it something that could happen if the right opportunity came across today, would you be able to kind of do something? Just without asking whether you going to make an acquisition tomorrow.

Rory: I mean obviously we think – it's interesting when you look at our sector. It's still both in North America and in Europe, and indeed in other parts of the world that we do keep our eyes on whether it's Australia, New Zealand, Asia. There are a

huge number of companies in the revenue range of say $100 million to $1 billion. There are a lot of companies that have developed good niches within that space that would be a very good and complementary to our activities in some of the higher growth categories, whether it's berries or avocados or organics or even some companies that have good customer access.

We do keep our eyes open. I think one of the key catalysts for us is really to drive on with the refocus of our business and hopefully get that reflected in the share price. And that certainly will give us a better platform to move forward with acquisitions in the future.

Bryan: In terms of where you are today, given how large the company is, does the scale that Dole plc has today kind of change the way you would've thought about M&A previously? Like is there more you can bring to targets maybe than you would before?

Rory: I think there is a lot more that we can bring strategically to acquisitions. I think as well, you look at the world is becoming a smaller place. The retailers, you just look at North America with the Albertson/Kroger merger, for example. And there are, to a greater or lesser extent, those kind of processes happening in various different parts of the world, so that those kind of customers, as they become bigger themselves, also need more capable and more sophisticated suppliers to be able to supply their full fresh produce needs over the course of the year. So joining up with a group like ours can be very interesting for some of these smaller companies for the long-term. On the other hand, we'll be patient. We need to find value adding from a shareholder value perspective; acquisitions that really gives us the opportunity.

We're well positioned where we are today. If the market dynamics change, our share price improves, we get the leverage back to where we think it's really comfortable, I think then we've got all the tools in the toolbox to be able to execute on an acquisition strategy going forward.

Bryan: Then just aside from the proceeds from the fresh veg divestiture, any other levers that can be pulled that can accelerate debt reduction? So anything that you can do that sort of helps that process?

Jacinta: We constantly focus on our asset base and we look at whether there are assets there that are either noncore, nonperforming or just not contributing to EBITDA and we seek to monetize those assets. At the end of '22, we had actively marketed property, of about $30 million. And during 2022, we also realized sales proceeds of about $40 million. So we expected to continue to try and realize proceeds in that way, again, focusing on noncore assets throughout.

Bryan: So it's things like property, warehouses, like there's just a lot of assets or…?

Jacinta: Yeah. And we just constantly reassess it. We sold some property in Europe this year. We have noncore, non-operating assets in Hawaii, which are part of that actively marketed bucket. So yeah, focused on generating proceeds from those type of assets.

Bryan: Well, Rory Jacinta, thank you very much for spending time with us today. We're out of time. But, again, thank you for coming in and spending some time with us.

Rory: Thank you very much, Bryan.

Jacinta: Thanks, Bryan.

END