TRANSCRIPT

08 - 10 - 2026

Dole plc

Second Quarter 2026 Results

TOTAL PAGES: 15

Dole plc

Second Quarter 2026 Results

CORPORATE SPEAKERS:

James Regan
Dole plc; Head of Investor Relations
Rory Byrne
Dole plc; Chief Executive Officer
Jacinta Devine
Dole plc; Chief Financial Officer
Johan Linden
Dole plc; Chief Operating Officer

PARTICIPANTS:

Christopher Barnes
Deutsche Bank; Analyst
Gary Martin
Davy; Analyst
Pooran Sharma
Stephens; Analyst

PRESENTATION:

Operator^ Welcome to Dole plc's Second Quarter 2026 Results Webcast.

Today's webcast is being broadcast live over the Internet and is also being recorded for playback purposes. (Operator Instructions)

For opening remarks and introductions, I would like to turn the call over to the Head of Investor Relations with Dole plc, James O'Regan.

James Regan^ Thank you, Derrick.

Welcome everybody. And thank you for joining our results webcast.

Joining me today is our Chief Executive Officer, Rory Byrne; our Chief Operating Officer, Johan Linden; and our Chief Financial Officer, Jacinta Devine.

During this webcast, we will be referring to presentation slides to supplement her remarks, and these, along with our earnings release and other related materials, are available on the Investor Relations section of the Dole plc website.

Dole plc

Second Quarter 2026 Results

Please note, our remarks today will include certain forward-looking statements within the provisions of the federal securities safe harbor law.

These reflect circumstances at the time they are made, and the company expressly disclaims any obligation to update or revise any forward-looking statements.

Actual results or outcomes may differ materially from those that may be expressed or implied due to a wide range of factors including those set forth in our SEC filings and press releases.

Information regarding the use of non-GAAP financial measures may be found in our press release which also includes a reconciliation to the most comparable GAAP measures.

With that, I'm pleased to hand over to Rory.

Rory Byrne^   Thank you, James. And welcome everybody. And thank you all for joining us today as we discuss our results for the second quarter and provide an update on the latest developments across the group.

So turning firstly to Slide 4.

Well across the Group, we continue to see healthy consumer demand for our products. Fresh produce consumption remains resilient, supported by the long-term health and wellness trends, and we believe this augurs well for the future of our sector.

Our second quarter results was in line with our expectations, reflecting the impact of higher fuel and shipping costs on Fresh Fruit profitability arising from the conflict in the Middle East. Despite these pressures, the quarter once again demonstrated the resilience of our diversified business model with the strength of our Diversified Americas in particular helping to offset the pressures experienced in Fresh Fruit.

Since our last update, we've been active in advancing our development pipeline while maintaining our disciplined approach to capital allocation. Turning now to Slide 5 and focusing in more detail on this topic.

As we said last quarter, our priority remains clear: to allocate capital where we can achieve the best long-term returns for our shareholders.

As part of this approach, we were delighted to complete the Ecuador port sale on July 1. This transaction represents an important milestone, unlocking approximately $95 million of net proceeds, further strengthening our balance sheet and increasing our financial flexibility.

Importantly, the sale is expected to have a negligible impact on our ongoing earnings and cash flow profile, making it a very attractive value-enhancing transaction for shareholders.

We continue to explore an important strategic opportunity to invest in automation, AI and innovative warehouse solutions to better serve our core customer base in Scandinavia.

As part of this strategy, we were very pleased to complete the acquisition of Greenfood Fresh Produce division in Scandinavia at the beginning of July. This acquisition strengthens our position in an attractive market where we already have meaningful and successful operational capabilities, and it also adds a state-of-the-art distribution facility in Helsingborg which gives us a strong platform for the next phase of this automation and official intelligence investment.

Alongside these larger projects, we continue to look at smaller bolt-on acquisitions that complement and strengthen our existing operations.

During the quarter, we completed a bolt-on acquisition within our Irish growing operations, further strengthening our sourcing capabilities and supply base. The fresh produce market remains fragmented, and we continue to see opportunities for disciplined acquisitions that add value across our core markets.

Finally, returning capital to shareholders remains an important component of our capital allocation framework.

During the quarter, we repurchased just over 700,000 shares for $10 million at an average price of $13.88 per share.

As always, we weigh share repurchases against the returns available from our development projects and acquisitions.

We remain focused on balancing investment for growth with the returns to shareholders.

Turning now to the operational review and beginning with Fresh Fruit slide on Slide 8.

As we flagged on our first quarter call we anticipated higher fuel and shipping costs to arise from the conflict in the Middle East, and that is how the quarter played out.

Looking at our main product categories. Bananas, we saw strong volumes in Europe with pricing broadly in line with the prior year.

In North America, volumes were lower, reflecting market conditions and our focus on disciplined profitability, although underlying pricing was slightly higher than the prior year.

For pineapples, weather affected availability during the quarter, while the continued strength of the Costa Rica colon which pressured profitability. These challenges are not unique to Dole and continue to affect the producers across the industry.

Positively, overall demand for our products remained resilient.

As we move through the second half, we expect to benefit from contractual pricing mechanisms including variable fuel surcharges, together with increasing benefits from our recent investments in production and sourcing and the cost-saving actions we continue to advance across the segment. Taken together, these initiatives are expected to help offset a portion of the cost pressures experienced during the second quarter and support Fresh Fruit improved performance in the second half of the year relative to the prior year.

Turning now to Diversified EMEA. The segment delivered a solid quarter overall, with revenue broadly stable, although profitability was slightly below the strong prior year comparative.

Sweden was again a strong contributor, and we continue to see the benefits of our investments in logistics, infrastructure and automation. The lower year-on-year result was driven largely by South Africa which had our greatest exposure to the disruption in the Middle East during the quarter.

Turning to Diversified Americas. Diversified Americas had another strong quarter and was again an important contributor to Group performance. The segment benefited from strong category performance, disciplined execution and the continued benefits of investments made over recent years. The dynamic pricing model continues to support profitability and gives us flexibility to manage changing market conditions. The strong performance through the first half again highlights the value of our diversified business model and helped offset the pressures in Fresh Fruit.

With that, I'll hand you over to Jacinta to give the financial review for the second quarter.

Jacinta Devine^ Thank you, Rory. And good day everyone. Turning firstly to the Group results on Slide 11.

Group revenue of $2.5 billion was 2.9% higher on a reported basis, reflecting positive operational performance across the Group, together with favorable foreign exchange movements. Excluding foreign exchange impacts, on a like-for-like basis, revenue was 1.7% ahead.

While revenue remained resilient, profitability was impacted by higher costs within Fresh Fruit as discussed by Rory. Cost of sales increased at a proportionally higher rate than revenue, primarily reflecting the higher costs in Fresh Fruit. And as a result, gross profit decreased by $23 million.

SG&A expenses were higher year-over-year, primarily due to a nonrecurring charge recorded in connection with the settlement of a historical legal matter.

In Q2, 2025, we booked gains from asset sales in Hawaii which also contributed to the overall decrease in operating income.

Offsetting this, other income increased by $22.6 million, primarily reflecting favorable unrealized foreign exchange movements on foreign currency denomination borrowings compared with an unrealized loss in the prior year.

Interest expense decreased by $2.7 million due to lower average borrowings and lower base interest rates.

Overall, net income from continuing operations was $35.1 million, compared to $52.9 million in the prior year.

However, total net income increased year-on-year as the prior year included a loss from discontinued operations associated with the Fresh Vegetable business which was divested in August 2025.

Looking now at the non-GAAP performance measures.
Adjusted EBITDA was $117 million, a decrease of $20.4 million, mainly driven by the higher costs within Fresh Fruits and partially offset by another strong performance from Diversified Americas.

Adjusted net income decreased to $9.4 million, predominantly due to the decrease in adjusted EBITDA, partially offset by lower interest expense and a lower tax charge. Adjusted diluted EPS was $0.46, compared to $0.55 in Q2 2025.

Turning now to the divisional updates, starting with Fresh Fruit on Slide 13.

Revenue of $972.8 million was broadly in line with the prior year as higher banana volumes in Europe and higher underlying pricing in North America was partially offset by lower banana volumes in North America and lower pineapple volumes across all markets.

Adjusted EBITDA decreased by $22.5 million to $50.3 million, primarily reflecting elevated fuel and shipping costs, higher food sourcing costs, higher pineapple growing costs and the continued depreciation of the Costa Rican colon.

In Diversified Fresh Produce EMEA, reported revenue increased 1%, primarily due to favorable foreign exchange and underlying growth in Scandinavia, partially offset by lower revenue in Spain relative to a strong comparator quarter.

On a like-for-like basis, revenue decreased by 1.7% or $19 million.

Adjusted EBITDA decreased 6%, compared with a very good performance in Q2 '25, as continued strength in Scandinavia and a favorable foreign exchange impact was offset by weaker performance in South Africa, the Netherlands and Spain.

On a like-for-like basis, adjusted EBITDA decreased $4 million.

Finally, Diversified Americas delivered another strong result this year. Revenue increased 14%, driven primarily by higher volumes in North American business, particularly in kiwi, avocados and North American cherries, together with more positive season and pricing for our Southern Hemisphere export business. Adjusted EBITDA increased by $5.2 million to $20.6 million driven by a strong performance in our North American business together with the continued benefits of the partial restructuring of our Berry operations in the fourth quarter of 2025.

Turning to Slide 16 for a view of key cash items and net leverage.

Capital expenditure was circa $25 million including investments designed to support future growth, expand capacity and improve operating efficiency.

For full year 2026, we are maintaining our guidance for routine CapEx of approximately $100 million.

As expected, working capital remained an outflow during the first half of the year, reflecting the normal seasonal profile of the business. However as discussed in our Q1 call first half free cash flow significantly improved compared to the prior year.

Net debt in the quarter was impacted by the first step of the Ecuador port sale transaction.

As part of that transaction, we completed our pre-closing ownership restructuring in May acquiring the remaining minority interest in the port business. The second and final step closed on July 1, and the associated proceeds will be recognized in the third quarter.

Overall, net proceeds are now expected to be approximately $95 million.

We ended the quarter with net debt of $746 million and net leverage of 2x, reflecting the completion of the Ecuador port sale on July one and the expected net proceeds of approximately $95 million. Pro forma net leverage would have been approximately 1.6x at quarter-end. This remains a conservative level of leverage and provides us with significant flexibility as we continue to execute our capital allocation strategy.

Now I will hand you back to Rory, who will provide an update on our outlook for 2026.

Rory Byrne^   Thank you, Jacinta.

So looking beyond the quarter, we are very encouraged with the strength and diversity of our portfolio, the quality of our market positioning and the strategic progress achieved during the first half of the year.

So as we move into the second half, fuel and shipping costs remain elevated and geopolitical developments continue to create uncertainty.

While some of the sharp cost increases experienced during the second quarter appear to be moderating, the operating environment is still complex.

Consumer demand across our key markets has remained resilient, supported by long-term health and wellness trends.

We also expect to benefit from contractual pricing mechanisms and cost-saving initiatives in Fresh Fruit, the effectiveness of our dynamic pricing model across the diversified businesses and positive returns from recent investments and development activity.

Taking all these factors together, we are targeting full year Adjusted EBITDA of approximately $400 million for 2026.

And with that, I'll hand you back to the operator to open the line for questions.

QUESTION & ANSWER:

Operator^ (Operator Instructions) Your first question comes from the line of Christopher Barnes with Deutsche Bank.

Christopher Barnes^ First, I guess could we just start on the EBITDA guidance.

I know now it's approximately $400 million, down from at least $400 million before.

But I just want to get more perspective on what you're expecting for the second half. Last quarter, you mentioned that the second half would always be the stronger half for the year given the pricing fuel surcharge recoveries and other opportunities to take out cost division by division.

But I guess are you able to size in the second quarter how much of a headwind was the fuel cost versus recovery mismatch this quarter?

And as we sit here today like how should we think about those benefits in 3Q relative to higher fuel logistics costs and other inflationary pressures you might be incurring currently?

Rory Byrne^ Okay Christopher. Yes. I mean I think the main problem we've got here is that it's just such a difficult backdrop in which to predict anything. Certainly, if you look at the world, you look at the general impact on fuel prices and fertilizer prices, knock-on effects to inflation, consumer impacts, I think there's an overwhelming incentive around the world to try and solve this issue.

But it's dragging on longer than we would have liked, and that obviously has some impact on our ability to get clear visibility over the back half of the year.

We put all the factors into the mix.

We do have fuel surcharges that come in a quarter and every year and they will -- we will see the benefit of that flow through in Q3. And then with the way pricing has been, I feel likely to be the similar benefit in Q4.

Some negative impacts in Europe where fuel has been a little bit higher versus what we would have liked it to have been, but there's some offsets and ups and downs.

So I think really just, Christopher, just the backdrop for being very precise about forecasts, it just remains so complex.

But if we can achieve a $400 million EBITDA outcome with all of the challenges that are being thrown at us at the moment, I think it will be a pretty satisfactory outcome for the full year. And we expect that to be split across Q3 and Q4.

Christopher Barnes^   Understood. And just switching gears, how are your scenario-planning around potential disruption related to a super El Nino on your banana and pineapple businesses? I know in the past, you've mentioned improved irrigation for some of the drought-prone areas and better drainage where flooding might occur.

But any perspective on contingency plans in place at your own farms or those where you're sourcing from, would be helpful. And if you're willing to offer any insight into how protected or expose the broader industry might be, that would also be helpful.

Rory Byrne^   Johan will do that, Christopher.

Johan Linden^   Yes, Christopher.

Firstly, you mostly actually answered the question yourself which is good, we appreciate that.

But remember, weather is not new to us.

We farm in the tropics. Managing weather is what we do every day.

And also, this event is building.

We don't know any potential or how potentially strong it will be.

It's just starting to build as we are speaking.

However also the pattern is well understood. Ecuador will get more rain -- Ecuador and Northern Peru.

Central America and Colombia will be drier. And we have been building resilience for this for a long period of time not only us, but also the industry as a whole.

But we've been building resilience by expanding irrigation in areas that are likely to be more dry.

We've been building dikes and drainages in areas that are likely to be more impacted by rain.

We elevate up pump stations so they're not at flood levels.

And also if you take some of the other products, not talking about bananas and pineapples, but if you take grapes or if you take berries which we are not as exposed to as bananas and pines, the farmers that we're working with are experimenting with new varieties that are more tolerance to drought and to weather overall, to drought and rain.

On top of that, we are building our portfolio when it comes to being diversified.

So we have a lot of the volumes south of the equator as well as north of the equator.

So when you put all this together, we are keeping an eye on it. but we are not losing sleep on it right now Christopher.

Operator^   Your next question comes from the line of Gary Martin with Davy.

Gary Martin^   Just a few questions on my side.

I'll start with the capital allocation, just to begin with, and I'm cognizant that you bought back shares during the quarter. How do you think about just general capital allocation into the future and just kind of weigh in the different return differentials between choices of capital usage, be it more organic investments in the Scandinavian area versus buybacks versus other potential M&A? How do you kind of think about the whole picture? That's my first question.

Rory Byrne^   Yes, Gary.

I mean I think as always in the question of capital allocation, we do take a very dynamic approach to it.

So I think the dividend is well established, and we've held our dividend at a decent level.

It gives an acceptable yield. Most of our shareholders are happy with that.

And there clearly are some small bolt-on acquisitions that very obviously give the right level of return compared to buybacks.

We have some development CapEx. And I suppose if you look at Scandinavia, it's a combination of acquisition that gave us a strong platform.

It's a smallish business, some $250 million revenue business, but has a very attractive facility that we believe we can utilize much better for the future development of our business.

Over the last while, we've enhanced our investment of the production side and strengthening our position in production JVs. Across our European business, we've been upgrading our ripening facilities in Ireland, in France, in Spain, normal growth, small add-on developments, all part and parcel of the ongoing and continuing and successful development of the Group.

So I think we look at everything.

We look at the investment return opportunities.

We obviously look at the interest rate environment that's out there at the moment.

We look at our free cash flow development from our business. And we make some variable judgments around all of those factors.

We've carried out an element on the buyback program.

I think since we announced it last November, something like a $15 million buyback so far with a consistent dividend.

So the return to shareholding, we think is sensible and reasonable.

But it's a dynamic process.

I think we had flagged obviously the Scandinavia investment which is probably one of the longer term more significant uses of the Ecuador, a very strong $95 million net proceed outcome as well.

So I hope that covers it, Gary.

Gary Martin^   I do have a part two, Rory, just on the -- just on your answer there. Just around the general returns profile, I will say some of that organic investment in Scandinavia. And I know that you called out AI and automation spend in particular.

I mean how does that shift premium to the overall average of Dole right now? Like is it materially higher in terms of the opportunities?

Rory Byrne^   Yes.

I mean our business is not one where we've quantum-leaped growth by making investments.

We have a target level of return. And I guess the easiest way to look at it is we measure what our return would be against buybacks. And we try to ensure that our investments get a return -- a reasonable premium to that return.

And we would like to grow the business, we'd like to develop business.

So we think there are interesting elements across, particularly in Scandinavia, where we will go to a further level of automation in conjunction with our -- some of our key customers in that area where we will utilize the latest robots, picking technology, will utilize the latest AI developments that are there and improve the efficiencies that strengthen both the profitability and our long-term positioning with our key customers in that marketplace and hopefully get the right return to enhance shareholder value over the long term as well.

Gary Martin^ That makes sense. And maybe just to ask a different kind of line of questioning, just around the revenue performance in the quarter and just expectations since the back half in particular.

So just one for Diversified North America in particular.

It's been several very strong quarters now in a row. Are we expecting moderation at any point here?

Was some of the performance, was it kind of timing based in Q2 and should we expect that to moderate into the back half?

Rory Byrne^ We're not expecting any radical moderation in the back half of the year.

I mean we have had a pretty strong run in that division, a fair wind in terms of the way seasons have fallen.

So no radical shifts.

But there can be a few, as you know Gary, few ups and downs.

But overall, we're very satisfied with this division.

Gary Martin^ And then just on Diversified EMEA, Rest of the World.

It was reasonably kind of flat to slightly negative revenue growth quarter.

I'd just be curious just on a kind of pricing pass-through perspective, was much of the -- like was a lot of headwinds just the weakness in South Africa or some of the price pass-through and knock-on elasticity? Or what's the best way to think about it?

Rory Byrne^ I think there's a couple of factors.

I mean I think if you go back to last year, we had very strong in EMEA, and we called it out as exceptionally strong.

So to try and repeat that was always going to be a bit challenging.

But I think the single biggest factor is our South African business. And it is the business that has the single biggest exposure to the marketplace in the Middle East.

So it has quite a strong customer base in that region. And the magnitude of disruption that took place, particularly during the early part of the war issues, was radical where your shipping in its entirety stopped, reorganizing shipping.

In the main across the remainder of that division, it takes a little bit -- there's a little bit of a time lag to try and reflect price changes.

But in the main, we've been able to adjust the dynamic pricing as we have always been able to do within that division. And South Africa really was our standout issue.

Gary Martin^ That makes sense. And then just to top it off, I'll cover Fresh Fruit here just on a revenue growth perspective as well. There's just one piece in particular that I'd be interested in, and that's the negative volume print in North America on the banana side.

Is there anything that you call out in particular there? I know you kind of gave a bit of color in the prepared remarks, but are you seeing any demand attrition here in the U.S.?

Rory Byrne^ I don't think so. And maybe Johan could give a little more flavor around that.

Johan Linden^ Yes. No. We see demand holding stable in North America.

We -- because of the weather, pine volumes were down overall in the industry, that impacts it. And we've been careful when it comes to just protecting price in negotiations. That's it.

Volume overall in the market is good, demand good, consumers still loving the products.

Gary Martin^ Very good. Just one final one for me then. Maybe it's one for Jacinta in particular, just around the first half's operating cash flow performance back a bit.

I'd just be curious just kind of -- the way to think about net debt at year-end or just kind of the general moving parts around the puts and takes of H2 operating cash flow performance, will be really useful.

Jacinta Devine^   Yes. Gary, yes, as you recall we are -- we always have an operating outflow in Q1 and Q2 and then typically experience a significant inflow in the second half. And we expect a very similar cadence to -- for this year.

So far -- I mean last year, we had lower operating cash flows, but this year, we expect it to be more normalized. And so far, that's the way it's played out.

I mean in terms of our net debt at the end of the year, obviously we've got the benefits of the port proceeds now.

So yes, we would expect leverage and net debt to be down at the end of the year. Hard to predict, but I'm guessing south of 1.5x in terms of leverage.

Operator^   Your next question comes from the line of Pooran Sharma with Stephens.

Pooran Sharma^   Rory, I wanted to kind of get at something you had said earlier in relation to guidance.

I think you said 3Q and 4Q split for Fresh Fruit. And I wanted to just confirm that because I know in the past, seasonally, margins seem to wane from 3Q to 4Q.

But I think last year, the business was facing pressure starting in the back half of the year. And so are we expecting the margins to be kind of similar through 3Q and 4Q and not exhibit that seasonality like we've seen in the past?

Rory Byrne^   Yes.

I mean we've gone -- thanks for the question.

I mean we've -- over the last year, certainly, the world circumstances have been a little bit different. And there's a few factors.

I guess last year, in the back half of the year, in particular, there's a whole range of unusual dynamics around short production in Honduras, short production in Panama, huge increase in the cost of fruit coming out of Ecuador which tends to be the safety valve, and the impact of that certainly had a strong impact on our back half of the year last year.

We're not expecting that dynamic to repeat in Q3 and Q4. And on top of that then, we see the delayed benefit coming in from our specific contractual adjustments around bunker fuels surcharge.

So yes, we do expect the margin dynamic in Q3 and Q4 in Fresh Fruit to be different to Q3 and Q4 of last year.

Pooran Sharma^ Okay. Great.

I appreciate the clarification there. And then just on the follow-up, I just want to zoom out and think about the Fresh Fruit business.

I think in the past, this has been described as a 5% to 6% EBITDA margin business over time.

And I just want to think about the changes in sourcing, freight, just some of your own production footprint over the last couple of years. Wanted to ask you if you feel like this is an appropriate normalized margin rate and what you think it would take to get back to this level.

Rory Byrne^ Yes. We'd like it to be a little bit higher, and our aspiration internally is to try and push up a little bit higher.

Over the last few years, I suppose Honduras was the biggest single impact that affected us at the end of '24 and '25. That production is coming back on stream, and that, generally speaking, because of the way it links in with our logistics and shipping structure, the cost of production on Honduras tends to give us a particular advantage that goes to margin.

So we've invested, as I highlighted earlier, in a couple of production JVs, particularly in Guatemala.

We've invested a little bit in plantains.

I think pineapple margin as well within that has been under a bit of pressure just with some short-term climatic issues that affected the production and quality, sizing yields in pineapples in the short term.

But that happens periodically and tends to balance out.

So we certainly could do with the world being a bit more calmer and the volatility around fuel prices, shipping prices, et cetera, a little bit unhelpful.

But with a bit of a fair wind, the world would settle down on some of those production issues, we'll see the benefit coming through and try and push back up the margin a little bit to what our normal aspiration should be.

Operator^ There are no further questions at this time.

I will now turn the call back to Rory Byrne, CEO, for closing remarks.

Rory Byrne^ Thank you.

Well I think we're very pleased with the progress the business has made during the first half of the year. No doubt that the operating environment remains complex.

Our teams are continuing to execute well against the backdrop of a difficult environment. Our strategic priorities remain very clear. And we're focused on delivering sustainable long-term value for our shareholders.

I really would like to thank all of our employees right across the Group for their continued dedication and hard work to the Group, as well as to our shareholders, customers and suppliers for their ongoing support.

So thank you all for joining us today and for your continued interest and support of Dole plc. Thank you very much.

Operator^ This concludes today's call. Thank you for attending.

You may now disconnect.