THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the contents of this Scheme Circular and what action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking such advice in Ireland, should be authorised or exempted pursuant to European Union (Markets in Financial Instruments) Regulations 2017 (S.I. No. 375 of 2017) or the Investment Intermediaries Act 1995 (as amended) or, if you are taking such advice in the United Kingdom, should be authorised pursuant to the Financial Services and Markets Act 2000 of the United Kingdom.

If you have sold or otherwise transferred all your Total Produce Shares, please send this Scheme Circular and the accompanying documents at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. The distribution of this Scheme Circular in jurisdictions other than Ireland and the United Kingdom may be restricted by law and therefore persons into whose possession this Scheme Circular comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The release, publication or distribution of this Scheme Circular in or into jurisdictions other than Ireland or the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Scheme Circular comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Let's Grow Together

Scheme of Arrangement under Chapter 1, Part 9 of the Companies Act 2014
for the adoption of a mandatory share exchange arrangement so that Dole plc can acquire the entire issued share capital of Total Produce plc in exchange for the issue of new shares in Dole plc

Extraordinary General Meeting
to approve the acquisition of the outstanding shares in Dole Food Company, Inc., the amendment of the Constitution and the delisting of the Companyôs shares from AIM and Euronext Growth

Notices convening the Scheme Meeting and EGM, which will be held at 29 North Anne Street, Dublin 7, D07 PH36, Ireland on 17 June 2021 are set out at the end of this Scheme Circular. The Scheme Meeting will start at 11.00 a.m. (Irish time) and the EGM will start at 11.15 a.m. (or, if later, as soon thereafter as the Scheme Meeting, convened for the same date and place, has concluded or has been adjourned).

Your attention is drawn to the letter from Carl McCann, Chair of Total Produce, in Part 1 (*Letter from the Chair of Total Produce*) of this Scheme Circular, which contains the recommendation of the Board that you vote in favour of the resolutions to be proposed at the Scheme Meeting and the EGM.

COVID-19 Notice

The well-being of shareholders and our people is a primary concern for the Directors. We are closely monitoring the COVID-19 situation and any advice by the Government of Ireland in relation to the pandemic. We will take all recommendations and applicable law into account in the conduct of the Scheme Meeting and the EGM. If current or similar restrictions or recommendations relating to COVID-19 remain in force on the date of the Scheme Meeting and the EGM, the Board expects that the Scheme Meeting and the EGM will be held as a closed meeting and shareholders will not be able to attend in person on account of the Irish Government restrictions arising from the COVID-19 situation. This will facilitate Total Produce in ensuring it adheres to the Government's restrictions and HSE instructions and recommendations regarding physical distancing, non-essential travel and the limit on the number of people for public gatherings. This will be determined closer to the date of the Scheme Meeting and the EGM.

The Scheme Meeting and the EGM will therefore be broadcast from 11.00 a.m. on 17 June 2021. Total Produce Shareholders are invited to participate in the Scheme and the EGM via a live webcast which you can access by logging on to http://web.lumiagm.com.

Before the Scheme Meeting and the EGM, in the event of a closed meeting, Total Produce Shareholders may also submit a question in writing, to be received at least two business days before the meeting (i.e. by 11.15 a.m. on 15 June 2021) by post to the Company Secretary at Total Produce plc, 29 North Anne Street, Dublin 7, D07 PH36, Ireland or by email to jdevine@totalproduce.com. All correspondence should include sufficient information to identify a Total Produce Shareholder on the Register of Members.

Form of proxy and electronic proxy appointment

Forms of Proxy for use at the Scheme Meeting and the EGM are enclosed. Following the migration of the Company's ordinary shares to the system operated by Euroclear Bank SA/NV (the "**Euroclear System**" and "**Euroclear Bank**", respectively) on 15 March 2021, the process for appointing a proxy and/or voting at the meeting will now depend on the manner in which you hold your ordinary shares in the Company.

Further information for shareholders whose names appear on the Register of Members of the Company

For Total Produce Shareholders whose names appear on the Register of Members of the Company (i.e. those shareholders who hold their shares in certificated form and who therefore do not hold their interests in ordinary shares as Belgian law rights through the Euroclear System or as CREST Depositary Interests ("**CDIs**") through CREST), the Forms of Proxy must be completed and signed in accordance with the instructions printed thereon, and returned by post to the Company's Registrars, Computershare Investor Services (Ireland) Limited, at PO Box 13030, Dublin 24, Ireland (if delivered by post) or at 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82, Ireland (if delivered by hand) as soon as possible but in any event so as to be received by the Company's Registrar no later than 11.00 a.m. on 15 June 2021 for the Scheme Meeting, or 11.15 a.m. on 15 June 2021 for the EGM. If the Form of Proxy for the Scheme Meeting is not lodged by the relevant time, it may be handed to a representative of Computershare Investor Services (Ireland) Limited, on behalf of the Chairman of the Scheme Meeting, or to the Chairman of the Scheme Meeting, before the start of the Scheme Meeting.

Alternatively, electronic proxy appointment is also available for the Scheme Meeting and the EGM. This facility enables Total Produce Shareholders whose names appear on the Register of Members of the Company to appoint a proxy by electronic means by logging on to www.eproxyappointment.com. To appoint a proxy on this website shareholders need to enter a Control Number, a Shareholder Reference Number (SRN), and PIN and agree to the terms and conditions specified by the Company's Registrar. The Control Number, the Shareholder Reference Number (SRN) and PIN can be found on the top of the Form of Proxy.

Total Produce Shareholders are strongly encouraged to appoint "the Chair of the meeting" as their proxy. If any other person is appointed as proxy, he or she may not be permitted by the prevailing COVID-19 restrictions to attend the relevant Meeting in person, but will be able to attend, speak, ask questions and vote at the relevant Meeting remotely via the Virtual Meeting Platform and related teleconference facility, further details of which are set out below and in the Virtual Meeting Guide (as defined below).

Further Information for the holders of CDIs ("CDI Holders")

CDI Holders should consult with their stockbroker or other intermediary at the earliest opportunity for further information on the processes and timelines for submitting proxy votes for the Scheme Meeting and the EGM through the respective systems.

Euroclear UK & Ireland Limited ("**EUI**"), the operator of CREST, has arranged for voting instructions relating to the CDIs held in CREST to be received via a third party service provider, Broadridge Financial Solutions Limited ("**Broadridge**"). Further details on this service are set out on the "All you need to know about SRD II" in Euroclear UK & Ireland webpage (see section CREST International Service – Proxy voting).

If you are a CDI Holder, you will be required to make use of the EUI proxy voting service facilitated by Broadridge Global Proxy Voting service in order to receive meeting announcements and send back voting instructions, as required. To facilitate client set up, if you hold CDIs and wish to participate in the proxy voting service, you will need to complete a Meetings and Voting Client Set-up Form (CRT408). Completed application forms should be returned to EUI by an authorised signatory with another relevant authorised signatory copied in for verification purposes using the following email address: eui.srd2@euroclear.com.

Fully completed and returned applications forms will be shared with Broadridge by EUI. This will enable Broadridge to contact you and share further detailed information on the service offering and initiate the process for granting your access to the Broadridge platform.

Once CDI Holders have access to the Broadridge platform, they can complete and submit proxy appointments (including voting instructions) electronically. Broadridge will process and deliver proxy voting instructions received from CDI Holders by the Broadridge voting deadline date to Euroclear Bank, by their cut-off and to agreed market requirements. Alternatively, a CDI Holder can send a third party proxy voting instruction through the Broadridge platform in order to appoint a third party (who may be a corporate representative or the CDI Holder themselves) to attend and vote at the meeting for the number of shares specified in the proxy instruction (subject to the Broadridge voting deadline). There is no facility to offer a letter of representation/appoint a corporate representative other than through the submission of third party proxy appointment instructions through Broadridge.

Broadridge's voting deadline is expected to be two days prior to Euroclear Bank's voting instruction deadline as set out below. Voting instructions cannot be changed or cancelled after Broadridge's voting deadline.

CDI Holders are strongly encouraged to familiarise themselves with the new arrangements with Broadridge, including the new voting deadlines and procedures and to take, as soon as possible, any further actions required by Broadridge before they can avail of this voting service.

Further Information for Euroclear Bank Participants

Total Produce Shareholders who hold their interests in the Company's ordinary shares through a participant account in the Euroclear System ("**EB Participants**") can submit proxy appointments (including voting instructions) electronically in the manner described in the document issued by Euroclear Bank in February 2021 and entitled "Euroclear Bank as issuer CSD for Irish corporate securities". EB Participants can either send:

- electronic voting instructions to instruct Euroclear Nominees Limited (i.e. the nominee of Euroclear Bank) ("**Euroclear Nominees**") to either itself or by appointing the Chair as proxy:

  (a) vote in favour of all or a specific resolution(s);

  (b) vote against all or a specific resolution(s);

  (c) abstain for all or a specific resolution(s); or

  (d) give discretionary vote to the Chair for all or a specific resolution(s); or

- a proxy voting instruction to appoint a third party (other than Euroclear Nominees or the Chair of the Scheme and the EGM) (who may be a corporate representative or the EB Participant themselves) to attend the meeting and vote for the number of ordinary shares specified in the proxy voting instruction by providing Euroclear Bank with the proxy details as requested in its notification (e.g. proxy first name, proxy last name, proxy address, nationality code). If an EB Participant appoints someone other than the Chair of the meeting to be their proxy, that person is unlikely to be able to attend in person if the prevailing Covid-19 measures require the Company to conduct the Scheme Meeting as a closed meeting. There is no facility to offer a letter of representation/appoint a corporate representative other than through the submission of third party proxy appointment instructions.

Euroclear Bank will, wherever practical, aim to have a voting instruction deadline of one hour prior to the Company's proxy appointment deadline, which, in the case of the Scheme Meeting and the EGM, would be a deadline of 10.00 a.m. on 15 June 2021 for the Scheme Meeting and 10.15 a.m. on 15 June 2021 for the EGM. Voting instructions cannot be changed or cancelled after Euroclear Bank's voting deadline.

EB Participants are strongly encouraged to familiarise themselves with the new arrangements with Euroclear Bank, including the new voting deadlines and procedures.

For voting services offered by custodians holding Irish corporate securities directly with Euroclear Bank, please contact your custodian.

Logging in to the Scheme Meeting and the EGM via the Lumi platform:

In order to attend the Scheme Meeting and the EGM and ask questions via the Lumi platform, holders of certificated shares or any person acting as a proxy will need to connect to the following site https://web.lumiagm.com. Lumi is compatible with the latest browser versions of Chrome, Firefox, Internet Explorer 11 (Internet Explorer V10 and lower are not supported), Edge and Safari and can be accessed using any web browser, on a PC or smartphone device.

Once Total Produce Shareholders have accessed https://web.lumiagm.com from a web browser on a tablet or computer, they will be asked to enter the Lumi Meeting ID which is **100-861-321**. Total Produce Shareholders will then be prompted to enter a Shareholder Reference Number (SRN) and a PIN. The Shareholder Reference Number (SRN) and PIN can be found on the top of the Form of Proxy.

Access to the Lumi platform for the purpose of the Scheme Meeting and the EGM will be available from 60 minutes before meeting start time. During the Scheme Meeting and the EGM, you must ensure you are connected to the internet at all times in order to listen to the Chair and ask questions. Therefore, it is your responsibility to ensure connection to the internet for the duration of the Scheme Meeting and the EGM. A user guide to the audio webcast is available on our website at: www.totalproduce.com and contains further information on remotely accessing and participating in the EGM via the Virtual Meeting Platform and related teleconference facility (the "**Virtual Meeting Guide**").

A duly appointed proxy or corporate representative should contact their nominee in order to access the Lumi platform. CDI holders or EB Participants (or underlying beneficial holders) wishing to access the Lumi platform must arrange to have themselves appointed as their own proxy as explained in notes 5 and 6 at the end the Notice of Scheme Meeting and the Notice of the EGM.

Persons appointed as a proxy for a Total Produce Shareholder should contact Computershare before 11.00 a.m. on 16 June 2021 by emailing clientservices@computershare.ie for unique log-in credentials in order to access the Meeting.

Total Produce Shareholders should read the whole of this Scheme Circular, any documents incorporated into it by reference and the accompanying Forms of Proxy. This document together with those documents listed in paragraph 12 of Part 10 (*Additional Information*) and all information incorporated into this Scheme Circular by reference to another source will be available on Total Produce's website at www.totalproduce.com. The content of such website is not incorporated and does not form part of this Scheme Circular.

No Offer to the Public

European Economic Area

This Scheme Circular does not constitute a prospectus for the purpose of the Article 3(1) of the Prospectus Regulation and the Share Exchange does constitute an offer of shares to the public in Ireland as there is no offer capable of acceptance.

In relation to each Member State of the European Economic Area other than Ireland (each a "**Relevant State**"), no Shares have been offered or will be offered pursuant to the Scheme to the public and the Share Exchange may only extend:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the representative for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

United Kingdom

This Scheme Circular does not constitute a prospectus pursuant to Section 85 of the FSMA or a supplemental prospectus pursuant to Article 23 of the UK Prospectus Regulation and the Share Exchange does constitute an offer of shares to the public in the United Kingdom as there is no offer capable of acceptance.

For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Hong Kong

The Share Exchange is not being made available in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) (the "**Companies (Winding Up and Miscellaneous Provisions) Ordinance**") or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "**Securities and Futures Ordinance**"), (ii) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

Switzerland

We have not and will not register with the Swiss Financial Market Supervisory Authority ("**FINM**A") as a foreign collective investment scheme pursuant to Article 119 of the Federal Act on Collective Investment Scheme of 23 June 2006, as amended ("**CISA**"), and accordingly the Share Exchange has not and will not be approved, and may not be licensable, with FINMA. Therefore, the securities have not been authorized for distribution by FINMA as a foreign collective investment scheme pursuant to Article 119 CISA and the Share Exchange may not be offered to the public (as this term is defined in Article 3 CISA) in or from Switzerland. The Share Exchange is only being made available to "qualified investors," as this term is defined in Article 10 CISA, and in the circumstances set out in Article 3 of the Ordinance on Collective Investment Scheme of 22 November 2006, as amended ("**C**ISO"), such that there is no public offer. Such persons, however, do not benefit from protection under CISA or CISO or supervision by FINMA. This Scheme Circular and any other materials relating to the shares in Dole plc are strictly personal and confidential to each Total Produce Shareholder and do not constitute an offer capable of acceptance by any person. This Scheme Circular may only be used by those qualified investors to whom it has been handed out in connection with the Share Exchange described herein and may neither directly or indirectly be distributed or made available to any person or entity other than its recipients. It may not be used in connection with any offer and shall in particular not be copied and/or distributed to the public in Switzerland or from Switzerland. This Scheme Circular does not constitute an issue prospectus as that term is understood pursuant to Article 652a and/or 1156 of the Swiss Federal Code of Obligations. We have not applied for a listing of the securities on the SIX Swiss Exchange or any other regulated securities market in Switzerland, and consequently, the information presented in this Scheme Circular does not necessarily comply with the information standards set out in the listing rules of the SIX Swiss Exchange and corresponding prospectus schemes annexed to the listing rules of the SIX Swiss Exchange.

Advisors

Goldman Sachs, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting exclusively for Total Produce and no one else in connection with the Transaction and the matters set out in this Scheme Circular and will not regard any other person as its client in relation to the matters in this Scheme Circular and will not be responsible to anyone other than Total Produce for providing the protections afforded to clients of Goldman Sachs or its affiliates, nor for providing advice in relation to the Transaction, the contents of this Scheme Circular or any other matters referred to herein.

Davy, which is regulated in Ireland by the Central Bank of Ireland, is acting for Total Produce and no one else in relation to the matters referred to herein. In connection with such matters, Davy, its affiliates, directors, officers, employees and agents will not regard any other person as their client, nor will they be responsible to anyone other than Total Produce for providing the protections afforded to their clients or for providing advice in connection with the matters described in this Scheme Circular or any matter referred to herein.

IMPORTANT NOTICE

Overseas jurisdictions

The distribution, release or publication of this Scheme Circular in or into jurisdictions other than Ireland or the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than Ireland or the United Kingdom should inform themselves about, and observe, any applicable requirements. Any failure to comply with the applicable requirements may constitute a violation of the securities laws of such jurisdiction. This document is not intended to and does not constitute, or form part of, any offer to sell or issue or an invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this Scheme Circular or otherwise in any jurisdiction in which such offer or solicitation is unlawful. This document has been prepared for the purposes of complying with Irish law, the Euronext Growth Rules and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this Scheme Circular had been prepared in accordance with the laws of jurisdictions outside Ireland.

The attention of Total Produce Shareholders who are resident in, or citizens of, jurisdictions outside Ireland or the United Kingdom, is drawn to the paragraph 12 (headed "Overseas shareholders") in Part 3 (*Explanatory Statement*) of this Scheme Circular.

Statements made in this Scheme Circular

The statements contained in this Scheme Circular are made as at the date of this Scheme Circular, unless some other time is specified in relation to them, and service of this Scheme Circular shall not give rise to any implication that there has been no change in the facts set forth in this Scheme Circular since such date. Nothing in this Scheme Circular shall be deemed to be a forecast, projection or estimate of the future financial performance of Total Produce, Dole plc, the Total Produce Group or Dole Food Company except if and where otherwise stated.

Cautionary Statement Regarding Forward-Looking Statements

This document contains certain forward-looking statements with respect to Dole plc and Total Produce. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "believe", "will", "may", "would", "could" or "should" or other words of similar meaning or the negative thereof. Forward-looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, economic performance, financial conditions, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the operations of Dole plc, or the Total Produce Group; and (iii) the effects of government regulation on the business of Dole plc, or the Total Produce Group.

These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. All subsequent oral or written forward-looking statements attributable to Dole plc or Total Produce or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. None of Dole plc, Total Produce or the Total Produce Group undertake any obligation to update publicly or revise forward-looking or other statements contained in this Scheme Circular, whether as a result of new information, future events or otherwise, except to the extent legally required.

Publication of this Scheme Circular

A copy of this Scheme Circular will be made available free of charge (subject to any applicable restrictions with respect to persons resident in Restricted Jurisdictions) on Total Produce's website at https://www.totalproduce.com by no later than noon time on the day following the publication of this Scheme Circular.

Rounding

Certain figures included in this Scheme Circular have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

General

The laws of certain jurisdictions may affect the availability of the Transaction to persons who are not resident in Ireland or the United Kingdom. Persons who are not resident in Ireland or the United Kingdom, or who are subject to laws of any jurisdiction other than Ireland or the United Kingdom, should inform themselves about, and observe, any applicable legal or regulatory requirements. Any failure to comply with any applicable legal or regulatory requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Transaction disclaim any responsibility and liability for the violation of such restrictions by any person.

The Transaction will not be made available, directly or indirectly, in any Restricted Jurisdiction, and the Transaction will not be capable of acceptance from within a Restricted Jurisdiction.

The release, publication or distribution of this Scheme Circular in or into certain jurisdictions may be restricted by the laws of those jurisdictions. Accordingly, copies of this Scheme Circular and all other documents relating to the Transaction are not being, and must not be, released, published, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction. Persons receiving such documents (including, without limitation, nominees, trustees and custodians) should observe these restrictions. Failure to do so may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, Dole and Total Produce disclaim any responsibility or liability for the violations of any such restrictions by any person.

This document does not constitute an offer or invitation to subscribe for or purchase securities in Total Produce, Dole plc or any other entity.

If you have any questions relating to this Scheme Circular or how to complete and return the Forms of Proxy please call the Company's Registrars, Computershare Investor Services (Ireland) Limited on +353 1 447 5527 between 9.00 a.m. and 5.00 p.m. Monday to Friday (other than bank holidays in Ireland).

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Expected Timetable of Principal Events

Event	Time	Date
Latest time for receipt of Forms of Proxy for the Scheme Meeting YELLOW Form	11.00 a.m.	15 June 2021
Latest time for receipt of Forms of Proxy for the Extraordinary General Meeting WHITE Form	11.15 a.m.	15 June 2021
Voting Record Time	Close of business	13 June 2021
Deadline for receipt of written questions in advance of the Extraordinary General Meeting	11.15 a.m.	15 June 2021
Scheme Meeting	11.00 a.m.	17 June 2021
Extraordinary General Meeting (1)	11.15 a.m.	17 June 2021

The following dates are provided by way of indicative guidance only, are subject to change and will depend, amongst other things, on the date on which certain Conditions to the Scheme are satisfied or, if capable of waiver, waived and on the date on which the Court sanctions the Scheme. Total Produce will give adequate notice of all of these dates, when known, by issuing an announcement through a Regulatory Information Service. Further updates or changes to other times or dates indicated below shall, at Total Produce's discretion, be notified in the same way.

Intended date to present petition to the High Court to issue directions to fix Court Hearing date		21 June 2021
Earliest expected date for Court Hearing (of the petition to sanction the Scheme)		7 July 2021
Expected Completion Date		Late July 2021
Expected last day of dealings in Total Produce Shares		The earlier of two days before Completion Date or the last trading day prior to the Completion Date
Cancellation of the Euronext Growth listing of Total Produce shares by Euronext Dublin and the cancellation of the AIM listing of Total Produce shares by the London Stock Exchange		Late July 2021
Expected settlement of share consideration due under the Scheme		Late July 2021

Notes:

(1) To commence at 11.15 a.m., or, if later, immediately after the conclusion or adjournment of the Scheme Meeting.

All times shown in this Scheme Circular are a reference to times in Ireland unless otherwise stated.

Action to be Taken

Meetings to be held on 17 June 2021

The Scheme requires approval by Total Produce Shareholders at the Scheme Meeting to be held at 11.00 a.m. on 17 June 2021.

In addition to approval at the Scheme Meeting, implementation of the Scheme also requires various approvals by Total Produce Shareholders at the EGM to be held at 11.15 a.m. on 17 June 2021, or, if later, immediately after the conclusion or adjournment of the Scheme Meeting. Once effective, the Scheme will be binding on all Total Produce Shareholders, including those who did not vote, or who voted against it, at the Scheme Meeting.

Sign and return the accompanying forms

It is important that as many votes as possible are cast at the Scheme Meeting so that the High Court may be satisfied that at such Scheme Meeting there was a fair representation of Total Produce Shareholders' opinion. You are therefore encouraged to sign and return the enclosed Forms of Proxy as soon as possible and in any event so as to be received by the Company's Registrars, Computershare Investor Services (Ireland) Limited, at PO Box 13030, Dublin 24, Ireland (if delivered by post) or at 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82, Ireland (if delivered by hand). These should be signed and returned so as to be received no later than 11.00 a.m. and 11.15 a.m., respectively, on 15 June 2021.

If you hold your Total Produce Shares in your own name, the completion and return of a Form of Proxy either for the relevant Scheme Meeting or for the EGM will not prevent you from accessing and voting at either meeting (or any adjournment thereof) remotely if you wish to do so. If you wish to amend or revoke your Forms of Proxy after you have returned them to the Company's Registrars, you should contact the Company's Registrars at the address given above.

As set out in the opening pages of this Scheme Circular and in Part 12 (*Notice of the Scheme Meeting*) and Part 13 (*Notice of Extraordinary General Meeting of Total Produce plc*), Total Produce Shareholders and other attendees may not be permitted by the prevailing COVID-19 restrictions to attend the Scheme Meeting and the EGM in person, but can remotely attend, speak, ask questions and vote at the Scheme Meeting or the EGM via the Virtual Meeting Platform and related teleconference facility, as described in the opening pages of this Scheme Circular and the Virtual Meeting Guide.

If you are a participant in the Total Produce Share Plans, unless you hold other Total Produce Shares in your own name, you will not be entitled to attend any of the Meetings.

Voting electronically

If you are a certificated shareholder you may submit your Forms of Proxy via the internet by accessing the Company's Registrars' website www.eproxyappointment.com. To appoint a proxy on this website shareholders need to enter a Control Number, a Shareholder Reference Number (SRN), and PIN and agree to the terms and conditions specified by the Company's Registrar. The Control Number, the Shareholder Reference Number (SRN) and PIN can be found on the top of the Form of Proxy.

If you are a CDI Holder, you will be required to make use of the EUI proxy voting service facilitated by Broadridge Global Proxy Voting service. To participate in this proxy voting service, you will need to complete a Meetings and Voting Client Set-up Form (CRT408). Once CDI Holders have access to the Broadridge platform, they can complete and submit proxy appointments (including voting instructions) electronically. Broadridge will process and deliver proxy voting instructions received from CDI Holders by the Broadridge voting deadline date to Euroclear Bank, by their cut-off and to agreed market requirements.

If you are an EB Participant, you can submit proxy appointments (including voting instructions) electronically in the manner described in the document issued by Euroclear Bank in February 2021 and entitled "Euroclear Bank as issuer CSD for Irish corporate securities".

Questions

Before the Scheme Meeting and the EGM, in the event of a closed meeting, Total Produce Shareholders may submit a question in writing, to be received at least two business days before the meeting (i.e. by 11.15 a.m. on

15 June 2021) by post to the Company Secretary at Total Produce plc, 29 North Anne Street, Dublin 7, D07 PH36, Ireland or by email to jdevine@totalproduce.com. All correspondence should include sufficient information to identify a Total Produce Shareholder on the Register of Members.

Recommendation

The Board unanimously recommends that you vote in favour of all resolutions at the Scheme Meeting and the EGM.

Enquiries

If you have any queries in relation to action to be taken, please contact the Company's Registrars, Computershare Investor Services (Ireland) Limited, on +353 1 447 5527 between 9.00 a.m. and 5.00 p.m. Monday to Friday (other than bank holidays in Ireland). For legal reasons, the Company's Registrars will not be able to provide advice on the merits of the Transaction itself or to give legal, financial or tax advice.

Under the current COVD-19 regulations, Total Produce Shareholders will not be able to attend the EGM in person. Total Produce Shareholders are therefore encouraged to use the above facility for any queries. Total Produce Shareholders can also submit questions to be raised at the Scheme Meeting or the EGM in writing, to be received at least two business days before the meeting (i.e. by 11.15 am on 15 June 2021) by post to the Company Secretary at Total Produce plc, 29 North Anne Street, Dublin 7, D07 PH36, Ireland or by email to jdevine@totalproduce.com. All correspondence should include sufficient information to identify a Total Produce Shareholder on the Register of Members.

Part 1

LETTER FROM THE CHAIR OF TOTAL PRODUCE PLC

(Registered in Ireland No. 427687)

DIRECTORS	**REGISTERED OFFICE:**
Carl McCann (Chair)	29 North Anne Street
Rory Byrne (Chief Executive Officer)	Dublin 7
Frank Davis (Chief Financial Officer)	D07 PH36
Imelda Hurley (Non-executive Director)	Ireland
Rose Hynes (Non-executive Director)	
Michael Meghen (Non-executive Director)	
Helen Nolan (Non-executive Director)	
Kevin Toland (Non-executive Director)	

19 May 2021

To Total Produce Shareholders (including participants in the Total Produce Share Plans) and for information only, to the holders of the Total Produce Options.

Scheme of Arrangement
under Chapter 1, Part 9 of the Companies Act 2014
for the adoption of a mandatory share exchange arrangement so that Dole plc can acquire the entire issued share capital of Total Produce plc in exchange for the issue of new shares in Dole plc

Extraordinary General Meeting
to approve the acquisition of the outstanding shares in Dole Food Company, Inc., the amendment of the Constitution and the delisting of the Company's shares from AIM and Euronext Growth

Dear Shareholder,

1. Background

On 17 February 2021, the board of Total Produce, Dole Food Company, Inc. ("**Dole Food Company**"), and affiliates of Castle & Cooke, Inc. (the "**C&C Shareholders**"), which own a 55% interest in DFC Holdings, LLC ("**DFC Holdings**"), which is the parent company of Dole Food Company (collectively, the "**Parties**"), announced that they had entered into a binding transaction agreement (which, together with the amendment dated 23 April 2021, is referred to as the "**Transaction Agreement**") to combine under a newly created, Irish incorporated, U.S. listed company, Dole plc.

On 31 July 2018, Total Produce USA Holdings Inc. ("**TP USA**"), a wholly owned subsidiary of Total Produce, acquired 45% of the membership interests in DFC Holdings (the "**2018 Transaction**"). Pursuant to the terms of the 2018 Transaction, TP USA has the right, but not the obligation, (i) to acquire up to an additional 6% of the membership interests in DFC Holdings (in one or more tranches) (the "**Second Tranche**") and (ii) from and after 31 July 2020, to acquire the balance of the membership interests in DFC Holdings (the "**Third Tranche**"), in each case, on terms agreed in the 2018 Transaction. If TP USA has not exercised its right to acquire the Third Tranche by 31 July 2023, the C&C Parties have the right to cause a process to market and sell DFC Holdings or all or substantially all of its assets.

Implementation of the Transaction Agreement requires the approvals of certain resolutions as explained in this Scheme Circular.

2. Terms of the Transaction Agreement

Under the terms of the Transaction Agreement, Total Produce and Dole Food Company will combine under Dole plc, an Irish incorporated company, which will seek a listing on a major U.S. stock exchange (now determined to be the New York Stock Exchange) as soon as possible thereafter. Upon completion of the Transaction, Total Produce's existing listings on the Euronext Dublin and the London Stock Exchange will be discontinued (the "**Delistings**").

Subject to the adoption of a mandatory share exchange mechanism by the approval of a scheme of arrangement (the "**Scheme of Arrangement**"), the Board of Total Produce will be authorised to implement a share exchange so that all shares in Total Produce will be exchanged for new shares in Dole plc on the basis of seven Total Produce Shares for one Ordinary Share in Dole plc (the "**Share Exchange**"). The Share Exchange will result in Total Produce shareholders holding 82.5% of the issued share capital of Dole plc on a fully diluted basis immediately prior to the completion of the Transaction. Simultaneously, DFC Holdings will combine with a subsidiary of Dole plc, whereby the C&C Shareholders (the owners of the 55% interest in DFC Holdings not currently owned by Total Produce) will receive Ordinary Shares in Dole plc equivalent to 17.5% of the issued share capital of Dole plc on a fully diluted basis immediately prior to the completion of the Transaction (the "**Merger**"). As a result, of the Merger and related transactions, Dole Food Company will become an indirect, wholly owned subsidiary of Dole plc.

In accordance with the terms of the Transaction Agreement, as soon as possible following completion of the Share Exchange and the Merger, Dole plc is required to target an Initial Public Offering ("**IPO**") and a related listing on a major U.S. stock exchange (now determined to be the New York Stock Exchange). In connection with the Transaction, Dole plc intends to raise equity capital with a target amount of between US$500 million and US$700 million. Immediately following the IPO and based on the assumptions regarding size and pricing of the IPO as set out in the table in Part 9 of this Scheme Circular (entitled "*Expected Ownership of Dole plc following Completion of the Transaction*"), existing Total Produce Shareholders are expected to hold an aggregate shareholding of 55% of Dole plc on a fully diluted basis, and the C&C Shareholders are expected to hold an aggregate shareholding of 9% of Dole plc on a fully diluted basis, with the remainder to be held by investors participating in the equity capital raise.

Regarding the IPO, the Parties have agreed to the following conditions with the objective to support and protect the value proposition of the Transaction to the existing Total Produce shareholders and the C&C Shareholders as well as enable the C&C Shareholders to realise liquidity for a portion of their holdings in the Transaction:

- The IPO achieving a price per Dole plc share such that the 17.5% of Ordinary Shares in Dole plc to be held by the C&C Shareholders on a fully diluted basis immediately prior to the IPO have an aggregate value of at least US$215 million (the "**Valuation Floor**"). The Valuation Floor implies a valuation of Dole plc of approximately 7.7x 2020 EV / Adjusted EBITDA (7.1x post including targeted synergies), which the Board of Directors of Total Produce believes is meaningfully below the valuation levels observed in public markets for relevant comparable companies. This implied valuation is dependent on the assumptions explained in Part 9 (*Description of Certain Indebtedness, Expected Ownership and Implied Valuation*) of this Scheme Circular.

- The C&C Shareholders achieving net proceeds of at least US$50 million in the sale of shares on a secondary basis in conjunction with the IPO (the "**Minimum Secondary**"). In accordance with the Transaction Agreement, further sales of Ordinary Shares in Dole plc by the Directors of Dole plc and the C&C Shareholders post completion of the Transaction will be subject to customary lock-up provisions.

At the Valuation Floor, the terms of the Transaction would imply a value of €2.15 per Total Produce share. The Board of Directors of Total Produce believes there is further upside to the value creation potential, assuming that Dole plc can achieve a public trading valuation in line with comparable industry peers.

The Valuation Floor and Minimum Secondary conditions can be waived by the Board of Total Produce and the C&C Shareholders by mutual consent at any time prior to Completion.

Additionally, under the terms of the Transaction Agreement, the Parties agreed that upon completion of the Transaction, the capital amount of US$25 million due under the promissory note issued by the C&C Shareholders to DFC Holdings dated 30 June 2020 shall be deemed satisfied in exchange for equivalent value. The Parties further agreed that Total Produce and the C&C Shareholders shall release each other from existing and future indemnity claims arising from the 2018 Transaction (subject to certain exceptions).

Completion of the IPO will occur as soon as possible following completion of the Share Exchange and the Merger, subject to market conditions. The Transaction also remains subject to the Valuation Floor, the Minimum Secondary and regulatory approvals in a limited number of jurisdictions and other conditions and approvals customary to a transaction of this nature. Subject to all conditions having been satisfied or (where permissible) waived, Completion will occur at such time as the Board of Total Produce may determine, provided that if Completion has not occurred by 15 November 2021 or such later date as the C&C Shareholders and Total Produce may (if required) agree (the "**Outside Date**"), either Total Produce or the C&C Shareholders may terminate the Transaction on the terms set forth therein. Should the IPO not be completed for any reason, the terms of the 2018 Transaction will remain in place and Total Produce will continue to be listed on Euronext Dublin and the London Stock Exchange.

3. Background to and reasons for recommending the Transaction

Rationale for the Transaction:

The Transaction will simplify the existing relationship structure between the two companies by unifying Dole Food Company and Total Produce under common ownership. This will allow for full operational integration, realisation of targeted synergies and value creation across the combined business. The new structure will build upon the successful existing relationship between the two companies and thereby facilitate strategic alignment and operational agility across the whole organization.

The Transaction also creates the potential for significant synergies, cost efficiencies and a platform to pursue growth from a broader set of available commercial opportunities:

- The Board expects Dole plc to deliver Adjusted EBITDA synergies of between US$30 million and US$40 million over the medium term, largely through expansion and cost optimization opportunities across products, regions, sourcing and supply chain.

- As a result of the Enlarged Group's increased footprint and brands, the Board expects the Enlarged Group to further its market penetration, expand into growth product categories, utilise a larger network of relationships across customers, distributors, suppliers, growers and shippers and to enhance its ability to capitalise on a greater opportunity set in the produce industry.

- The Transaction unlocks potential across the value chain, combining Dole Food Company's vertically integrated business model and asset base with the Company's flexible and agile service and distribution structure.

- Dole plc will benefit from greater supply chain efficiencies, utilising a strategically valuable, estimated combined 2020 total asset base of approximately US$4.7 billion. As of 31 March 2021, assets include over 109,000 acres of farms and other land holdings around the world, a fleet of 16 refrigerated ships, 16,400 refrigerated containers and more than 250 facilities globally, including 5 salad manufacturing plants, more than 10 cold storage facilities, in excess of 75 packing houses and more than 160 distribution and manufacturing facilities.

By strengthening the combined balance sheet, the Transaction is expected to make future corporate acquisitions possible, in addition to organic and development opportunities:

- In accordance with the Transaction Agreement, Dole plc intends to target a primary equity capital raise of between US$500 and US$700 million and which will be used to pay down debt which would significantly de-lever the combined balance sheet with a target net leverage of approximately 3x estimated combined net debt to Adjusted EBITDA.

- This strong foundation will allow the Enlarged Group to invest in future corporate acquisitions in addition to investing in organic and development opportunities. It positions it to achieve sustainable long-term growth.

Dole plc Business Profile and Growth Opportunity:

The Transaction will create the premier global #1 in fresh produce, with a superior footprint and leadership position across attractive categories:

- With estimated combined 2020 Adjusted Revenue (see definition in Part 7 of this Scheme Circular) of approximately US$9.7 billion, the Board estimates that the Enlarged Group will be approximately two times larger than its nearest competitor. It will have leadership in the supply of produce from cultivation to end markets.

- Dole plc will have greater diversity across products, deep relationships with customers and suppliers and avail itself of more operational efficiencies.

- Dole plc will have a well-balanced portfolio with leadership positions in stable categories such as bananas, pineapples and fresh vegetables, combined with increased presence in attractive growth categories such as berries and avocados, while building upon its current position in organic produce.

The Transaction enhances the overall resilience of the business with complementary core capabilities and a highly diversified presence across categories and geographies:

- The combined product portfolio of Dole plc is amongst the most diversified in the produce industry.

- Dole Food Company's iconic DOLE brand, is a strategic asset which Dole plc will continue to develop, and complements Total Produce's business-to-business brands. Its on-the-ground capabilities in category management and innovation is delivered on a combined basis from more than 250 facilities globally.

- Total Produce's presence across the European continent, in addition to its growing presence in North America, complements Dole Food Company's deep heritage in the Americas and together with its existing footprint in Europe and South Africa will result in a well-balanced geographic footprint and significantly enhanced global customer insights.

- Dole plc's global sourcing and control over its shipping and distribution networks will provide operating flexibility and product availability throughout the year, utilising own production capabilities and strong supplier relationships.

- As a result of Dole plc's expanded sourcing and distribution network, Dole plc will have enhanced capabilities to create value from cultivation to market, strengthening and enhancing its partnership with customers and be best placed to respond to meet customer demands and requirements.

The Enlarged Group is also expected to benefit from consumer trends towards healthier and more natural foods in a sector well-aligned with ESG themes and objectives:

- The fresh produce category provides highly nutritious products and has the lowest ecological, water and carbon footprints compared to other food categories (source *Euromonitor, Barilla Centre for Food and Nutrition Foundation*).

- The sector is expected to provide sustainable and highly resilient long-term growth due to the increasing demand from environmentally and socially conscious consumers for healthier foods and innovative convenience meal solutions produced more sustainably.

- Both Total Produce and Dole Food Company have been at the forefront of driving positive environmental and social change across the industry and Dole plc will continue to pursue ambitious 2025 and 2030 sustainability, environmental, ethical and social and economic targets.

The Board believes Dole plc will have long-term organic growth potential of 2%-3% p.a., enhanced further by corporate acquisitions and development opportunities. Dole plc's earnings stability will be supported by increased diversification and from an integrated supply chain, with a long-term target to achieve 5%-7% Adjusted EBITDA growth p.a., supported by synergies, efficiencies, acquisitions and development opportunities. Dole plc's principal capital allocation priorities are reinvesting into the existing business, pursuing external growth opportunities, and returning cash to the holders of its ordinary shares, including in the form of cash dividends. Total Produce has a long history of paying regular interim and final cash dividends to its shareholders. Following completion, Dole plc intends to pay quarterly cash dividends on our ordinary shares at a level consistent with Total Produce's historical dividend track record. Dole plc's ability to pay dividends in the future will depend upon many factors, including our financial condition, financial results, other capital requirements, restrictions in our debt agreements and any other factors that are deemed relevant by our Board of Directors. The declaration, amount and timing of payment of any future dividends will therefore be subject to the recommendation of the Directors based on their assessment of these factors at the time.

Significant Commercial Opportunities and Cost Synergies from the Transaction:

The Transaction is expected to generate significant EBITDA synergies of between US$30 million and US$40 million over the medium term from significant commercial opportunities and cost synergies and cost optimization opportunities across products, regions, sourcing and logistics.

Product targeted synergies are expected to accrue from new corporate acquisitions, accelerated strategic development of high growth products such as avocados and berries, the promotion of the DOLE brand in conjunction with the Total Produce brands, and the utilisation of existing infrastructure and distribution networks in the key markets of North America and Europe.

Opportunities are expected to come from increased collaboration between Total Produce and Dole Food Company commencing in regions such as the UK, France and Spain, new corporate acquisitions and further development of the service provision model with key retail customers.

Sourcing benefits are targeted to come from collaborative sourcing from key production regions in Chile and South Africa which are counter-cyclical to Northern Hemisphere countries, together with further coordination and expansion of the Enlarged Group's extensive procurement and supply chain network.

Supply chain benefits will include increased collaboration across inland freight and logistics in North America, further development of third-party logistics offerings, as well as a strategic coordination of global sea freight management.

The targeted synergies described above are incremental to the collaboration, efficiency and portfolio management initiatives which the two organizations have heretofore undertaken since Total Produce's initial 45% investment in DFC Holdings, which was completed on 31 July 2018. In an effort to drive cost savings and better align time zones, Dole Food Company moved its corporate headquarters from California to North Carolina in 2019. From a commercial perspective, the two organisations have made progress on efforts to cross-sell fruits and vegetables between the two companies' respective home markets. In addition, the two organizations have advanced steps to consolidate logistics and procurement functions in selected territories such as South Africa and Chile as well as to enhance Dole Food Company's sales function in Europe.

4. Timing and Next Steps

The High Court has, in accordance with section 450 of the Companies Act 2014, (the "**Act**") directed that the Scheme Meeting be convened of the Total Produce Shareholders to be held at 11.00 a.m. on 17 June 2021 for the purpose of considering and, if thought fit, approving a resolution to approve (with or without modification) a scheme of arrangement pursuant to Chapter 1 of Part 9 of the Act proposed to be made between the Company and the Total Produce Shareholders.

The Extraordinary General Meeting has been convened for Total Produce Shareholders to be held immediately after the Scheme Meeting to consider and, if thought fit, approve the EGM Scheme Resolutions. Approval from the High Court of Ireland will be sought shortly after receiving the required approvals from Total Produce Shareholders at both the Scheme Meeting and the EGM.

The Scheme is intended to become effective in advance of the Transaction being completed. The Transaction is expected to close in early Q3 2021, subject to the approvals and conditions set out above.

5. Management and Governance

The management teams of Total Produce and Dole Food Company, each of which have long and extensive experience in the fresh produce sector, will continue to operate the combined business. Dole plc will continue to service customers with high quality premium food products as each of Total Produce and Dole Food Company have done heretofore.

The Enlarged Group, operating under the DOLE brand, will have its Global Headquarters in Dublin and its Headquarters for the Americas will be in Charlotte, North Carolina.

The composition of the Board of Directors of Dole plc at Completion will be in line with SEC rules and the corporate governance standards of the New York Stock Exchange. The Total Produce directors shall become

Directors of Dole plc alongside newly appointed directors Tim George, Johan Lindén and Jimmy Tolan, and the Board of Directors of Dole plc will consist of:

Carl McCann (Chair)
Rory Byrne (Chief Executive Officer)
Johan Lindén (Chief Operating Officer)
Frank Davis (Chief Financial Officer)
Tim George (Non-executive Director)
Imelda Hurley (Non-executive Director)
Rose Hynes (Non-executive Director)
Michael Meghen (Non-executive Director)
Helen Nolan (Non-executive Director)
Jimmy Tolan (Non-executive Director)
Kevin Toland (Non-executive Director)

In addition to the above appointments to the Board of Directors of Dole plc, the following senior executive management appointments will be effected upon Completion of the Transaction: Johan Malmqvist, current Chief Financial Officer of Dole Food Company, will become Executive-VP Finance of Dole plc; Jacinta Devine, current Company Secretary of Total Produce, will become Company Secretary of Dole plc; and Jared Gale, current General Counsel of Dole Food Company, will become Chief Legal Officer of Dole plc.

As of Completion, Dole plc intends to comply with the corporate governance standards generally applicable to U.S. domestic companies listed on the NYSE. Dole plc may in the future decide to use the foreign private issuer exemption with respect to some or all of the NYSE corporate governance rules.

Following the Transaction, Dole plc will report its financial statements under U.S. GAAP and publish financial statements on a quarterly basis in line with U.S. publicly listed companies.

6. Balance Sheet, Debt Financing and pre-Completion Dividend

It is intended that Dole plc will target a primary equity capital raise of between US$500 million and US$700 million, which will be used to repay certain of our and our subsidiaries' outstanding indebtedness and for general corporate purposes. It will significantly de-lever the combined balance sheets and target net leverage of approximately 3x estimated combined net debt / Adjusted EBITDA. This would result in a long-term sustainable capitalization of Dole plc and create a strong foundation facilitating investing in organic and development opportunities in the future in a fragmented and structurally growing market.

On 26 March 2021, Total Produce and certain of its subsidiaries entered into a new credit agreement which provides for a $500 million five-year committed multi-currency senior secured revolving credit facility to Total Produce and certain of its subsidiary co-borrowers ("**Revolving Credit Facility**"). The credit agreement also provides for a $940 million seven-year U.S. dollar senior secured term loan facility with Bank of America N.A., as administrative agent, to be available upon the consummation of certain conditions provided therein, including the completion of the Transaction (the "**Term Loan B Facility**"). In connection with Completion, the Credit Agreement is expected to be amended to provide for an increase in the Revolving Credit Facility to $600 million, a decrease in the Term Loan B Facility to $540 million and a new $300 million five-year U.S. dollar senior secured term loan A facility (the "**Term Loan A Facility**" and, together with the Term Loan B Facility, the "**Term Loan Facilities**"; the Term Loan Facilities collectively with the Revolving Credit Facility, the "**Facilities**"). The Revolving Credit Facility and the Term Loan Facilities will be syndicated. Proceeds of the Term Loan Facilities will be used to refinance certain Dole Food Company's existing credit facilities and senior secured notes and in connection with the Completion, certain bilateral facilities of the Company will be terminated. Overall, this is expected to provide a long-term sustainable capitalization for Dole plc, creating a stronger balance sheet which is expected to enhance Dole plc's credit profile, and lowering its average cost of capital going forward.

On April 22, 2021, it was announced that the Board had resolved to pay a final dividend of 2.770 cent per share for the year ending 31 December 2020. This dividend will be paid on 28 May 2021 to shareholders on the Register of Members at the close of business on 30 April 2021. The ex-dividend date will be 29 April 2021 with a currency election date of 5 May 2021, 12.00 noon GMT.

7. The Conditions

The Transaction is conditional, amongst other things, on the Scheme being approved. The conditions to the Transaction and the Scheme are set out in full in Part 5 (*Conditions to and further terms of the Scheme and the Transaction*) of this Scheme Circular. The implementation of the Scheme is conditional, amongst other things, upon:

- as required by section 449(1) of the Act (as amended by section 1087D of the Withdrawal of the United Kingdom from the European Union (Consequential Provisions) Act 2020) the resolution to approve the Scheme must be approved by a majority representing at least 75 per cent in value of the members present and voting either in person or by proxy at the Scheme Meeting and the quorum for the Scheme Meeting is at least two persons holding or representing by proxy at least one-third in nominal value of the issued shares in the Company;

- the approval of the EGM Scheme Resolutions;

- the sanction of the Scheme by the High Court and the delivery of an office copy of the Court Order to the Registrar of Companies and the registration of such Court Order by the Registrar of Companies;

- to the extent that the Transaction or its implementation constitutes a concentration within the scope of the EU Merger Regulation or is otherwise a concentration that is subject to the EU Merger Regulation, the European Commission deciding that it does not intend to initiate any proceedings under Article 6(1)(c) of the EU Merger Regulation in respect of the Transaction or to refer the Transaction (or any aspect of the Transaction) to a competent authority of an EEA member state under Article 9(1) of the EU Merger Regulation or otherwise deciding that the Transaction is compatible with the common market pursuant to Article 6(1)(b) of the EU Merger Regulation;

- the Valuation Floor and Minimum Secondary conditions being satisfied or waived by Total Produce and the C&C Shareholders by mutual consent at any time prior to Completion;

- the Ordinary Shares in Dole plc being approved for listing on the New York Stock Exchange; and

- the conditions to the Scheme which are not otherwise identified above and which are set out in full in Part 5 (*Conditions to and further terms of the Scheme and the Transaction*) of this Scheme Circular being satisfied or waived on or before the sanction of the Scheme by the High Court pursuant to Chapter 1, Part 9 of the Act.

The Scheme must become effective by not later than the Outside Date or such later date as the Company and the C&C Shareholders, may agree and, if applicable, the High Court may allow, otherwise the Transaction will not proceed.

8. Total Produce Employee Share Plans

(a) Treatment of Total Produce Short Term Incentive Plan

On Completion, all shares which vested under the Total Produce Short Term Incentive Plan ("**STIP**") will be exchanged for shares in Dole plc and will be held by the Trustees of the Total Produce STIP in accordance with the terms of the Total Produce STIP.

(b) Total Produce APSS

On Completion, all shares held by the Total Produce APSS will be exchanged for shares in Dole plc and will be held by the Trustees of the Total Produce APSS in accordance with the terms of the Total Produce APSS.

(c) Total Produce SIP

On Completion, all shares held by the Total Produce SIP will be exchanged for shares in Dole plc and will be held by the Trustees of the Total Produce SIP in accordance with the terms of the Total Produce SIP.

(d) Total Produce Share Options

On Completion, Total Produce will become a wholly owned subsidiary of Dole plc. For this reason, the Compensation Committee has resolved to apply Clause 13 of the 2007 Option Scheme so that all options granted under the 2007 Option Scheme which have not been exercised prior to completion of the Transaction will be cashed out by the application of the cash settlement facility (the "**Option Cash Settlement Facility**") which will operate as follows:

- Total Produce Options with an exercise price of €1.55 would be cash settled by a net payment of €0.83 per Total Produce Share; and

- Total Produce Options with an exercise price of €0.669 would be cash settled by a net payment of €1.51 per Total Produce Share.

The respective cash settlement payments were determined on the basis of customary valuation methodologies.

Total Produce Options can continue to be exercised at any time before the date specified by the Compensation Committee but this may be no later than 14 days before the expected Completion Date. All Total Produce Options which are outstanding on a date which is no later than 14 days prior to the completion of the Transaction will be cash settled as described above. The Option Cash Settlement Facility will be paid via the Group's payroll system after deduction of payroll taxes.

If the Transaction does not take place, the Option Cash Settlement Facility will not be applied, and option holders will retain their unexercised Total Produce Options.

As the Option Cash Settlement Facility applies to all Total Produce Options and Rory Byrne is deemed to be interested in 250,000 Total Produce Options through his spouse in her capacity as one of the Group's divisional finance directors, it will be necessary to approve the Option Cash Settlement Facility for the purpose of section 238 of the Act.

9. Taxation

Your attention is drawn to the taxation summary in paragraph 9 of Part 3 (*Explanatory Statement*) of this Scheme Circular. We strongly recommend that you consult your independent professional adviser as to the tax consequences of the Scheme to you.

10. Overseas shareholders

Overseas shareholders should refer to paragraph 12 of Part 3 (*Explanatory Statement*) of this Scheme Circular which contains important information relevant to such holder.

11. Action to be taken

Your attention is drawn to the summary of the action to be taken paragraph 13 of Part 3 (*Explanatory Statement*) of this Scheme Circular.

12. Further information

Your attention is drawn to the explanations contained in Part 3 (*Explanatory Statement*) of this Scheme Circular and to the further information in the remainder of this Scheme Circular.

Total Produce will advise, via relevant Regulatory Information Services, of any future material developments relating to the Transaction, including but not limited to, the results of the Scheme Meeting and the EGM and any adjustments to the indicative dates set out in the "Expected Timetable of Principal Events" on page 10 of this Scheme Circular.

13. Approvals required from Shareholders

The exchange of shares in Total Produce for shares in Dole plc will require the approval of the Scheme of Arrangement by Total Produce Shareholders and the approval of the High Court of Ireland as well as an amendment to the Total Produce Articles. The Transaction and the Delistings will also need to be approved by Total Produce Shareholders. Total Produce Shareholders will be asked to vote in favour of the proposed scheme of arrangement at the Scheme Meeting to be held at 11.00 a.m. on 17 June 2021 as well as approving the amendment of the Total Produce Articles, the Transaction, the Delistings and certain related matters at the Extraordinary General Meeting to be held at 11.15 a.m. on 17 June 2021, or, if later, immediately after the conclusion or adjournment of the Scheme Meeting.

The following resolutions will be proposed at the Extraordinary General Meeting:

Resolution 1 – Ordinary Resolution

To approve the Transaction and direct and authorise the Company to implement the Transaction as described in this Scheme Circular.

Resolution 2 – Special Resolution

To amend the Total Produce Articles so that any Total Produce Shares in issue on the Completion Date will automatically be transferred to Dole plc in consideration for the issue of Ordinary Shares in Dole plc on the same terms as under the Scheme.

Resolution 3 – Special Resolution

To approve the Delistings on the Completion Date.

Resolution 4 – Advisory Non-binding Resolution

To approve, on a non-binding advisory basis, the reduction of the share premium of Dole plc resulting from the issuance of Dole plc shares pursuant to the Scheme and the Merger in order to create distributable reserves of Dole plc.

The Scheme and the Transaction are not conditional on approval of the non-binding advisory EGM resolution which relates to the creation of distributable reserves of Dole plc, which are required under Irish law in order for Dole plc to be able to pay dividends and repurchase or redeem shares after the completion of the Transaction. As the Total Produce Shareholders will not be holders of Dole plc shares at the date of the EGM, the board of directors of Total Produce is seeking a non-binding advisory resolution of the Total Produce Shareholders approving the creation of distributable reserves of Dole plc.

Resolution 5 – Ordinary Resolution - Section 238 Approval of the Option Cash Settlement Facility

To approve the Option Cash Settlement Facility for the purpose of Section 238 Companies Act 2014 so that it may apply to all Total Produce Options.

14. Recommendation

The Board, who have been so advised by Goldman Sachs, consider the terms of the Transaction to be fair and reasonable. In providing its advice to the Directors, Goldman Sachs has taken into account the commercial assessments of the Directors.

The Board also consider that the terms of the Transaction is in the best interests of the Total Produce Shareholders and the Company as a whole.

Accordingly, the Board unanimously recommend that Total Produce Shareholders vote in favour of the Scheme and Resolutions 1 to 5 above as they intend to do so in respect of their entire beneficial holdings amounting to, in aggregate, 10,217,305 shares, representing approximately 2.63% of Total Produce's existing issued share capital[1].

Yours sincerely,

Carl McCann
Chair
Total Produce plc

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[1] Rory Byrne did not participate in the Board's decision to recommend Resolution 5.

Part 2

RISK FACTORS AND SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

RISK FACTORS

In this Part 2, the words "Company," "we," "us," and "our" refer (i) after giving effect to the Transaction, to Dole plc and its consolidated subsidiaries, which will include Total Produce and Dole Food Company, (ii) for periods from and after 30 July 2018, when Total Produce acquired a 45% equity interest in DFC Holdings, and up to the completion of the Transaction, to Total Produce, its consolidated subsidiaries and Dole Food Company, which operated as a part of an operating segment of Total Produce, and (iii) for periods prior to 30 July 2018, to Total Produce and its consolidated subsidiaries.

An investment in our ordinary shares involves a high degree of risk. You should carefully consider the risks and uncertainties described below together with the other information set forth in this Scheme Circular before investing in our ordinary shares. If any of the following risks or uncertainties actually occurs, our business, financial position and results of operations could be materially and adversely affected. In such case, the trading price of our ordinary shares could decline and you may lose all or part of your investment. Our business, financial condition, prospects, results of operations or cash flows could also be harmed by risks and uncertainties not currently known to us or that we currently do not believe are material. We cannot assure you that any of the events discussed in the risk factors below will not occur.

Risks Related to Dole plc's Business and Industry

Adverse weather conditions, natural disasters, crop disease, pests and other natural conditions can impose significant costs and losses on our business.

Fresh produce is vulnerable to adverse weather conditions, including windstorms, floods, drought and temperature extremes, which are quite common but difficult to predict, the effects of which may be influenced and intensified by ongoing global climate change. Unfavourable growing conditions can reduce both crop size and crop quality. This risk is particularly acute with respect to regions or countries from which Dole plc sources a significant percentage of our products. In extreme cases, entire harvests may be lost in some geographic areas. In addition, weather patterns may affect consumer demand, creating shortages in key products. For example, Dole plc experiences an increased demand for salads during summer months and prolonged warm weather may stress our ability to meet such demand. Conversely, extended bouts of cold or other inclement weather may depress such demand, leading to wasted product. Adverse weather may also impact the Dole plc supply chains, preventing it from procuring supplies necessary to the running of its operations and delivering products to customers. Outsized weather events and natural disasters may prolong or worsen such impacts. For example, Dole Food Company was recently adversely impacted by hurricanes in Honduras and unseasonably significant rainfall in Chile. Such adverse conditions can increase costs, decrease revenue and lead to additional charges to earnings, which may have an adverse effect on Dole plc's business, financial condition and results of operations.

Fresh produce is also vulnerable to crop disease and to pests, which may vary in severity and effect, depending on the stage of production at the time of infection or infestation, the type of treatment applied, climatic conditions and the risks associated with ongoing global climate change. For example, black sigatoka is a fungal disease that affects banana cultivation in most areas where they are grown commercially. Dole Food Company and Total Produce have also begun seeing instances of Tropical Race 4 ("**TR4**"), a serious vascular crop disease that affects bananas in some areas where we source product. TR4 significantly reduces productivity of banana crops and destroys affected banana plants. Dole Food Company and Total Produce continue to monitor TR4 and are working to improve its existing quarantine and other prevention strategies as well as to develop contingency plans, including the potential deployment of conventionally bred, gene-edited or genetically modified ("**GMO**") banana plants more resistant to the disease than plants currently in use in areas where TR4 is prevalent. However, Dole plc may be unable to prevent TR4's spread or develop bananas fully resistant to the disease, causing increased costs, decreased revenue and charges to earnings, which may have an adverse effect on the Dole plc business, financial condition and results of operations. Efforts to develop a fully resistant plant may not succeed and if those efforts do succeed, fruit from fully resistant plants may not be marketable due to consumer preference or government regulation.

The Dole plc business is highly competitive and Total Produce cannot assure you that the Enlarged Group will maintain its current market share.

Dole plc faces strong competition from many companies in all of the Dole plc product lines. Dole plc's principal competitors in the international banana business are Chiquita Brands International, Fresh Del Monte Produce and Fyffes. The international pineapple and diversified fruit categories have a large number of exporters, importers, and cooperatives competing in the sector. Dole plc's primary competitor in pineapples is Fresh Del Monte Produce and its primary competitors in the diversified fruit category are the South African company Core Fruit, the Chilean company Frusan and the multinational Unifrutti. In fresh vegetables, a limited number of grower-shippers in the United States and Mexico supply a significant portion of the U.S., with numerous smaller independent distributors also competing. Dole plc also faces competition from grower cooperatives. In value-added salads, Dole plc's primary competitors include Chiquita Brands International (which markets Fresh Express), Ready Pac Produce and Taylor Fresh Foods. In fresh-packed vegetables, Dole plc's primary competitors include Tanimura & Antle, Duda Farm Fresh Foods, Ocean Mist Farms and the Nunes Company. In berries, Dole plc's primary competitors include Driscoll Strawberry Associates, Naturipe Farms, California Giant Berry Farms, and Well-Pict Berries.

Some of Dole plc's most significant competitive risks include the following:

- some of Dole plc's competitors may have greater operating flexibility and, in certain cases, this may permit them to respond better or more quickly to changes in the industry or to introduce new products and packaging more quickly and with greater marketing support;
- several of Dole plc's product lines compete with products sourced from other regions, private label products and other alternatives;
- bidding for contracts or arrangements with retail and food service customers is highly competitive, and the prices or other terms of Dole plc's contract bids may not be sufficient to retain existing business or to maintain current levels of profitability;
- existing customers may demand changes in terms of trading which would impact Dole plc's cash flow and/or profitability;
- Dole plc cannot predict the pricing or promotional actions of its competitors or whether those actions will have a negative effect on Dole plc; and
- global economic conditions or trade disruptions may influence the behaviour of Dole plc's competitors in a manner, which may have a negative effect on it.

There can be no assurance that Dole plc will continue to compete effectively with Dole and Total Produce's present and future competitors.

Global capital and credit market issues could negatively affect Dole plc's liquidity, increase its costs of borrowing and disrupt the operations of its suppliers and customers.

Dole plc depends in part on stable, liquid and well-functioning capital and credit markets to fund its operations. Although Dole plc believes that its operating cash flows, access to capital and credit markets and credit facility will permit it to meet its financing needs for the foreseeable future, there can be no assurance that continued or increased volatility and disruption in the capital and credit markets will not impair Dole plc's liquidity or increase its costs of borrowing. Dole plc's business, financial condition and results of operations could also be negatively impacted if its suppliers or customers experience disruptions resulting from tighter capital and credit markets.

Dole plc's earnings are sensitive to fluctuations in market prices and demand for its products.

Excess supply often causes severe price competition in Dole plc's businesses. Growing conditions in various parts of the world, particularly weather conditions such as windstorms, fires, floods, droughts and freezes, as well as diseases and pests, are primary factors affecting market prices because of their influence on the supply and quality of product.

Although the perishability of fresh produce varies to a certain degree by item (for example, bananas will typically keep fresh in temperature controlled storage for longer than lettuce), fresh produce is, as a general matter, highly perishable and must be brought to market and sold soon after harvest. The selling price received for each type of produce depends on all of these factors, including the availability and quality of the produce item in the market, and the availability and quality of competing types of produce.

In addition, general public perceptions regarding the quality, safety or health risks associated with particular food products could reduce demand and prices for some of Dole plc's products. To the extent that consumer preferences evolve away from products that Dole plc produces for health or other reasons, and Dole plc is unable to modify its products or to develop products that satisfy new consumer preferences, there will be a decreased demand for Dole plc products. However, even if market prices are unfavourable, produce items which are ready to be, or have been, harvested must be brought to market promptly. A decrease in the selling price received for Dole plc's products due to the factors described above could have an adverse effect on Dole plc's business, financial condition and results of operations.

Currency exchange fluctuations may impact the results of our operations.

Dole plc grows, sources, imports, packages, markets and distributes over 300 products that are sourced, grown, processed, marketed and distributed in over 80 countries. Dole plc's international sales are usually transacted in U.S. dollars and European currencies. Dole plc's results of operations are affected by fluctuations in currency exchange rates in both sourcing and selling locations. Although Dole plc enters into foreign currency exchange forward contracts from time to time to reduce its risk related to currency exchange fluctuation, Dole plc's results of operations may still be impacted by foreign currency exchange rates, primarily, the euro-to-U.S. dollar, Swedish krona-to-U.S. dollar and Chilean peso-to-U.S. dollar exchange rates. For example, if the U.S. dollar exchange rates in 2020, had remained unchanged from the 2019 rates, the Total Produce and Dole Food Company revenues would have been lower by approximately $25 million and $14.1 million respectively. In recent years, the euro-to-U.S. dollar exchange rate has been subject to substantial volatility which may continue, particularly in light of recent political events regarding the European Union, or EU, including the United Kingdom's exit from the EU. Dole plc estimates that a 10% strengthening of the U.S. dollar relative to Dole Food Company's foreign currency exposure would lower pro forma revenue by approximately $86.0 million, excluding the impact of foreign currency exchange hedges. The impact of the U.S. dollar strengthening by 10% relative to Euro, Swedish Kroner and Pound Sterling would lower the revenue of Total Produce by approximately $243.0 million, excluding the impact of foreign currency exchange hedges. Because Dole plc does not hedge against all of its foreign currency exposure, its business will continue to be susceptible to foreign currency fluctuations. For more information see Part 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations - Key Factors and Trends Affecting Our Results of Operations—Foreign Currency Fluctuations."

Increases in commodity or raw product costs, such as fuel and paper, or changes to their availability, could adversely affect Dole plc's operating results.

Increased costs for purchased fruit and vegetables have in the past negatively impacted our operating results, and there can be no assurance that they will not adversely affect Dole plc's business, financial condition and results of operations in the future.

In addition, the price and availability of various commodities can significantly affect Dole plc's costs. For example, the price of bunker fuel used in shipping operations, including fuel used in ships that we own or charter, is an important variable component of transportation costs. In addition, fuel and transportation costs are a significant component of the price of much of the produce that Dole plc purchases from third parties, and there can be no assurance that it will be able to pass on the increased costs incurred in these respects to customers.

The cost and availability of paper is also significant to Dole plc because some of its products are packed in cardboard boxes for shipment. If the price of paper increases, and Dole plc is not able to effectively pass these price increases along to its customers, then Dole plc's operating income will decrease. Similarly, if the availability of paper is affected by increased global demand, Dole plc's operations could be negatively impacted. Increased costs for paper have in the past negatively impacted Dole and Total Produce's operating results, and there can be no assurance that these increased costs will not adversely affect Dole plc's business, financial condition and results of operations in the future.

Dole plc is subject to the risk of product contamination and product liability claims.

The sale of food products for human consumption involves the risk of injury to consumers. Such injuries may result from tampering by unauthorized third parties, quality issues such as product contamination or spoilage, including the presence of foreign objects, substances, chemicals or other agents or residues introduced during the growing, storage, processing, handling or transportation phases. Dole plc has been from time to time involved in product liability lawsuits and cannot be sure that consumption of Dole plc's products will not cause a health-related illness in the future, that Dole plc will not be subject to claims or lawsuits relating to such matters or that it will not need to initiate recalls of its products in response to the foregoing. Dole plc has in the past from time to time initiated recalls, including Class I recalls, for possible contamination of produce with allergens or bacteria, such as Salmonella, E. coli and Listeria. For example, Dole Food Company experienced a Listeria outbreak in early 2016 linked to packaged salads produced at a Dole Food Company facility in Ohio, which Dole Food Company responded to by immediately ceasing all production at in such facility and issuing a voluntary withdrawal and recall of packaged salads produced there. Even if a product liability claim is unsuccessful or is not fully pursued, the negative publicity surrounding any assertion that our products caused illness or injury could adversely affect our reputation with existing and potential customers and our corporate and brand image. Moreover, claims or liabilities of this sort might not be covered by our insurance or by any rights of indemnity or contribution that we may have against others. Dole plc's cannot be sure that it will not incur claims or liabilities for which Dole plc is not insured or that exceed the amount of its insurance coverage.

Adverse perception, events or rumors relating to our brand could negatively impact Dole plc's business.

Consumer and institutional recognition of the Total Produce and Dole Food Company trademarks and related brands, and the association of these brands with high-quality and safe food products, are an integral part of Dole plc's business. The occurrence of any events or rumors that cause consumers and/or institutions to no longer associate these brands with high-quality and safe food products may materially adversely affect the value of Dole plc's brand names and demand for its products. Dole plc has licensed and will continue to license the Total Produce and DOLE brand name to several affiliated and unaffiliated companies for use in the United States and abroad. In addition, Dole plc sold the use of the DOLE brand in Asia, Australia and New Zealand for fresh fruit, worldwide for shelf stable packaged food products and worldwide for juice products. Acts or omissions by these companies, over which Dole plc has limited or no control, may also have such adverse effects.

In addition, sustainability credentials are an increasingly important factor in stakeholders' perceptions of a company. Should Dole plc not meet the expectations of its stakeholders or communicate our work in this area sufficiently this may negatively impact Dole plc's reputation.

Dole plc may be unable to service its substantial debt with its current or expected cash flows and such debt may limit its flexibility and ability to pursue additional financing.

Dole plc's ability to make scheduled payments of the principal of, to pay interest on or to refinance its indebtedness, depends on its future performance, which is subject to economic, financial, competitive and other factors beyond Dole plc's control, including those described in this "Risk Factors" section and elsewhere in this Scheme Circular. Dole plc's business may not generate sufficient cash flow from operations to service our debt and make necessary capital expenditures. If Dole plc is unable to generate such cash flow, it may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional financing on terms that may be onerous or highly dilutive. Dole plc's ability to refinance its indebtedness will depend on the capital markets and Dole plc's financial condition at such time. Dole plc may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on its debt obligations. For more information on our outstanding indebtedness, see Part 9 of this Scheme Circular ("*Description of Certain Indebtedness, Expected Ownership and Implied Valuation*").

Dole plc's earnings are subject to seasonal variability.

Dole plc's earnings may be affected by seasonal factors, including:

- the seasonality of Dole plc's supplies and consumer demand;
- the ability to process products during critical harvest periods; and
- the timing and effects of ripening and perishability.

As an example, although banana production tends to be relatively stable throughout the year, banana pricing is seasonal because bananas compete against other fresh fruit that generally comes to market beginning in the summer. As a result, banana prices are typically higher during the first half of the year.

Dole plc expects to expand its business, in part, through future acquisitions, but it may not be able to identify or complete suitable acquisitions, which could harm our business, financial condition and results of operations.

Dole plc's business strategy includes growth through the acquisitions of other businesses. Dole plc continually reviews, evaluates and considers potential acquisitions. In such evaluations, Dole plc required to make difficult judgments regarding the value of business opportunities and the related risks and cost of potential liabilities. Dole plc plans to use acquisitions of companies to expand its geographic coverage, add experienced management and increase its product offerings. Dole plc may not be able to continue to identify attractive acquisition opportunities or successfully acquire identified targets. In addition, Dole plc may not be successful in integrating its current or future acquisitions, including integrations in connection with the Transaction, into its existing operations, which may result in unforeseen operational difficulties or diminished financial performance or require a disproportionate amount of our management's attention. Even if Dole plc is successful in integrating its current or future acquisitions into its existing operations, it may not derive the benefits, such as operational or administrative synergies, that it expected from such acquisitions, which may result in the investment of Dole plc's capital resources without realizing the expected returns on such investment. Furthermore, competition for acquisition opportunities may increase Dole plc's cost of making further acquisitions or cause it to refrain from making additional acquisitions. Dole plc also may be limited in its ability to incur additional indebtedness in connection with or to fund future acquisitions under its Credit Agreement. In addition, although Dole plc has dedicated in-house personnel whose primary role is to focus on acquisitions, the time and effort involved in attempting to identify acquisition candidates and consummate acquisitions may divert members of its management from the operations of the company.

Dole plc depends on certain key customers and are subject to risks if such key customers reduce the amount of products they purchase from it or terminate their relationships with it.

In certain regions Dole plc's customer base is concentrated among a small number of large, key customers. Overall Dole plc's top ten customers accounted for approximately 30% of pro forma revenue for fiscal year 2020, although no one customer accounted for more than 10% of combined revenue. If Dole plc fails to maintain its relationships with such customers and such customers terminate their relationship or otherwise reduce the amount of products they purchase from us below our expectations, Dole plc could suffer adverse effects in such reason on its business, business opportunities, results of operations, financial condition and cash flows.

Dole plc's sometimes extends credit to our key customers. Failure to collect, trade receivables, untimely collection or customer defaults could adversely affect Dole plc's liquidity.

Dole plc extends credit to certain of its key customers and, as of December 31, 2020, on a pro forma basis, Dole plc would have had $741.0 million in trade receivables outstanding. Generally, Dole plc's customers will pay within the credit period, however, customer illiquidity may cause repayment to fall outside the credit period or not at all. Dole plc performs ongoing credit evaluations of its customers' financial condition and manages the risk based on experience, customers' track record and historic default rates. If Dole plc encounters future problems collecting amounts due from its customers, particularly customers with a large amount of credit outstanding, or if it experiences delays or customer default in the collection of amounts due, Dole plc's liquidity could be adversely affected.

Public health outbreaks, epidemics or pandemics, including the global COVID-19 pandemic, have disrupted and may continue to disrupt, Dole plc's business and could materially affect its business, financial condition and results of operations.

The recent COVID-19 pandemic and resulting worldwide economic conditions have affected, and may continue to affect, Dole plc's business, financial condition and results of operations.

The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and created significant volatility and disruption of financial markets. For example, government imposed mandatory closures and restrictions across various key global markets of Dole plc's resulted in volatile supply and demand conditions, primarily due to reduced demand in the foodservice distribution channel. As a result, product was redirected to the retail channel and in some cases this led to an increased supply and lower pricing. This primarily impacted Dole plc's pineapple and fresh-packed vegetable products. While demand in Dole plc's retail channels for certain products has increased due to the impact of COVID-19 and this has somewhat compensated for losses in other channels and for other products, there is no guarantee that this increased demand will continue. While these effects were pronounced to varying degrees throughout fiscal year 2020, the future extent of the impact of the COVID-19 pandemic on Dole plc's financial performance, including Dole plc's ability to execute its strategic initiatives, is still uncertain and will depend on future developments, including the duration and spread of the pandemic, related government restrictions and the success of vaccines and other treatments for COVID-19. Additionally, as the global economic impacts of COVID-19 continue, fluctuate and/or change, the pandemic's impact on Dole plc's operating results may change or be prolonged.

In addition, Dole plc's ability to continue to supply its products is highly dependent on Dole plc's workforce, including its workers involved in the growing, harvesting, transportation, processing and distribution of its products. Dole plc's ability to maintain the safety of its workforce may be significantly impacted by individuals contracting or being exposed to COVID-19, and Dole plc's operations and financial results may be negatively affected as a result. While Dole plc is following the requirements of governmental authorities and taking additional preventative and protective measures to ensure the safety of its workforce, it cannot be certain that these measures will be successful in ensuring the health of Dole plc's workforce. For example, as a result of a significant number of positive test results at one of Dole's salad processing plants, its workforce was significantly depleted for approximately one week, resulting in inefficiencies and higher production and product transportation costs. Additional workforce disruptions of this nature may significantly impact Dole plc's ability to maintain its operations and may adversely affect Dole plc's financial results. Throughout the pandemic governments have restricted travel between countries and transportation generally, and this has impacted the movement of Dole and Total Produces' goods across international borders. While these restrictions have not significantly impacted Dole and Total Produces' ability to supply its products to date, there is no guarantee that future border closures or restrictions will not have a significant impact on Dole plc's business. Dole also incurred costs in relation to safety precautions undertaken in its shipping operations and the stockpiling of certain commodities, and although such costs have since subsided, there can be no assurances that Dole plc would not be required to incur such costs or similar costs in the future.

The impact of the COVID-19 pandemic on Dole plc's operating results can also impact its ability to meet its financial obligations. Dole plc's operating results have been and may continue to be impacted by the pandemic, and Total Produce cannot predict whether future developments associated with the COVID-19 pandemic will materially adversely affect Dole plc's long-term liquidity position. In the event of a continued sustained market deterioration or further delayed recovery, Dole plc may need additional liquidity which would require it to evaluate available alternative strategies such as selling assets, restructuring or refinancing our indebtedness, or seeking additional equity capital, strategies of which could be unsuccessful.

We are subject to costs and liabilities under foreign and domestic environmental laws and regulations.

Compliance with environmental laws, including those related to the handling, use, generation, transport, and disposal of hazardous materials is inherent in major agricultural operations, including those conducted by us. Compliance with these foreign and domestic laws and related regulations is an ongoing process, and these laws and regulations are frequently revised and generally become stricter over time. Failure to comply with applicable laws and regulations can result in requirements to cease noncompliant operations, incurrence of additional capital or operating expenses to correct violations, or the assessment of significant fines and penalties. While we believe that we are generally in material compliance with applicable laws and regulations, there can be no assurance that the cost of compliance with environmental laws and regulations will not, in the future, have a material effect on our capital expenditures, earnings or competitive position. It is possible that future developments, such as increasingly strict environmental laws and enforcement policies thereunder, including those driven by concerns about climate change and further restrictions on the use of agricultural chemicals, could result in increased compliance costs which may be material.

Environmental laws include those that impose liability and/or increased costs for environmental damage from the use of herbicides, pesticides and other potentially hazardous substances or environmental contamination of our current and previously owned or leased property.

We use herbicides, pesticides and other potentially hazardous substances in the operation of our business. We may have to pay for the costs or damages associated with any improper application, accidental release or the use or misuse of such substances. Our insurance may not be adequate to cover such costs or damages or may not continue to be available at a price or under terms that are satisfactory to us. In such cases, payment of such costs or damages could have an adverse effect on our business, financial condition or results of operations.

Dole plc may be subject to liability and/or increased costs for environmental damage from the use of herbicides, pesticides and other potentially hazardous substances or environmental contamination of Dole plc's current and previously owned or leased property.

Dole plc uses herbicides, pesticides and other potentially hazardous substances in the operation of its business. Dole plc may have to pay for the costs or damages associated with any improper application, accidental release or the use or misuse of such substances. Dole plc's insurance may not be adequate to cover such costs or damages or may not continue to be available at a price or under terms that are satisfactory to Dole plc. In such cases, payment of such costs or damages could have an adverse effect on Dole plc's business, financial condition or results of operations.

Certain environmental laws, including the Comprehensive Environmental Response, Compensation, and Liability Act in the United States, impose strict and, in many cases, joint and several, liability for the cost of remediating contamination, on current and former owners of property or on persons responsible for causing such contamination. Dole Food Company has been in the past involved in remedial investigations and actions at some locations, and Dole plc could in the future be required to spend significant sums to remediate contamination that has been caused by it, its predecessors, or prior owners or operators of its properties. An adverse result in any potential future matter could have an adverse effect on Dole plc's business, financial condition and results of operations.

Dole plc faces risks related to its former use of the pesticide DBCP.

Dole Food Company formerly used DBCP, a nematicide that was used on a variety of crops throughout the world. The registration for DBCP with the U.S. government was cancelled, with limited exceptions, in 1979 based in part on an apparent link to male sterility among chemical factory workers who produced DBCP. There are a number of pending lawsuits in the United States and other countries against the manufacturers of DBCP and certain growers, including Dole Food Company, who used DBCP in the past. The cost to defend or settle these lawsuits, and the costs to pay any judgments or settlements resulting from these lawsuits, or other lawsuits which might be brought, could have an adverse effect on our business, financial condition or results of operations.

Goodwill and other intangible assets are subject to the risk of future impairments which could adversely impact Dole plc's operating results.

Dole plc reviews goodwill and other intangible assets for impairment on an annual basis or earlier if indicators for impairment are present. The goodwill associated with Dole plc's acquisitions are sensitive to differences between estimated and actual cash flows and changes in the related discount rate used to evaluate the fair value of these assets. If these businesses do not perform to expected levels, the goodwill may be at risk for impairment in the future.

The fair value of the Dole Food Company trade names and trademarks are sensitive to differences between estimated and actual cash flows and changes in the related discount rate used to evaluate the fair value of these assets. If Dole plc's products do not perform to expected levels, the trade names and trademarks associated with these products may also be at risk for impairment in the future.

Any such impairment charges could be material and have an adverse impact on our business, financial condition and results of operations.

Changes in immigration laws could impact the availability of labour to harvest our products and operate Dole plc's salad manufacturing plants, or the availability of produce purchased from third-party suppliers.

The personnel engaged for Dole plc's U.S. harvesting operations typically include significant numbers of immigrants who are authorized to work in the United States. Immigrants who are authorized to work in the United States also make up a portion of the workforce at our U.S. salad manufacturing plants. The availability and number of these workers could decrease if there are changes in U.S. immigration laws. A scarcity of available personnel to harvest agricultural products in the United States could increase Dole plc's labour costs, increase our product costs or lead to product shortages, and adversely impacting our business, financial condition and results of operations.

A portion of Dole plc's workforce is unionized and labour disruptions could decrease Dole plc's profitability.

As of December 31, 2020, approximately 30% of Total Produce and Dole Food Company's employees worldwide worked under various collective bargaining agreements and unionized workforces. Total Produce cannot give assurance that Dole plc will be able to negotiate these or other collective bargaining agreements on the same or more favourable terms as the current agreements, or at all, and without production interruptions, including labour stoppages. A prolonged labour dispute, which could include a work stoppage, could have an adverse effect on the portion of Dole plc's business affected by the dispute, which could adversely impact Dole plc's business, financial condition and results of operations.

Dole plc is subject to risks relating to its information systems.

Dole plc's electronic information and information system assets may be made unavailable, leaked or altered due to a computer cybersecurity incident, which could adversely affect the results of its operations, and Total Produce cannot predict the extent or duration of these incidents.

Although Dole plc's computer systems are distributed in many geographic areas and Dole and Total Produce maintain largely independent information technology systems, there are some intra-company systems which are connected together in a private network. A widespread computer cybersecurity incident, such as virus infection, may significantly disrupt Dole plc's operations and business processes. In such a case, Dole plc may have to operate manually, which may result in significant delay in the delivery of its products to its customers or damage to the fresh fruit and vegetable products. Dole plc's customers could refuse to continue to do business with it and prematurely terminate or reduce existing contracts, resulting in a significant reduction of our operating revenue.

Dole plc has intellectual property, trade secrets and confidential business information that are stored in electronic formats that could be leaked to competitors or the public due to computer cybersecurity incidents, which may result in loss of competitive position and market share. Dole plc also has personal confidential information stored in its controlled systems. This information, if stolen or leaked, could result in significant financial and legal risk including penalties under data protection legislation, such as the General Data Protection Regulation in the EU.

In the context of our EU-facing operations, we may be subject to specific compliance obligations under the General Data Protection Regulation (EU) 2016/679 (the "**GDPR**") and associated laws and regulations in different EU Member States in which we operate. In addition, portions of our business established outside the EU may be required to comply with the requirements of the GDPR and associated EU legislation with respect to the offering of products to, or the monitoring of, individuals in the EU. We may also be subject to the local privacy and data protection laws of the EU Member States in which we offer products. Failure to comply with these EU data protection and privacy laws, can carry penalties and potential criminal sanctions, as well as the risk of litigation. In addition, Directive2002/58/EC (as amended by Directive 2009/136/EC) (together, the "e-Privacy Directive") governs, among other things, the use of cookies and the sending of electronic direct marketing within the EU and, as such, will apply to our marketing activities within the EU. Following Brexit, the UK has adopted its own data protection and direct marketing laws (the "**UK data protection laws**") which are currently based on the corresponding EU legislation. Our UK-facing operations may therefore be subject to specific compliance obligations under the UK data protection laws.

Dole plc may be targeted by computer hackers from the internet, from business partners' networks connected to its network or from employees, for specific purposes such as financial gain, political or ideological motives or simply to damage our reputation, which may result in significant decline in consumer preference for Dole plc's products in certain geographic regions or globally, and could potentially reduce Dole plc's market share.

Recovery from any of the above computer incidents could be expensive. Rapidly raising and maintaining higher standards of computer cybersecurity practices in Dole plc's business globally may require significant initial investment and higher operating costs, and therefore could negatively impact Dole plc's operating income.

Dole plc is increasingly dependent on information technology, and expanding social media vehicles present new risks.

The inappropriate use of certain media vehicles could cause brand damage or information leakage. Negative posts or comments about Dole plc or its products on any social networking web site could seriously damage Dole plc's reputation. In addition, the disclosure of non-public company sensitive information through external media channels could lead to information loss. Identifying new points of entry as social media continues to expand presents new challenges. Any business interruptions or damage to Dole plc's reputation could negatively impact our business, financial condition and results of operations.

Certain of Dole plc's defined benefit pension plans are currently underfunded, and we may have to make significant cash payments to the plans, which would reduce the cash available for our business.

Dole plc has underfunded obligations under certain of its benefit plans. As of December 31, 2020, the liabilities under Dole Food Company's benefit plans exceeded the assets of such benefit plans by approximately $132.2 million, and the liabilities under Total Produce's benefit plans exceeded the assets of such benefit plans by approximately €21.3 million. As a result, on a pro forma basis, as of December 31, 2020, the liabilities under Dole plc's benefit plans would have exceeded the assets of those benefit plans by approximately $153.5 million.

The funded status of our benefit plans is dependent upon many factors, including returns on invested assets, actuarial assumptions, including the level of certain market interest rates and the discount rate used to determine pension obligations. Unfavourable returns on the plan assets, or unfavourable changes in applicable laws or regulations, could materially change the timing and amount of required plan funding, which would reduce the cash available for Dole plc's business. In addition, a decrease in the discount rate used to determine pension obligations could result in an increase in the valuation of Dole plc's Benefit Plans obligations, which could affect the reported funding status of its Benefit Plans and future contributions, as well as the periodic pension cost in subsequent fiscal years. ERISA, along with certain provisions of the Code (as defined below), require minimum funding contributions to our U.S. defined benefit pension plan.

The Pension Benefit Guaranty Corporation (the "**PBGC**") has the authority to petition a court to terminate an underfunded tax-qualified pension plan under limited circumstances. In the event Dole plc's U.S. tax-qualified defined benefit pension plan is terminated by the PBGC, Dole plc could be liable to the PBGC for the entire amount of the underfunding, as calculated by the PBGC based on its own assumptions, which might result in a larger obligation than that based on the assumptions Dole plc has used to fund such plan.

The European defined benefit plans are also subject to local regulators such as the Irish Pensions Authority and UK's Pension Regulator. Total Produce has three European defined benefit plans (two in Ireland and one in the Netherlands), two UK defined benefit plans and one in Canada. Each of these is subject to local funding requirements and the powers of local regulators such as the Irish Pensions Authority, the UK's Pension Regulator and the Dutch Central Bank (De Nederlandse Bank) in the Netherlands. The UK's Pension Regulator has the power in certain circumstances to impose a debt or contribution demand on an employer to the extent that a defined benefit scheme is underfunded. There is currently no legislation in Ireland or the Netherlands equivalent to that in the UK.

Dole plc faces other risks in connection with its international operations.

Dole plc's operations are heavily dependent upon products grown, purchased and sold internationally. In addition, Dole plc's operations significantly contribute to the economies of many of the countries in which Dole plc operates, increasing its visibility and susceptibility to legal or regulatory changes. These activities are subject to risks that are inherent in operating in foreign countries, including the following:

- foreign countries could change laws and regulations, or impose currency restrictions and other restraints;
- the risk that the government may expropriate assets;
- the potential imposition or implementation of burdensome tariffs, quotas or customs clearance processes;
- political changes and economic crises may lead to changes in the business environment in which we operate;
- conflict within a country in which we operate or international conflict, including terrorist acts, could significantly impact our business, financial condition and results of operations;
- economic sanctions may be imposed on some countries, which could disrupt the markets for products Dole plc sells, even if it do not sell into the target country;
- the suspension of imports of one or more products Dole plc sells, which could disrupt the markets for those products in other countries;
- dependency on leases and other agreements;
- global competitive, economic, industry, market, political and regulatory conditions, including economic downturns, political instability and war or civil disturbances that may disrupt production and distribution logistics or limit sales in individual territories;
- trade wars between nations in which Dole plc does business; and
- the difficulty in adhering to various anti-corruption laws and regulations.

Terrorism and the uncertainty of war may have an adverse effect on Dole plc's operating results.

Terrorist attacks and other acts of violence or war in the United States, the EU or in other countries may affect the markets in which Dole plc operates and its operations and profitability. From time to time in the past, Dole plc's operations or personnel have been the targets of terrorist or criminal attacks, and the risk of such attacks impacts Dole plc's operations and results in increased security costs. Further terrorist attacks outside the United States against the United States or operators of businesses with significant presence or history in the United States may occur, or hostilities could develop based on the current international situation. The potential near-term and long-term effect these attacks may have on Dole plc's business operations, its customers, the markets for its products, the U.S. economy and the economies of other places in which Dole plc source or sells its products is uncertain. The consequences of any terrorist attacks, or any armed conflicts, are unpredictable, and Dole plc may not be able to foresee events that could have an adverse effect on its markets or its business.

Dole plc's operations and products are highly regulated in the areas of food safety and protection of human health and the environment.

Dole plc's operations are subject to a broad range of foreign, federal, state and local environmental, health and safety laws and regulations, including laws and regulations governing the use and disposal of pesticides and other chemicals, all of which involve compliance costs. These regulations directly affect day-to-day operations and, to maintain compliance with all of the laws and regulations that apply to Dole plc's operations, it has been and may be required in the future to modify its operations, purchase new equipment or make capital improvements. Changes to Dole plc's processes and procedures could require it to incur unanticipated costs and/or materially impact Dole plc's business. Violations of these laws and regulations can result in substantial fines, penalties or sanctions. In some circumstances, Dole plc may recall a product, voluntarily or otherwise, if Dole plc or the regulators believe it presents a potential risk. There can be no assurance that these modifications and improvements and any fines, penalties and recalls would not have an adverse effect on Dole plc's business, financial condition and results of operations. In addition, Dole plc has been and in the future may become subject to lawsuits alleging that its operations and products caused personal injury or property damage.

As a producer and distributor of food products, Dole plc is subject to the laws and regulations in the jurisdictions where its facilities are located and where its products are distributed. In particular, Dole plc is subject to the Federal Food, Drug and Cosmetic Act, as amended by the Food Safety Modernization Act ("**FSMA**"), which is enforced by the FDA. The FDA has the authority to regulate the growing, harvesting manufacture, including composition and ingredients, processing, labelling, packaging import, distribution and marketing and safety of food in the United States. The FSMA, enacted in January 2011, significantly enhances the FDA's authority over various aspects of food regulation. For example, the FSMA granted the FDA mandatory recall authority when the FDA determines there is a reasonable probability that a food is adulterated or misbranded and that the use of, or exposure to, the food will cause serious adverse health consequences or death to humans or animals. The FDA has been active in implementing the requirements of the FSMA through issuance of regulations designed to result in a reduction of the risk of contamination in food manufacturing and in beginning compliance enforcement of those regulations, such as the Foreign Supplier Verification program, and the full impact of the FDA's compliance protocols is not yet known, and Total Produce cannot assure you that it will not materially impact Dole plc's business. Regulatory agencies in other jurisdictions have similar authority to address the risk of contamination or adulteration, and to require that contaminated products be removed from the market.

Within the European Union, food safety policy is governed by the Farm to Fork Strategy which regulates food safety at all stages of the production and distribution process for all food products marketed within the EU, whether produced within the EU or imported from third countries. This body of legislation forms a complex and integrated system of rules covering the entire food chain, from animal feed and health, through plant protection and food production, to processing, storage, transport, import and export and retail sales. A framework regulation called the General Food Law Regulation (EC No. 178/2002) lays down the general principles and requirements of food law. European Member States are required to implement European food safety law at national level. National authorities and food agencies are responsible for enforcement and ensuring compliance within European Member States. National authorities may withdraw or recall food from the market if it is considered to be injurious to health or unfit for human consumption. Where food presents a serious risk to human health, animal health, or the environment, the European Commission can put in place protective measures and suspend the placing on the market or use of products originating from the EU or suspend imports of products originating from non-EU countries.

The European Green Deal sets out to make Europe the first climate-neutral continent by 2050. The EU's Farm to Fork Strategy is an integral part of the Green Deal and aims to address the challenges of sustainable food systems. The shift to a sustainable food system could result in increased compliance costs associated with compliance with new laws and regulations.

The failure to comply with these laws and regulations in any jurisdiction, or to obtain required approvals, could result in fines, as well as a ban or temporary suspension on the production of our products or limit or bar their distribution, and affect Dole plc's development of new products, and thus could materially adversely affect its business and operating results. In addition, the United States Department of Agriculture (the "**USDA**") regulates the import and export of certain fruits and vegetables into and from the United States, and the USDA also imposes growing, manufacturing and certification requirements for certain products labeled with organic claims. Similarly, the EU maintains a system of control, certification and enforcement to guarantee that food which is marketed as organic complies with organic standards. Organic food imported into the EU is also subject to control procedures to guarantee that they have been produced and shipped in accordance with organic principles. Failure to obtain necessary permits or otherwise comply with USDA and European regulations and requirements could result in a ban or temporary suspension of the import or export of our products into or from the United States, or Dole plc's ability to grow, manufacture or market our products as organic, and thus could materially adversely affect its business. The Canadian Food Inspection Agency, and other Canadian governmental departments, could enforce laws such as the Safe Food for Canadians Regulations in such a way as to cause significant disruption to Dole plc's Canadian business, including for example requirements relating to import licenses, traceability, organic certification, and food testing requirements.

Dole plc is subject to transportation risks.

An extended interruption in Dole plc's ability to ship its products could have an adverse effect on Dole plc's business, financial condition and results of operations. Similarly, any extended disruption in the distribution of our products could have an adverse effect on Dole plc's business, financial condition and results of operations. Dole plc relies on third-party shipping companies to move some of its products overseas, third-party stevedores to load and unload Dole plc's products at its port locations, and third-party trucking companies to transport its products to and from its port locations, and these third parties are therefore a source of transportation risk. While Total Produce believes that Dole plc is adequately insured and would attempt to transport its products by alternative means if Dole plc were to experience an interruption due to a strike, natural disaster or otherwise, Total Produce cannot be sure that it would be able to do so, or be successful in doing so, in a timely and cost-effective manner.

Some of the ingredients that Dole plc uses in its products contain GMOs and Dole plc may in the future need to develop and market GMO products and products containing GMO ingredients based on adverse market conditions.

Some of the ingredients that Dole plc uses in its products may contain GMOs in varying proportions. The use of GMOs in food has been met with varying degrees of acceptance in the territories in which Dole plc operates. Some of such territories, including the United States, have approved the use of GMOs in food products, and GMO and non-GMO products in such territories are produced together and frequently commingled. Regulations will or may be passed that require labelling of any food with GMO ingredients, such as a regulation that is planned to go into effect in 2022 in the United States. Such labelling requirements may impact the public perception of products containing such labels. Elsewhere, adverse publicity about genetically modified food has led to governmental regulation limiting sales of GMO products in some of the territories in which Dole plc operates, including the EU. It is possible that new restrictions on GMO products will be imposed in major territories for some of Dole plc's products or that its customers will decide to purchase fewer GMO products or not buy GMO products at all, which could adversely affect Dole plc's business, financial condition and results of operations.

In addition to the GMO ingredients that Dole plc currently deploys, Dole plc is researching gene-edited products and GMO products and may deploy and market these products in the future based on market demand and need. The success of such deployment will in large part depend on the market acceptance of these products in the areas that Dole plc operates. In the future, Dole plc may be forced to utilize gene-edited or GMO products in response to adverse market conditions, including disease, climate change or rising costs, if such products are the only viable alternatives. For example, as a result of TR4 spreading into new growing regions, Dole plc may need to deploy gene-edited or GMO bananas resistant to the disease to maintain a viable supply of bananas to our key markets. If adverse public opinion about gene-edited or GMO products predominates, Dole plc may be unable to sell such products in certain of our key markets, adversely affecting our business, financial condition and results of operations. For more information about TR4, see "—Risks Related to Our Business and Industry—Adverse weather conditions, natural disasters, crop disease, pests and other natural conditions can impose significant costs and losses on our business."

Dole plc's future results of operations may be adversely affected by the availability of organic and non-GMO products and ingredients.

Dole plc's ability to ensure a continuing supply of organic and non-GMO products and ingredients at competitive prices depends on many factors beyond Dole plc's control, such as the number and size of farms that grow organic and non-GMO crops, climate conditions, changes in national and world economic conditions, currency fluctuations and forecasting adequate need of seasonal products and ingredients.

The organic and non-GMO ingredients that Dole plc uses in the production of its products, including, among others, fruits, vegetables, nuts and grains, are vulnerable to adverse weather conditions and natural disasters, such as floods, droughts, water scarcity, temperature extremes, frosts, earthquakes and pestilences. Natural disasters and adverse weather conditions, including the potential effects of climate change, can lower crop yields and reduce crop size and crop quality, which in turn could reduce our supplies of, or increase the prices of, organic or non-GMO ingredients. If Dole plc's supplies of organic or non-GMO ingredients are reduced, it may not be able to find enough supplemental supply sources on favourable terms, if at all, which could impact its ability to supply product to its customers and adversely affect Dole plc's business, financial condition and results of operations.

An interruption at one or more of Dole plc's manufacturing facilities could negatively affect its business, and its business continuity plan may prove inadequate.

Dole plc owns or leases, manages and operates a number of manufacturing, processing, packaging, storage and office facilities. Dole plc could be rendered unable to accept and fulfil customer orders as a result of disasters, pandemics, including COVID-19, business interruptions or other similar events. Some of Dole plc's inventory and manufacturing facilities are located in areas that are susceptible to harsh weather, and the production of certain of Dole plc's products is concentrated in a few geographic areas. In addition, Dole plc stores chemicals used in its business, and its storage of these chemicals could lead to risk of leaks, explosions or other events. Although Dole plc has business continuity plans, it cannot provide assurance that its business continuity plan will address all of the issues Dole plc may encounter in the event of a disaster or other unanticipated issue. Dole plc's business interruption insurance may not adequately compensate it for losses that may occur from any of the foregoing. In the event that a natural disaster, or other catastrophic event, were to destroy any part of any of its facilities, or interrupt its operations for any extended period of time, or if harsh weather or epidemics prevent it from delivering products in a timely manner, Dole plc's business, financial condition and results of operations could be materially and adversely affected. In addition, if Dole plc fails to maintain its labour force at one or more of its facilities, it could experience delays in production or delivery of its products, which could also have an adverse effect on its business, financial condition and results of operations.

If Dole plc loses the services of its key management, its business could suffer.

Dole plc depends to a significant extent on the continued service of our key executives, and Dole plc's continued growth depends on its ability to identify, recruit and retain key management personnel. Dole plc is also dependent on its ability to continue to attract, retain and motivate its personnel. Dole plc does not typically carry key person life insurance on its executive officers. If Dole plc loses the services of its key management or fail to identify, recruit and retain key personnel, its business, financial condition or results of operations may be materially and adversely impacted.

Climate change laws could have an impact on Dole plc's financial condition and results of operations.

Legislative and regulatory authorities in the United States, the EU, Canada and other jurisdictions internationally will likely continue to consider numerous measures related to climate change and greenhouse gas emissions. In order to produce, manufacture and distribute Dole plc's products, Dole plc and its suppliers, use fuels, electricity and various other inputs that result in the release of greenhouse gas emissions. Concerns about the environmental impacts of greenhouse gas emissions and global climate change may result in environmental taxes, charges, regulatory schemes or assessments or penalties, which could restrict or negatively impact Dole plc's operations, as well as those of its suppliers, who would likely pass all or a portion of their costs along to Dole plc. Dole plc may not be able to pass any resulting cost increases along to its customers. Any enactment of laws or passage of regulations regarding greenhouse gas emissions or other climate change laws by the United States, the EU, Canada or any other international jurisdiction where Dole plc conducts business, could materially and adversely affect its business, financial condition and results of operations.

Dole plc is dependent on its relationships with key suppliers to obtain a number of its products.

Dole plc depends on key suppliers to obtain a number of its products with its top ten suppliers accounting for 18% of our total supplies in fiscal year 2020. Termination of Dole plc relationship with its key suppliers could adversely affect Dole plc's business, financial condition and results of operations. Additionally, Dole plc may enter into seasonal purchase agreements committing us to purchase fixed quantities of produce at fixed prices. Dole plc may suffer losses arising from the inability to sell these committed quantities and/ or achieve the committed price. Dole plc also provides grower loans to suppliers with various levels of security and it may suffer losses if these loans are not repaid. Any of these factors could materially and adversely affect Dole plc's business, financial condition and results of operations.

Technological innovation by Dole plc's competitors could make its food products less competitive.

Dole plc's competitors include other fresh fruit and vegetable producers and major food ingredient and consumer-packaged food companies that also engage in the development and sale of food and food ingredients. Many of these companies are engaged in the development of new plant varieties, food ingredients and other food products and frequently introduce new products into the market. Existing products or products under development by Dole plc's competitors could prove to be more effective, more resistant to disease or less costly than Dole plc's products, which could have an adverse effect on the competitiveness of Dole plc's products and adversely affect its business, financial condition and results of operations.

Dole plc's reliance on protection of its intellectual property and proprietary rights.

Dole plc's success depends in part on Dole plc's ability to protect its intellectual property rights. Dole plc relies primarily on patent, copyright, trademark and trade secret laws to protect its proprietary technologies. Dole plc's policy is to protect its technology by, among other things, filing patent applications for technology relating to the development of our business in the United States, the EU and in selected foreign jurisdictions. Dole plc's trademarks and brand names are registered in jurisdictions throughout the world. Dole plc intends to keep these filings current and seek protection for new trademarks to the extent consistent with business needs. Dole plc also relies on trade secrets and proprietary know-how and confidentiality agreements to protect certain of the technologies and processes that it uses. The failure of any patents, trademarks, trade secrets or other intellectual property rights to provide protection to Dole plc's technologies would make it easier for its competitors to offer similar products, which could adversely affect Dole plc's business, financial conditions and results of operations.

Dole plc's operations are influenced by agricultural policies.

Dole plc is affected by governmental agricultural policies such as price supports and acreage set aside programs, and these types of policies may affect its business. The production levels, markets and prices of the grains and other raw products that are used in the Dole plc business are materially affected by government programs that include acreage control and price support programs, including policies of the U.S. Department of Agriculture, the EU's Common Agricultural Policy and similar programs in other jurisdictions. Changes in these and other comparable programs could have an adverse effect on Dole plc's business, financial condition and results of our operations.

Litigation and regulatory enforcement concerning marketing and labelling of food products could adversely affect Dole plc's business and reputation.

The marketing and labelling of any food product in recent years has brought increased risk that consumers will bring class action lawsuits, and that the Federal Trade Commission, or FTC, and/or state attorneys general will bring legal action concerning the truth and accuracy of the marketing and labelling of the product. Examples of causes of action that may be asserted in a consumer class action lawsuit include fraud, unfair trade practices and breach of state consumer protection statutes, such as Proposition 65 in California. FTC and/or state attorneys general may bring legal action that seeks removal of a product from the marketplace and impose fines and penalties. Even when not merited, class claims, action by the FTC or state attorneys general enforcement actions can be expensive to defend and adversely affect Dole plc's reputation with existing and potential customers and consumers and Dole plc's corporate and brand image, which could have a material and adverse effect on its business, financial condition or results of operations. The labelling of Dole plc's products, and their distribution and marketing, is also subject to regulation by governmental authorities in each jurisdiction where our products are marketed, such as, in the EU, under Council Regulation (EC) No 834/2007 on organic production and labelling of organic products and under Directive (EU) 2019/2161 on consumer protection rules, Regulation (EU) No 1169/2011 on the provision of food information to consumers and Regulation (EC) No 1924/2006 on nutrition and health claims made on foods. For example, the USDA requires compliance with certain growing production and certification requirements as a condition to labelling foods with the word "organic" or with the USDA organic seal. A failure to comply with such labelling requirements could result in enforcement proceedings in the relevant jurisdiction that could materially affect our marketing and distribution.

Dole plc is the subject of a number of legal proceedings, investigations and inquiries that could have an adverse effect on its reputation, business, financial condition and results of operations, and could result in additional claims.

Dole Food Company and Total Produce has been or is currently the subject of a number of legal proceedings and civil and criminal investigations and inquiries by governmental agencies, including matters related to DBCP use in the past, product safety and health, product recalls, environmental property damage and personal injury and tax disputes. Total Produce is unable to predict how long such proceedings, investigations and inquiries will continue or the full scope of such investigations, but it is anticipated that Dole plc will continue to incur significant costs in connection with these matters and that these proceedings, investigations and inquiries will result in a substantial distraction of management's time, regardless of the outcome. These proceedings, investigations and inquiries may result in damages, fines, penalties, consent orders or other administrative action against Dole plc and/or certain of its officers, or in changes to Dole plc's business practices, and any such fines or penalties could be greater than currently anticipated. Furthermore, publicity surrounding these proceedings, investigations and inquiries or any enforcement action as a result thereof, even if ultimately resolved favorably for Dole plc could result in additional investigations and legal proceedings. As a result, these proceedings, investigations and inquiries could have an adverse effect on Dole plc's reputation, business, financial condition and results of operations.

Tax matters, including changes in tax rates, disagreements with taxing authorities and imposition of new taxes could impact Dole plc's results of operations and financial condition.

Dole plc and its subsidiaries are subject to taxes in Ireland, the United States and numerous other jurisdictions where Dole plc's subsidiaries are organized. Due to economic and political conditions, tax rates in various jurisdictions may be subject to significant change. Dole plc's future effective tax rate could be affected by changes in our mix of earnings in countries with differing statutory tax rates, changes in valuation of its deferred tax assets and liabilities, or changes in tax laws or their interpretation, including possible U.S. tax reform and contemplated changes in other countries of long-standing tax principles. These and other similar changes, if finalized and adopted, could have a material impact on Dole plc's income tax expense and deferred tax balances.

Dole plc is also subject to regular reviews, examinations and audits by the Internal Revenue Service and other taxing authorities with respect to taxes inside and outside of the United States. Although Dole plc believes its tax estimates are reasonable, if a taxing authority disagrees with the positions Dole plc has taken, it could face additional tax liability, including interest and penalties. There can be no assurance that payment of such additional amounts upon final adjudication of any disputes will not have a material impact on Dole plc's results of business, financial condition and results of operations.

Dole plc also needs to comply with new, evolving or revised tax laws and regulations. The enactment of or increases in tariffs, including value added tax, or other changes in the application of existing taxes, in markets in which Dole plc is currently active, or may be active in the future, or on specific products that Dole plc sells or with which its products compete, may have an adverse effect on Dole plc's business or on its results of operations.

The exit by the United Kingdom from the EU could adversely affect Dole plc.

The United Kingdom formally exited the EU ("**Brexit**") on December 31, 2020, however the future terms of the United Kingdom's relationship with the EU remain uncertain. Such uncertainty was diminished on December 24, 2020, as the United Kingdom and the EU reached agreement in principle on the terms of the EU-U.K. Trade and Cooperation Agreement (the "**EU-U.K. Agreement**"), which became provisionally applicable on January 1, 2021 and covers economic and security co-operation between the two, has a single overarching governance framework, and covers a wide range of topics, including trade in goods and in services. The scope of the EU-U.K. Agreement is narrower than the pre-Brexit trade framework, and the effects of Brexit will depend in part on any further agreements the United Kingdom makes to retain access to the EU or to compensate elsewhere with agreements with other global markets. Accordingly, Brexit could adversely affect United Kingdom and European market conditions, could contribute to instability in some global financial and foreign exchange markets, including continued volatility in the value of the GBP, require the United Kingdom to establish or renegotiate trade relationships with other countries or otherwise adversely affect trading agreements or similar cross-border cooperation arrangements (whether economic, tax, legal, regulatory or otherwise) beyond the date of December 31, 2020.

Given the perishable nature of food products and the inevitable delays incurred as a result of Brexit in transporting food around the EU and into and out of the U.K., food and agricultural products may have a reduced shelf life which could adversely affect Dole plc's business.

The long-term effects of Brexit are still uncertain, including the permanent policy framework to be put in place following the EU-U.K. Agreement. Any change in economic, trade or tariff policy could adversely affect our business, business opportunities, results of operations, financial condition and cash flows.

Dole plc is subject to the FCPA and other anti-corruption laws or trade control laws, as well as other laws governing its operations. If Dole plc fails to comply with these laws, it could be subject to civil or criminal penalties, other remedial measures, and legal expenses, which could adversely affect Dole plc's business, financial condition and results of operations.

Dole plc is subject to anti-corruption laws, including the Foreign Corrupt Practices Act ("**FCPA**"), Irish anti-corruption laws including the Criminal Justice (Corruption Offences) Act 2018, Proceeds of Crime Acts 1996 – 2016, the Criminal Justice (Theft and Fraud Offences) Act 2001 and other anti-corruption laws that apply in countries where Dole plc does business. The FCPA, UK Bribery Act and these other laws generally prohibit Dole plc and intermediaries from bribing, being bribed or making other prohibited payments to government officials or other persons to obtain or retain business or gain some other business advantage. Dole plc operate in a number of jurisdictions, some of which may pose a high risk of potential FCPA violations, and Dole plc participates in joint ventures and relationships with third parties whose actions could potentially subject us to liability under the FCPA or local anti-corruption laws. In addition, Total Produce cannot predict the nature, scope or effect of future regulatory requirements to which Dole plc international operations might be subject or the manner in which existing laws might be administered or interpreted.

Dole plc is subject to anti-trust laws such as EU Competition law. Failure to comply with such regulations could adversely impact Dole plc's reputation, business and results of operations. It could also result in material fines for Dole plc.

Dole plc is also subject to other laws and regulations governing its international operations, including regulations administered by the U.S. Department of Commerce's Bureau of Industry and Security, the U.S. Department of Treasury's Office of Foreign Asset Control, and various non-U.S. government entities, including applicable export control regulations, economic sanctions on countries and persons, customs requirements, currency exchange regulations and transfer pricing regulations, or collectively, Trade Control laws.

There is no assurance that Dole plc will be completely effective in ensuring its compliance with all applicable anticorruption laws, including the FCPA or other legal requirements, including Trade Control laws. If Dole plc is not in compliance with the FCPA and other anti-corruption laws or Trade Control laws, it may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on Dole plc's business financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of the FCPA other anti-corruption laws or Trade Control laws by United States or foreign authorities could also have an adverse impact on Dole plc's reputation, business, financial condition and results of operations.

Risks Related to the Transaction

Optimizing Dole plc's operations may be more difficult, costly or time-consuming than expected and the anticipated benefits and cost savings of the Transaction may not be realized.

Historically, Total Produce and Dole Food Company operated independently. Immediately prior to completion of the IPO, Total Produce expects to complete the Transaction and will begin the process of integrating these companies into Dole plc.

The future success of the Transaction, including the anticipated benefits and cost savings, depends, in part, on Dole plc's ability to optimize its operations. The optimization of Dole plc's operations following the completion of the Transaction will be a complex, costly and time-consuming process and if Dole plc experiences difficulties in this process, the anticipated benefits may not be realized fully or at all, or may take longer to realize than expected, which could have an adverse effect on Dole plc for an undetermined period. In addition, there is no guarantee that once such process has been completed Dole plc will operate in a manner that is more efficient, organized, effective and competitive as a whole than Dole Food Company and Total Produce operated as separate companies prior to the Transaction, that Dole plc will be successful or realize the expected operating efficiencies, cost savings and other benefits currently anticipated from the Transaction.

Specifically, the following issues, among others, must be addressed in combining Total Produce's and Dole Food Company's operations:

- combining the companies' corporate functions;
- managing geographically separated organizations, systems and facilities;
- complying with additional regulatory and other legal, accounting and financial requirements;
- addressing financial and other impacts to our business resulting from fluctuations in currency exchange rates and unit economics across multiple jurisdictions;
- enforcing intellectual property rights internationally;
- general economic and political conditions;
- integrating Total Produce's and Dole Food Company's accounting and finance processes, including different fiscal year end dates and methods of accounting;
- combining Total Produce's and Dole Food Company's businesses in a manner that positions us to achieve the synergies anticipated to result from the Transaction, the failure of which would result in the anticipated benefits of the Transaction not being realized in the time frame currently anticipated or at all;
- maintaining existing agreements with customers, distributors, suppliers and growers and avoiding delays in entering into new agreements with prospective customers, distributors, suppliers and growers;
- determining whether and how to address possible differences in corporate cultures and management philosophies;
- integrating the companies' administrative and information technology infrastructure;
- developing products and technology that allow value to be unlocked in the future;
- evaluating and forecasting the financial impact of the Transaction, including accounting charges; and
- effecting potential actions that may be required in connection with obtaining regulatory approvals.

In addition, at times the attention of certain members of Dole plc's management and resources may be focused on integration of the businesses of Total Produce and Dole Food Company and diverted from day-to-day business operations, which may disrupt Dole plc's ongoing business and the business of the combined company.

Dole plc is also incurring costs related to the optimization of its operations, including facilities and systems consolidation costs and employment-related costs, such as maintaining employee morale and retaining key employees. Dole plc continues to assess the magnitude of these costs, and additional unanticipated costs may be incurred in the optimization of its operations.

The synergies attributable to the Transaction may vary from expectations.

While we do not anticipate fully integrating the divisions of Total Produce and Dole Food Company and, as a result, expect modest organizational synergies between our businesses, we may fail to realize the anticipated benefits and expected operational synergies from the Transaction, which could adversely affect our business, financial condition or results of operations. The success of the Transaction will depend, in significant part, on our ability to successfully manage the business of Total Produce and Dole Food Company, grow the revenue of the combined company and realize the anticipated strategic benefits and expected synergies from the Transaction. The integration process, to the extent the two businesses are to be integrated, could take longer than anticipated and could result in the loss of key employees, the disruption of each company's ongoing businesses, tax costs or inefficiencies, or inconsistencies in standards, controls, information technology systems, procedures and policies, any of which could adversely affect our ability to maintain relationships with customers, employees or other third parties, or our ability to achieve the anticipated benefits of the Transaction and could harm our financial performance.

We believe that the combination of Total Produce and Dole Food Company will benefit from the advantages of supply chain and production synergies. However, the anticipated benefits of the Transaction may not be realized fully or at all or may take longer to realize than expected. Actual operating, production, supply chain, strategic and revenue opportunities, if achieved at all, may be less significant than expected or may take longer to achieve than anticipated. If we are not able to achieve these objectives and realize the anticipated benefits and synergies expected from the Transaction within the anticipated timing or at all, our business, financial condition, results of operations and prospects may be materially adversely affected.

We have incurred significant transaction costs and may incur integration costs in connection with the Transaction.

We have incurred, and expect to continue to incur, significant costs in connection with the Transaction. The substantial majority of these costs will be non-recurring expenses and are reflected in the unaudited pro forma condensed combined financial information included in this Scheme Circular. We may incur additional costs as a result of any integration of the Total Produce and Dole Food Company businesses, and we may not achieve synergies and other benefits sufficient to offset the incremental costs of the Transaction.

The unaudited pro forma consolidated financial statements are presented for illustrative purposes only and Dole plc's actual financial condition and results of operations following completion of the Transaction may differ materially.

The unaudited pro forma consolidated financial statements contained in this Scheme Circular are presented for illustrative purposes only; may not be an accurate indication of what results of operations would have been had the Transaction been completed on the dates assumed; are based on various adjustments, assumptions and preliminary estimates; and may not be an indication of Dole plc's financial condition or results of operations for several reasons. Dole plc's actual financial condition and results of operations following the completion of the integration of the businesses may not be consistent with, or evident from, these unaudited pro forma consolidated financial statements. In addition, the assumptions used in preparing the unaudited pro forma consolidated financial statements may not be realized, and other factors may affect Dole plc's financial condition or results of operations. The pro forma financial information has been derived from the audited historical financial statements of Total Produce and Dole Food Company, and certain adjustments and assumptions have been made regarding Total Produce and Dole Food Company on a pro forma basis. The unaudited pro forma adjustments are based upon available information and certain assumptions that Total Produce believes are reasonable under the circumstances. Actual results may differ materially from the assumptions within the accompanying unaudited pro forma condensed combined financial information.

Any potential decline in Dole plc's financial condition or results of operations may cause significant variations in the unaudited pro forma consolidated financial statements and the price of Ordinary Shares in Dole plc.

Risks Related to the IPO and Ordinary Shares in Dole plc

An active trading market for Ordinary Shares in Dole plc may never develop or be sustained.

Prior to the IPO, there has been no public market for the Ordinary Shares in Dole plc, though Total Produce's securities are currently publicly traded on the Euronext Growth Dublin and AIM London Stock Exchange. Although Total Produce intends to apply to have Ordinary Shares in Dole plc approved for listing on the NYSE, an active trading market for Ordinary Shares in Dole plc may not develop on that exchange or elsewhere or, if developed, that market may not be sustained. Accordingly, if an active trading market for Ordinary Shares in Dole plc does not develop or is not maintained, the liquidity of Ordinary Shares in Dole plc, Total Produce Shareholders' ability to sell Ordinary Shares in Dole plc when desired and the prices that may be obtain for Dole plc's Ordinary Shares will be adversely affected. An inactive trading market may also impair Dole plc's ability to raise capital to continue to fund operations by selling shares and may impair Dole plc's ability to acquire other companies or technologies by using Dole plc shares as consideration.

The market price and trading volume of Ordinary Shares in Dole plc may be volatile, which could result in rapid and substantial losses for Dole plc's shareholders.

Even if an active trading market develops, the market price of Ordinary Shares in Dole plc may be highly volatile and could be subject to wide fluctuations. In addition, the trading volume in Ordinary Shares in Dole plc may fluctuate and cause significant price variations to occur. The initial public offering price of our Ordinary Shares in Dole plc will be determined by negotiation between Dole plc and the representative of the underwriters based on a number of factors and may not be indicative of prices that will prevail in the open market following the completion of the IPO. If the market price of Ordinary Shares in Dole plc declines significantly, you may be unable to resell your shares at or above your purchase price, if at all. The market price of Ordinary Shares in Dole plc may fluctuate or decline significantly in the future. Some of the factors that could negatively affect Dole plc's share price or result in fluctuations in the price or trading volume of Ordinary Shares in Dole plc include:

- variations in Dole plc's quarterly operating results or Dole plc's operating results failing to meet the expectations of securities analysts or investors in a particular period;
- changes in Dole plc's earnings estimates (if provided) or differences between Dole plc's actual financial and operating results and those expected by investors and analysts;
- the contents of published research reports about us or Dole plc's industry or the failure of securities analysts to cover Ordinary Shares in Dole plc after the IPO;
- additions to, or departures of, key management personnel;
- any increased indebtedness Dole plc may incur in the future;
- actions by institutional shareholders;
- litigation and governmental investigations;
- operating and stock performance of other companies that investors deem comparable to Dole plc (and changes in their market valuations) and overall performance of the equity markets;
- speculation or reports by the press or investment community with respect to Dole plc or its industry in general;
- increases in market interest rates that may lead purchasers of Dole plc's shares to demand a higher yield;
- announcements by Dole plc or its competitors of significant contracts, acquisitions, dispositions, strategic relationships, joint ventures or capital commitments;
- volatility or economic downturns in the markets in which Dole plc, its distributors and customers are located caused by pandemics, including the COVID-19 pandemic, and related policies and restrictions undertaken to contain the spread of such pandemics or potential pandemics; and
- general market, political and economic conditions, including any such conditions and local conditions in the markets in which any of Dole plc's customers are located.

These broad market and industry factors may decrease the market price of Ordinary Shares in Dole plc, regardless of Dole plc's actual operating performance. The stock market in general has from time to time experienced extreme price and volume fluctuations, including in recent months. In addition, in the past, following periods of volatility in the overall market and the market price of a company's securities, securities class action litigation has often been instituted against these companies. This litigation, if instituted against Dole plc, could result in substantial costs and a diversion of our management's attention and resources.

Future offerings of debt or equity securities by Dole plc may materially adversely affect the market price of Ordinary Shares in Dole plc.

In the future, Dole plc may attempt to obtain financing or to further increase its capital resources by issuing additional Ordinary Shares or offering debt or other equity securities, including senior or subordinated notes, debt securities convertible into equity or shares of preferred shares. Dole plc may also seek to expand operations in the future to other markets which it would expect to finance through a combination of additional issuances of equity, corporate indebtedness and/or cash from operations.

Issuing additional Ordinary Shares or other equity securities or securities convertible into equity may dilute the economic and voting rights of our existing shareholders or reduce the market price of Ordinary Shares in Dole plc or both. Upon liquidation, holders of such debt securities and preferred shares, if issued, and lenders with respect to other borrowings would receive a distribution of Dole plc's available assets prior to the holders of Ordinary Shares in Dole plc. Debt securities convertible into equity could be subject to adjustments in the conversion ratio pursuant to which certain events may increase the number of equity securities issuable upon conversion. Preferred shares, if issued, could have a preference with respect to liquidating distributions or a preference with respect to dividend payments that could limit Dole plc's ability to pay dividends to the holders of Ordinary Shares in Dole plc. Dole plc's decision to issue securities in any future offering will depend on market conditions and other factors beyond its control, which may adversely affect the amount, timing or nature of Dole plc's future offerings.

Holders of Ordinary Shares in Dole plc bear the risk that its future offerings may reduce the market price of Ordinary Shares in Dole plc and/or dilute their shareholdings in us.

The market price of Ordinary Shares in Dole plc could be negatively affected by sales of substantial amounts of Ordinary Shares in Dole plc in the public markets by the C&C Shareholders and shareholders who receive shares as part of the Share Exchange.

Pursuant to the Registration Rights Agreement, the C&C Shareholders will be entitled to certain registration rights with respect to the resale of their Ordinary Shares. The sale by the C&C Shareholders of a large number of shares after the IPO, or a perception that such sales could occur, could significantly reduce the market price of Ordinary Shares in Dole plc. Dole plc may also find it more difficult to raise additional capital by selling equity securities in the future, at a time and price that we deem appropriate as a result of such sales or perception that such sales could occur.

In addition, the Ordinary Shares sold in the IPO and all of the Ordinary Shares held by the Total Produce Shareholders will be freely transferable, except for any shares held by our "affiliates," as that term is defined in Rule 144 ("Rule 144") under the Securities Act. Dole plc and its directors (and certain connected parties thereof) and the C&C Shareholders will agree with the underwriters that, subject to certain exceptions, for a period of 180 days after the date of the IPO, they will not directly or indirectly offer, pledge, sell, contract to sell, sell any option or contract to purchase or otherwise dispose of any Ordinary Shares or any securities convertible into or exercisable or exchangeable for Ordinary Shares, or in any manner transfer all or a portion of the economic consequences associated with the ownership of Ordinary Shares, or cause a registration statement covering any ordinary shares to be filed, without the prior written consent of Goldman Sachs & Co. LLC.

The market price of Ordinary Shares in Dole plc may decline when the restrictions on resale by the C&C Shareholders lapse. A decline in the price of Ordinary Shares in Dole plc might impede Dole plc's ability to raise capital through the issuance of additional Ordinary Shares or other equity securities.

The future issuance of additional Dole plc Ordinary Shares in connection with its incentive plans or otherwise will dilute all other shareholdings.

After the IPO, Dole plc may issue all authorized but unissued Ordinary Shares without any action or approval by its shareholders, subject to certain exceptions. Dole plc may also issue Ordinary Shares under its incentive plans subject to the limits in these plans. Any Ordinary Shares issued in connection with its incentive plans, the exercise of outstanding share options or otherwise, would dilute the percentage ownership held by Total Produce Shareholders and the other investors who purchase ordinary shares in the IPO.

Investors in the IPO will suffer immediate dilution.

The initial public offering price of Ordinary Shares in Dole plc will be higher than the as adjusted net tangible book value per share issued and outstanding immediately after the IPO. On the IPO, there would therefore be an immediate dilution for Investors in the IPO of the net tangible book value of an Ordinary Share in Dole plc.

If securities or industry analysts do not publish research or reports about Dole plc's business or publish negative reports, its share price could decline.

The trading market for Ordinary Shares in Dole plc will be influenced by the research and reports that industry or securities analysts publish about us or its business. If one of more of these analysts ceases coverage of Dole plc or fails to publish reports on it regularly, Dole plc could lose visibility in the financial markets, which in turn could cause its share price or trading volume to decline. Moreover, if one or more of the analysts who cover Dole plc downgrades Ordinary Shares in Dole plc or if its reporting results do not meet their expectations, Dole plc's share price could decline.

United States investors may have difficulty enforcing judgments against Dole plc, its directors and executive officers.

Dole plc is incorporated under the laws of Ireland, and its registered offices and a substantial portion of its assets are located outside of the United States. As a result, it may not be possible to effect service of process on such persons or Dole plc in the United States or to enforce judgments obtained in courts in the United States against such persons or Dole plc based on civil liability provisions of the securities laws of the United States.

There is no treaty between Ireland and the United States providing for the reciprocal enforcement of judgments obtained in the other jurisdiction and Irish common law rules govern the process by which a U.S. judgment may be enforced in Ireland. The following requirements must be met as a precondition before a U.S. judgment will be eligible for enforcement in Ireland:

- the judgment must be for a definite sum;
- the judgment must be final and conclusive, and the decree must be final and enforceable in the court which pronounces it;
- the judgment must be provided by a court of competent jurisdiction, and the procedural rules of the court giving the foreign judgment must have been observed;
- the U.S. court must have had jurisdiction in relation to the particular defendant according to Irish conflict of law rules; and
- jurisdiction must be obtained by the Irish courts over judgment debtors in enforcement proceedings by service in Ireland or outside Ireland in accordance with the applicable court rules in Ireland.

Even if the above requirements have been met, an Irish court may exercise its right to refuse to enforce the U.S. judgment if the Irish court is satisfied that the judgment (1) was obtained by fraud; (2) is in contravention of Irish public policy; (3) is in breach of natural or constitutional justice; or (4) is irreconcilable with an earlier judgment. By way of example, a judgment of a U.S. court of liabilities predicated upon U.S. federal securities laws may not be enforced by Irish courts on the grounds of public policy if that U.S. judgment includes an award of punitive damages. Further, an Irish court may stay proceedings if concurrent proceedings are being brought elsewhere.

Certain provisions of Irish law and Dole plc's Articles of Association could hinder, delay or prevent a change in control of Dole plc's, which could adversely affect the price of Ordinary Shares in Dole plc.

Certain provisions of Irish law and Dole plc's Articles of Association will contain provisions that could make it more difficult for a third-party to acquire Dole plc without the consent of our board of directors.

Dole plc's Articles of Association will include provisions permitting its board of directors to issue preferred shares from time to time in one or more series and to establish the terms, preferences and rights of any such series of preferred shares, all without approval of its shareholders and allowing its board of directors to adopt a shareholder rights plan upon such terms and conditions as it deems expedient in the interests of the Company.

As an Irish public limited company, Dole plc is subject to provisions of Irish law, which may prevent or impede any attempt to acquire Dole plc including provisions relating to mandatory bids, voluntary bids, requirements to make a cash offer and minimum price requirements, as well as substantial acquisition rules and rules requiring the disclosure of interests in our shares in certain circumstances.

Dole plc's Articles of Association will include provisions classifying its board of directors into three classes of directors with staggered three-year terms. A retiring director will be eligible for reappointment at the annual general meeting at which he or she retires. Dole plc's Articles of Association will also permit the board of directors to fill any vacancies. These factors could have the effect of making the replacement of incumbent directors more time consuming and difficult.

These provisions may make it difficult and expensive for a third party to pursue a tender offer, change in control or takeover attempt that is opposed by Dole plc's management or Dole plc's board of directors. Public shareholders who might desire to participate in these types of transactions may not have an opportunity to do so, even if the transaction is favourable to shareholders. These anti-takeover provisions could substantially impede the ability of public shareholders to benefit from a change in control or change Dole plc's management and board of directors and, as a result, may adversely affect the market price of Ordinary Shares in Dole plc and your ability to realize any potential change of control premium.

Dole plc will incur increased costs as a result of operating as a U.S. public company, and its management will be required to devote substantial time to new compliance initiatives and corporate governance practices. Dole plc may fail to comply with the rules that apply to public companies, including Section 404 of the Sarbanes-Oxley Act, which could result in sanctions or other penalties that would harm Dole plc's business.

As a public company that qualifies as a foreign private issuer, Dole plc will incur significant legal, accounting, and other expenses that Total Produce did not incur prior to the IPO, including costs resulting from public company reporting obligations under the Securities Act, the Exchange Act and regulations regarding corporate governance practices. The Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the rules of the SEC, the listing requirements of the NYSE, and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Dole plc expects that it will need to hire additional accounting, finance, and other personnel in connection with Dole plc's becoming listed on the NYSE, and its efforts to comply with the requirements of being, a public company, and Dole plc's management and other personnel will need to devote a substantial amount of time towards maintaining compliance with these requirements. These requirements will increase Dole plc's legal and financial compliance costs and will make some activities more time-consuming and costly. For example, these reporting requirements, rules and regulations, coupled with the increase in potential litigation exposure associated with being a public company, could also make it more difficult for Dole plc to attract and retain qualified persons to serve on its board of directors or board committees or to serve as executive officers, or to obtain certain types of insurance, including directors' and officers' insurance, on acceptable terms. Dole plc is currently evaluating these rules and regulations and cannot predict or estimate the amount of additional costs it may incur or the timing of such costs. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. Total Produce cannot predict or estimate the amount of additional costs Dole plc may incur as a result of becoming a public company or the timing of such costs. Any changes Dole plc makes to comply with these obligations may not be sufficient to allow us to satisfy its obligations as a public company on a timely basis, or at all.

Pursuant to Sarbanes-Oxley Act Section 404, Dole plc will be required to furnish a report by its management on our internal control over financial reporting beginning with our second filing of an Annual Report on Form 20-F with the SEC after it becomes a public company. In order to maintain effective internal controls, Dole plc will need additional financial personnel, systems and resources. To achieve compliance with Sarbanes-Oxley Act Section 404 within the prescribed period, Dole plc will be engaged in a process to document and evaluate its internal control over financial reporting, which is both costly and challenging. In this regard, Dole plc will need to continue to dedicate internal resources, potentially engage outside consultants, adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented, and implement a continuous reporting and improvement process for internal control over financial reporting. Despite Dole plc's efforts, there is a risk that it will not be able to conclude, within the prescribed timeframe or at all, that Dole plc's internal control over financial reporting is effective as required by Sarbanes-Oxley Act Section 404. If Dole plc identifies one or more material weaknesses, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. To date, Dole plc has not conducted a review of its internal controls for the purpose of providing the reports required by these rules. During the course of Dole plc's review and testing, it has in the past and may in the future, identify deficiencies and be unable to remediate them before Dole plc must provide the required reports.

Furthermore, if Dole plc identifies a material weakness in its internal control over financial reporting in the future, it may not detect errors on a timely basis and its financial statements may be materially misstated. Dole plc or its independent registered public accounting firm may not be able to conclude on an ongoing basis that Dole plc has effective internal control over financial reporting, which could harm our operating results, cause investors to lose confidence in Dole plc's reported financial information and cause the trading price of its shares to fall. In addition, as a public company Dole plc will be required to file accurate and timely quarterly and annual reports with the SEC under the Exchange Act. Any failure to report Dole plc's financial results on an accurate and timely basis could result in sanctions, lawsuits, delisting of Dole plc's shares from the NYSE or other adverse consequences that would materially harm its business and reputation.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected and corrected on a timely basis. We have identified a material weakness in our internal control over financial reporting and we may identify additional material weaknesses in the future.

Historically, as a public company operating in Ireland, we were not required to comply with the internal control requirements of the Sarbanes-Oxley Act. As a U.S. public company, our management will be required to report on the effectiveness of our internal control over financial reporting beginning with our Annual Report on Form 20-F for the year ended December 31, 2022. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation.

In the course of preparing for the Transaction, we and our independent registered public accounting firm identified a deficiency in our internal control over financial reporting for the years ended December 31, 2020, 2019 and 2018 that we concluded represented a material weakness. The material weakness identified related to our internal controls over the manual review of journal entry postings not being designed to an appropriate level of precision and insufficient segregation of duties over the review process. While no misstatement was identified, this material weakness could result in a material misstatement of our annual or interim financial statements that would not be prevented or detected and corrected on a timely basis.

We have initiated the process of remediating the identified material weakness and are taking steps that we believe will address the underlying cause of the identified material weakness. We have engaged financial advisors to assist us in the process. We plan to take various measures to remediate the deficiency, including and not limited to hiring additional finance and accounting personnel with appropriate Sarbanes-Oxley training, and further developing and documenting our accounting policies and financial reporting procedures. These actions that we are taking are subject to ongoing management review, as well as audit committee oversight. Neither we nor our independent registered public accounting firm have performed an assessment or audit, respectively, of our internal control over financial reporting during any period in accordance with the provisions of the Sarbanes-Oxley Act.

Dole plc expects to be a "foreign private issuer" and are permitted to follow certain home country corporate governance practices. As a foreign private issuer, Dole plc may have different disclosure and other requirements than U.S. domestic registrants. While Dole plc intends to adopt the NYSE corporate governance requirements you may not have the same protections afforded to shareholders of companies that are subject to all NYSE corporate governance requirements. Dole plc may lose its foreign private issuer status in the future, which could result in significant additional costs and expenses.

As a foreign private issuer, Dole plc is subject to different disclosure and other requirements than domestic U.S. registrants and non-emerging growth companies. For example, as a foreign private issuer, in the United States, it is not subject to the same disclosure requirements as a domestic U.S. registrant under the Exchange Act, including the requirements to prepare and issue quarterly reports on Form 10-Q or to file current reports on Form 8-K upon the occurrence of specified significant events, the proxy rules applicable to domestic U.S. registrants under Section 14 of the Exchange Act or the insider reporting and short-swing profit rules applicable to domestic U.S. registrants under Section 16 of the Exchange Act. In addition, Dole plc may rely on exemptions from certain U.S. rules which permit Dole plc to follow Irish legal requirements rather than certain of the requirements that are applicable to U.S. domestic registrants.

Dole plc follows Irish laws and regulations that are applicable to Irish companies. However, Irish laws and regulations applicable to Irish companies do not contain provisions directly comparable to the U.S. proxy rules and the U.S. rules relating to the filing of reports on Form 10-Q or 8-K. Furthermore, foreign private issuers are required to file their annual report on Form 20-F within 120 days after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year. Foreign private issuers are also exempt from Regulation Fair Disclosure, aimed at preventing issuers from making selective disclosures of material information. As a result of the above, even though Dole plc is required to file reports on Form 6-K disclosing the limited information which it has made or is required to make public pursuant to Irish law, or is required to distribute to shareholders generally, and that is material to Dole plc, you may not receive information of the same type or amount that is required to be disclosed to shareholders of a U.S. company. In addition, as a "foreign private issuer" whose securities will be listed on the NYSE, the Company is permitted to follow certain home country corporate governance practices in lieu of certain requirements of the NYSE. A "foreign private issuer" must disclose in its annual reports filed with the SEC each requirement of the NYSE with which it does not comply, followed by a description of its applicable home country practice. Dole plc currently intends to follow the corporate governance requirements of the NYSE rather than home country practice. However, Dole plc cannot make any assurances that it will continue to follow such corporate governance requirements in the future, and may therefore, in the future, rely on available exemptions that would allow Dole plc to follow its home country practice. Unlike the requirements of the NYSE, there are currently no mandatory corporate governance requirements in Ireland that would require the Company to: (i) have a majority of the Board of Directors be independent; (ii) establish a nominating/governance committee; or (iii) hold regular executive sessions where only independent directors may be present. As a result of the above, Dole plc shareholders will not have the same protections afforded to shareholders of companies that are subject to all NYSE corporate governance requirements.

Further, loss of Dole plc's foreign private issuer status could result in significant additional cost and expense. The determination of foreign private issuer status is made annually on the last business day of an issuer's most recently completed second fiscal quarter, and, accordingly, the next determination will be made on June 30, 2022. In order to maintain Dole plc's current status as a foreign private issuer, either a majority of its outstanding voting securities must be directly or indirectly held of record by non-residents of the United States, or, if a majority of its outstanding voting securities are directly or indirectly held of record by residents of the United States, a majority of its executive officers or directors may not be United States citizens or residents, more than 50% of its assets cannot be located in the United States and its business must be administered principally outside the United States. If Dole plc loses its foreign private issuer status, it will be required to file with the SEC periodic reports and registration statements on U.S. domestic issuer forms, which are more detailed and extensive than the forms available to a foreign private issuer. Dole plc would also have to mandatorily comply with U.S. federal proxy requirements, and its officers, directors and principal shareholders will become subject to the short-swing profit disclosure and recovery provisions of Section 16 of the Exchange Act. In addition, Dole plc would lose its ability to rely upon exemptions from certain corporate governance requirements under the listing rules of NYSE, as described above. Further, as a U.S. listed public company that is not a foreign private issuer, Dole plc would incur significant additional legal, accounting and other expenses that it would otherwise not incur as a foreign private issuer.

Dole plc intends to pay regular dividends on Ordinary Shares in Dole plc, but its ability to do so may be limited.

Following the closing of the IPO and subject to legally available funds, Dole plc intends to pay quarterly cash dividends on Ordinary Shares in Dole plc, subject to the discretion of its board of directors and its compliance with applicable law, including the Act, and depending on Dole plc's financial condition, earnings, capital requirements, level of indebtedness, statutory and contractual restrictions applicable to the payment of dividends and other considerations that its board of directors deems relevant. Because Dole plc is a holding company and has no direct operations, it expects to pay dividends, if any, only from funds it receives from its subsidiaries, which may further restrict its ability to pay dividends as a result of the laws of their jurisdiction of organization, agreements of its subsidiaries or covenants under any existing and future outstanding indebtedness Dole plc or its subsidiaries incur. Dole plc's ability to pay dividends may also be restricted by the terms of its existing debt agreements, including the Credit Agreement, or any future debt or preferred equity securities.

Dole plc's dividend policy entails certain risks and limitations, particularly with respect to its liquidity. By paying cash dividends rather than investing that cash in Dole plc's business or repaying debt, it risks, among other things, slowing the pace of its growth and having insufficient cash to fund its operations or unanticipated capital expenditures or limiting its ability to incur additional borrowings.

Although Dole plc expects to pay dividends according to its dividend policy, it may not pay dividends according to its policy, or at all, if, among other things, it do not have the cash necessary to pay its intended dividends. The declaration and payment of dividends will be determined at the discretion of Dole plc's board of directors, acting in compliance with applicable law and contractual restrictions.

A transfer of Ordinary Shares in Dole plc, other than by means of the transfer of book-entry interests in the Depository Trust Company ("DTC"), may be subject to Irish stamp duty.

Transfers of Ordinary Shares in Dole plc effected by means of the transfer of book-entry interests in DTC will not be subject to Irish stamp duty. However, if you hold Ordinary Shares in Dole plc directly rather than beneficially through DTC, any transfer of Ordinary Shares in Dole plc could be subject to Irish stamp duty (currently at the rate of 1% of the higher of the price paid or the market value of the shares acquired). In such circumstances, while the payment of Irish stamp duty is primarily a legal obligation of the transferee, when shares are purchased on the NYSE the purchaser will require the stamp duty to be borne by the transferor. The potential for stamp duty could adversely affect the price of Ordinary Shares in Dole plc which are held directly outside of DTC rather than beneficially through DTC.

In certain limited circumstances, dividends Dole plc pays may be subject to Irish dividend withholding tax.

In certain limited circumstances, Irish dividend withholding tax (currently at a rate of 25%) may arise in respect of any dividends paid on Ordinary Shares in Dole plc. A number of exemptions from Irish dividend withholding tax exist such that shareholders resident in the United States and shareholders resident in certain countries may be entitled to exemptions from Irish dividend withholding tax.

Shareholders resident in the United States that hold their Ordinary Shares through DTC will not be subject to Irish dividend withholding tax provided the addresses of the beneficial owners of such Ordinary Shares in the records of the brokers holding such Ordinary Shares are recorded as being in the United States (and such brokers have further transmitted the relevant information to a qualifying intermediary appointed by us). U.S. resident shareholders in Dole plc that hold their Ordinary Shares outside of DTC and shareholders resident in certain other countries (irrespective of whether they hold their ordinary shares through DTC or outside DTC) will not be subject to Irish dividend withholding tax provided the beneficial owners of such Ordinary Shares have furnished completed and valid dividend withholding tax forms or an IRS Form 6166, as appropriate, to Dole plc's transfer agent or their brokers (and such brokers have further transmitted the relevant information to our transfer agent). However, other shareholders may be subject to Irish dividend withholding tax, which could adversely affect the price of Ordinary Shares in Dole plc.

Dividends received by Irish residents and certain other shareholders may be subject to Irish income tax.

Shareholders entitled to an exemption from Irish dividend withholding tax on dividends received from Dole plc will not be subject to Irish income tax in respect of those dividends, unless they have some connection with Ireland other than their shareholding in Dole plc (for example, they are resident in Ireland). Shareholders who are not resident nor ordinarily resident in Ireland but who are not entitled to an exemption from Irish dividend withholding tax will generally have no further liability to Irish income tax on those dividends which suffer Irish dividend withholding tax.

Ordinary Shares received by means of a gift or inheritance could be subject to Irish capital acquisitions tax.

Irish capital acquisitions tax ("**CA**T") could apply to a gift or inheritance of Ordinary Shares in Dole plc, irrespective of the place of residence, ordinary residence or domicile of the parties. This is because Ordinary Shares in Dole plc is regarded as property situated in Ireland. The person who receives the gift or inheritance has primary liability for CAT. Gifts and inheritances passing between spouses are exempt from CAT. Children have a tax-free threshold of €335,000 in respect of taxable gifts or inheritances received from their parents. Certain other tax-free thresholds may also apply.

There can be no assurance that Dole plc will not be a passive foreign investment company for United States federal income tax purposes for any taxable year, which could subject United States investors in Ordinary Shares in Dole plc to significant adverse United States income tax consequences.

A non-U.S. corporation, such as Dole plc, will be classified as a passive foreign investment company ("**PFIC**") for any taxable year if either (i) at least 75% of its gross income for such year consists of certain types of "passive" income, or (ii) at least 50% of the value of its assets (generally determined on the basis of a quarterly average) during such year is attributable to assets that produce passive income or are held for the production of passive income (the "**asset test**"). Based on the current and anticipated value of Dole plc's assets and composition of its income and assets (taking into account the expected cash proceeds from, and Dole plc's anticipated market capitalization following, the IPO), Dole plc does not presently expect to be a PFIC for the current taxable year or the foreseeable future.

However, while Dole plc does not expect to be or become a PFIC, no assurance can be given in this regard because the determination of whether Dole plc is or will become a PFIC for any taxable year is a fact-intensive determination made annually that depends, in part, upon the composition and classification of Dole plc's income and assets. Fluctuations in the market price of Ordinary Shares in Dole plc may cause Dole plc to be or become a PFIC for the current or subsequent taxable years because the value of Dole plc's assets for purposes of the asset test, including the value of our goodwill and other unbooked intangibles, may be determined by reference to the market price of Ordinary Shares in Dole plc from time to time (which may be volatile).

If Dole plc was to be or become a PFIC for any taxable year during which a U.S. investor holds Ordinary Shares in Dole plc, certain adverse U.S. federal income tax consequences could apply to such U.S. investor.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Some of the information contained in this Scheme Circular contains forward-looking statements that relate to Dole plc's plans, objectives, estimates and goals. Statements regarding the Transaction and statements regarding Dole plc's future and projections relating to products, sales, revenues, expenditures, costs and earnings are typical of such statements. Forward-looking statements are based on management's beliefs, assumptions and expectations of Dole plc's future economic performance, considering the information currently available to management. These statements are not statements of historical fact. Forward-looking statements involve risks and uncertainties that may cause Dole plc's actual results, performance or financial condition to differ materially from the expectations of future results, performance or financial condition that is expressed or implied in any forward-looking statements. The words "believe," "may," "could," "will," "should," "would," "anticipate," "estimate," "expect," "intend," "objective," "seek," "strive", "target" or similar words, or the negative of these words, identify forward-looking statements. The inclusion of this forward-looking information should not be regarded as a representation by Total Produce, the underwriters or any other person that the future plans, estimates or expectations contemplated by Dole plc will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions relating to Dole plc's operations, financial results, financial condition, business, prospects, growth strategy and liquidity. Accordingly, there are, or will be, important factors that could cause Dole plc's actual results to differ materially from those indicated in these statements. Total Produce believe that these factors include, but are not limited to:

- the successful integration of the Total Produce and Dole companies following the Transaction and the realization of any anticipated benefits and cost savings resulting therefrom;
- the impact of pandemics, including the COVID-19 pandemic, including demand for Dole plc's products, illness, quarantines, government actions, facility closures, store closures or other restrictions in connection with the COVID-19 pandemic, and the extent and duration thereof, related impact on our ability to meet customer needs and on the ability of third parties on which Dole plc relies, including its franchisees, suppliers, customers, contract manufacturers, distributors, to meet their obligations to Dole plc, the extent that government funding and reimbursement programs in connection with COVID-19 are available to Dole plc, and the ability to successfully implement measures to respond to such impacts;
- the effects of any changes in laws (including the interpretation thereof), regulations, rules, quotas, tariffs, export and import laws on Dole plc's operations;
- weather conditions that affect the production, transportation, storage, import and export of fresh produce or packaged foods;
- adverse weather conditions, natural disasters, crops disease, pests and other natural conditions, which may affect market prices and the demand for Dole plc's products, and its ability to mitigate such risks;
- Dole plc's ability to compete and innovate effectively against its present and future competitors;
- product and raw material supplies and pricing;
- changes in interest and currency exchange rates;
- economic crises or a decline in general economic conditions;
- international conflict;
- information permitted to be filed and corporate governance practices permitted to be followed as a result of being a "foreign private issuer" under the rules and regulations of the SEC;
- the impact of governmental trade restrictions, including adverse governmental regulation that may impact Dole plc's ability to access certain markets, such as uncertainty surrounding Brexit, including spillover effects to other Eurozone countries;
- the adequacy of the insurance Dole plc maintains;
- Dole plc's exposure to product liability claims and associated regulatory and legal actions, product recalls or other legal proceedings relating to its business;
- acts of crime or terrorism, including any potential impact on Dole plc's information systems;
- risks associated with uncertainty stemming from the recent U.S. presidential election;
- Dole plc's failure to hire and retain key personnel and highly skilled employees;

- labour disruptions, strikes or work stoppages;
- loss of important intellectual property rights;
- Dole plc's ability to generate a sufficient amount of cash to service its indebtedness and fund its operations;
- Dole plc's ability to operate its business under agreements governing certain of its indebtedness containing financial covenants and other restrictions;
- the volatility of the trading price of Ordinary Shares in Dole plc;
- sale of a large number of Ordinary Shares, or a perception that such sale may occur, by the C&C Shareholders; and
- additional factors discussed under the Parts 2, 7 and 9 of this Scheme Circular entitled "*Risk Factors*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Description of Certain Indebtedness, Expected Ownership and Implied Valuation*."

All such factors are difficult to predict, contain uncertainties that may materially affect actual results and may be beyond Dole plc's control. New factors emerge from time to time, and it is not possible for Total Produce to predict all such factors or to assess the impact of each such factor on Dole plc. Any forward-looking statement speaks only as of the date on which such statement is made, and Total Produce do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made except as required by applicable laws. In addition, this Scheme Circular contains industry data related to Dole plc's business and the markets in which it operates. This data includes projections that are based on a number of assumptions. If these assumptions turn out to be incorrect, actual results could differ from the projections.

If one or more of these or other risks or uncertainties materialize, or if Total Produce and Dole plc's underlying assumptions prove to be incorrect, Dole plc's actual results may vary materially from what may have expressed or implied by these forward-looking statements. We caution that you should not place undue reliance on any of our forward-looking statements. You should specifically consider the factors identified in this Scheme Circular that could cause actual results to differ before making an investment decision to purchase Ordinary Shares in Dole plc. Furthermore, new risks and uncertainties arise from time to time, and it is impossible for us to predict those events or how they may affect us.

Part 3

EXPLANATORY STATEMENT (IN COMPLIANCE WITH SECTION 452 OF THE ACT)

Scheme of Arrangement
under Chapter 1, Part 9 of the Companies Act 2014
for the adoption of a mandatory share exchange arrangement so that Dole plc can acquire the entire issued share capital of Total Produce plc in exchange for the issue of new shares in Dole plc

1. **Introduction**

On 17 February 2021, the board of Total Produce, Dole Food Company, Inc. ("**Dole Food Company**"), and affiliates of Castle & Cooke, Inc. (the "**C&C Shareholders**"), which own a 55% interest in DFC Holdings, LLC ("**DFC Holdings**") which is the parent company of Dole Food Company (together, the "**Parties**") announced that they had entered into a binding transaction agreement to combine under a newly created, U.S. listed company ("**Dole plc**") by the implementation, upon the terms and subject to the conditions set forth in the Transaction Agreement, of the Share Exchange, the Merger and the IPO, each as defined in the Transaction Agreement and, together the "**Transaction**".

Your attention is drawn to the letter of recommendation from Carl McCann, the Chair of Total Produce, on behalf of the Board, in Part 1 (*Letter from the Chair of Total Produce*) of this Scheme Circular, which sets out the reasons why the Board, who have been so advised by Goldman Sachs, consider the terms of the Transaction to be fair and reasonable and why the Board unanimously recommends that all Total Produce Shareholders vote in favour of the Transaction and all resolutions to be considered at the Scheme Meeting and the EGM, as they intend to do in respect of their own beneficial holdings of, in aggregate, 10,217,305 Total Produce Shares which represent approximately 2.63% of the total issued share capital of Total Produce as of the Latest Practicable Date. In providing their advice to the Board, Goldman Sachs have taken into account the commercial assessments of the Board.

Your attention is also drawn to the other parts of this Scheme Circular, which all form part of this Explanatory Statement.

2. **Scheme of arrangement to adopt a mandatory share exchange arrangement so that Dole plc can acquire the entire issued share capital of Total Produce plc in exchange for the issue of new shares in Dole plc**

The Company is proposing that a mandatory share exchange arrangement be adopted so that Dole plc can acquire the entire issued share capital of Total Produce plc in exchange for the issue of new shares in Dole plc and that this is to be effected by way of a scheme of arrangement between the Company and the Total Produce Shareholders under Part 1 of Chapter 9 of the Act, also referred to as the Scheme. The Scheme is set out in full in Part 4 (*The Scheme of Arrangement*) of this Scheme Circular.

If the Scheme is approved, it will be implemented as part of the completion of the Transaction. This will result in all Total Produce Shares being transferred to Dole plc in accordance with the Scheme and share exchange provision which will have been incorporated into the Total Produce Articles pursuant to an amendment to the Total Produce Articles to be adopted at the EGM. Dole plc will then issue the Consideration Shares to Total Produce Shareholders in consideration for the Share Exchange. As a result of the Scheme, Total Produce will become a wholly owned subsidiary of Dole plc.

The Scheme will require approval by the relevant majority of Total Produce Shareholders at the Scheme Meeting, approval of the EGM Scheme Resolutions at the EGM and the sanction of the High Court at the Court Hearing. The Scheme Meeting and the EGM and the nature of the approvals required to be given at the Meetings are described in more detail in paragraph 3 of this Part 3 (*Explanatory Statement*). Each Total Produce Shareholder is entitled to be represented by counsel or a solicitor (at its own expense) at the Court Hearing to support or oppose the sanctioning of the Scheme.

Assuming the necessary approvals from Total Produce Shareholders have been obtained at the Meetings, the Scheme will become effective upon delivery to the Registrar of Companies of a copy of the Court Order and registration of the Court Order by the Registrar of Companies. If the Scheme becomes effective, it will be binding on all Total Produce Shareholders, irrespective of whether or not they attended or voted at the Scheme Meeting or the EGM (and, if they attended and voted, whether or not they voted in favour).

The Scheme is intended to become effective in advance of the Transaction being completed. Completion of the Transaction is subject to a number of Conditions set out in full in Part 5 (*Conditions and Further Terms of the Scheme and the Transaction*) of this Scheme Circular. The Valuation Floor and Minimum Secondary conditions can be waived by Total Produce and the C&C Shareholders by mutual consent at any time prior to Completion. Shareholders are being asked to approve the Scheme on the basis that the Share Exchange will be implemented notwithstanding any waiver of the Valuation Floor and Minimum Secondary conditions. The Transaction can only become effective if the Conditions have been satisfied or (where permissible) waived by no later than the Outside Date or such later date (if any) as Total Produce and C&C Shareholders may agree and (if required) the High Court may allow.

3. **Consents and Meetings**

The Scheme requires approval by Total Produce Shareholders at the Scheme Meeting to be held at 29 North Anne Street, Dublin 7, D07 PH36, Ireland and remotely by the Virtual Meeting Platform at 11.00 a.m. on 17 June 2021.

In addition to requiring approval at the Scheme Meeting, implementation of the Scheme also requires various approvals by Total Produce Shareholders at the EGM to be held at the same venue as the Scheme Meeting at 11.15 a.m. on 17 June 2021, or, if later, immediately after the conclusion or adjournment of the Scheme Meeting. The EGM is being convened to enable the directors of Total Produce to implement the Scheme and to amend the Total Produce Articles, as described below.

Notices of the Scheme Meeting and the EGM are set out at the end of this Scheme Circular. Entitlement to attend and vote at each meeting and the number of votes which may be cast at each meeting will be determined by reference to the Register of Members of Total Produce at the Voting Record Time.

(a) **Scheme Meeting**

The Scheme Meeting has been convened for 11.00 a.m. on 17 June 2021 to enable Total Produce Shareholders to consider and, if thought fit, approve the Scheme. At the Scheme Meeting, voting will be by poll and not a show of hands and each holder of Total Produce Shares who is present in person or by proxy will be entitled to one vote for each Total Produce Share held. The quorum for the Scheme Meeting shall be at least two persons holding or representing by proxy at least one-third in nominal value of the issued shares in Total Produce. As required by section 449(1) of the Act (as amended by section 1087D of the Withdrawal of the United Kingdom from the European Union (Consequential Provisions) Act 2020) the resolution to approve the Scheme must be approved by a majority representing at least 75 per cent in value of the members present and voting either in person or by proxy at the Scheme Meeting.

It is important that as many votes as possible are cast at the Scheme Meeting so that the High Court may be satisfied that there was at such Scheme Meeting a fair representation of Total Produce Shareholders' opinion. You are therefore encouraged to sign and return the enclosed Form of Proxy as the case may be, for the Scheme Meeting as soon as possible and in any event so as to be received by the Company's Registrars, Computershare Investor Services (Ireland) Limited, at PO Box 13030, Dublin 24, Ireland (if delivered by post) or at 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82, Ireland (if delivered by hand).

(b) **Extraordinary General Meeting**

In addition to the Scheme Meeting, the EGM has been convened for the same date at 11.15 a.m. (or, if later, as soon thereafter as the Scheme Meeting is concluded or adjourned) to consider and, if thought fit, pass five resolutions (which in the case of special resolutions require a vote in favour of not less than 75%, of the votes cast in person or by proxy and in respect of ordinary resolutions require in excess of 50%, of the votes cast in person or by proxy).

(c) **Forms of Proxy**

Total Produce Shareholders are strongly urged to complete and return their Forms of Proxy as soon as possible. Total Produce Shareholders who hold their Total Produce Shares in their own name have been sent a YELLOW Form of Proxy for the Scheme Meeting.

All Total Produce Shareholders who hold their Total Produce Shares in their own name have been sent a WHITE Form of Proxy for the EGM.

(d) **Court Hearing**

Subject to the approval of the Scheme and the EGM Scheme Resolutions, it is expected that the Court Hearing will be held in July 2021 subject to the discretion of the High Court. All Total Produce Shareholders are entitled to attend the Court Hearing in person (subject to any Court directions given restrictions that may exist as a result of Covid-19) or to be represented by counsel or a solicitor at their own expense to support or oppose the sanctioning of the Scheme.

4. **Structure of the Scheme**

It is proposed that, under the Scheme, all Total Produce Shares in issue on the Completion Date will be transferred to Dole plc. As a result of these arrangements, Total Produce will become a wholly owned subsidiary of Dole plc and Total Produce Shareholders will become shareholders in Dole plc.

All Total Produce Shareholders on the Completion Date will receive the Consideration Shares based on the Exchange Ratio.

The Scheme will be implemented if all the Conditions to which the Transaction is subject have been satisfied or (where permissible) waived by no later than the Outside Date or such later date (if any) as Total Produce and the C&C Shareholders may agree and (if required) the High Court may allow. It is expected that the Transaction will be completed in early Q3 2021, subject to the approvals and conditions set out above.

5. **Transaction related agreements**

(a) **Transaction Agreement**

Total Produce entered into a transaction agreement with, amongst other parties, Dole plc, which contains certain assurances in relation to the implementation of the Scheme and other matters related to the Transaction. Further details regarding the Transaction Agreement are set out at paragraph 7 of Part 10 (*Additional Information*) of this Scheme Circular.

(b) **Expense Reimbursement Agreement**

Concurrently with the execution of the Transaction Agreement, Dole plc entered into an expense reimbursement agreement (the "**Expense Reimbursement Agreement**") with the Total Produce Parties, DFC Holdings and the C&C Parties. If Completion occurs, Dole plc will bear the costs of the other parties to the Transaction Agreement and Dole plc, subject to and in accordance with the terms of the Expense Reimbursement Agreement. If Completion does not occur, DFC Holdings will procure that Dole Food Company, Inc. will bear the costs of the parties to the Transaction Agreement, subject to and in accordance with the terms of the Expense Reimbursement Agreement.

6. **Board and Employees**

(a) **Generally**

Upon the Scheme becoming effective, the Total Produce directors shall become Directors of Dole plc alongside three new directors, Tim George, Johan Lindén and Jimmy Tolan.

(b) **Indemnification and Insurance**

Indemnification rights in favour of each of the former and present directors and officers of Total Produce are included in Total Produce Articles.

7. **Total Produce Employee Share Plans**

(a) **Treatment of Total Produce Short Term Incentive Plan**

On Completion, all shares which vested under the Total Produce STIP will be exchanged for shares in Dole plc and will be held by the Trustees of the Total Produce STIP in accordance with the terms of the Total Produce STIP.

(b) **Treatment of shares held in the Total Produce APSS**

On Completion, all shares held by the Total Produce APSS will be exchanged for shares in Dole plc and will be held by the Trustees of the Total Produce APSS in accordance with the terms of the Total Produce APSS.

(c) **Treatment of Total Produce Share Incentive Plan**

On Completion, all shares held by the Total Produce SIP will be exchanged for shares in Dole plc and will be held by the Trustees of the Total Produce SIP in accordance with the terms of the Total Produce SIP.

(d) **Treatment of Total Produce Options**

On completion of the Transaction, Total Produce will become a wholly owned subsidiary of Dole plc. For this reason, the Compensation Committee has resolved to apply Clause 13 of the 2007 Option Scheme in order to require the exercise of all options granted under the 2007 Option Scheme on or before the completion of the Transaction. In addition, the Compensation Committee has resolved that any options granted under the 2007 Option Scheme which have not been exercised prior to completion of the Transaction will be cashed out by the application of a cash settlement facility (the "**Option Cash Settlement Facility**") which will operate as follows:

(i) Total Produce Options with an Exercise Price of €1.55 would be cash settled by a net payment of €0.83 per Total Produce Share;

(ii) Total Produce Options with an Exercise Price of €0.669 would be cash settled by a net payment of €1.51 per Total Produce Share.

The respective cash settlement payments were determined on the basis of customary valuation methodologies.

Total Produce Options can continue to be exercised in accordance with their terms which may be no later than 14 days before the expected Completion Date (the "**Latest Exercise Date**"). All Total Produce Options which are outstanding after the Latest Exercise Date will be cash settled as described above.

The Option Cash Settlement Facility will be paid via the Group's payroll system after deduction of applicable payroll taxes.

If the Transaction does not take place, the Option Cash Settlement Facility will not be applied and option holders will retain their unexercised Total Produce Options.

As the Option Cash Settlement Facility applies to all Total Produce Options and Rory Byrne is deemed to be interested in 250,000 Total Produce Options through his spouse in her capacity as one of the Group's divisional finance directors, it will also be necessary to approve the Option Cash Settlement Facility by an Ordinary Resolution at the EGM for the purpose of section 238 of the Act.

8. **The Total Produce Directors and the effect of the Scheme on their interests**

In considering the recommendation of the Board, you should be aware that certain directors of Total Produce will have interests in the proposed Transaction that may be different from, or in addition to, the interests of Total Produce Shareholders generally. These interests are described in more detail and quantified below. Save as described below, the effect of the Scheme on the interests of the Total Produce Directors does not differ from its effect on the like interests of other persons. The Total Produce Directors were aware of these interests and considered them when it evaluated, negotiated and approved the Transaction Agreement and in making its recommendations to the Total Produce Shareholders.

(a) **Interests of Directors**

(i) The interests of the directors of Total Produce in the share capital of Total Produce are set out in paragraph 3 of Part 10 (*Additional Information*) of this Scheme Circular.

(ii) The equity awards held by the directors of Total Produce will be treated as described in the preceding paragraph 7 captioned "*Total Produce Employee Share Plans*".

(iii) Carl McCann is one of the sons of Mrs. Mary McCann who has indirect control of the corporation which is the majority shareholder of Balkan Investment Unlimited Company. Balkan Investment Unlimited Company and its subsidiaries including Arnsberg Investment Unlimited Company hold 48,908,125 ordinary shares in Total Produce. Mrs. Mary McCann owns 1,000 ordinary shares in Total Produce. These shareholdings represent an aggregate beneficial ownership of 12.57% of Total Produce.

(iv) On Completion, Dole plc will adopt a change in control severance plan for certain of its executive officers (which will include the Executive Directors), which will be effective as of IPO. It is anticipated that the change in control severance plan will provide for severance benefits upon certain terminations of employment in connection with a change in control and also for lesser severance benefits upon certain terminations of employment not in connection with a change in control.

(v) Long-term equity incentive awards can assist Dole plc in recruiting and retaining individuals with ability and initiative by enabling such individuals to participate in the future success of Dole plc and aligning their interests with interests of Dole plc and the interests of the shareholders of Dole plc. Having regard to the generally acknowledged benefit of long-term equity incentive awards Dole plc will adopt the 2021 Omnibus Incentive Compensation Plan, which will be effective upon Completion and will provide for a broad range of award types that may be granted under the terms of the plan. A description of the plan is set out in paragraph 10 of Part 10 (*Additional Information*) of this Scheme Circular.

(vi) Indemnification rights in favour of each of the former and present directors and officers will be included in Dole plc's Articles of Association. Effective on Completion, Dole plc will put in place agreements with each of our directors that provide, in general, that Dole plc and its subsidiaries will indemnify them to the fullest extent permitted by law in connection with their service to Dole plc.

(b) **Changes to the remuneration of Directors on Completion**

Taking into account the additional responsibilities arising from the Transaction and the IPO, the Compensation Committee retained the services in 2021 of FW Cook, an independent executive compensation consulting firm, to review and advise on the Group's post-IPO executive compensation program, including the competitiveness of the Group's executive compensation programs relative to comparable companies. FW Cook provided the Compensation Committee with relevant market data relating to each Executive Director's position at Dole plc.

(i) Following the compensation review by the Compensation Committee and the information gathered by and advice received from FW Cook, the Compensation Committee intends to vary the annual compensation and benefits provided to our

Executive Directors effective upon Completion, as shown in the table below. Annual bonus payments will be determined based on the achievement of certain performance budgetary goals and annual equity awards will be granted under the new Dole plc 2021 Omnibus Incentive Compensation Plan. No increase in Fixed Salary will take place upon the completion of the IPO for any Executive Director.

Name	**Fixed Salary ($)**	**Target Annual Incentive Opportunity (% of Fixed Salary) ($)**	**Annual Target Equity Award (% of Fixed Salary) ($)**
Carl McCann	950,000	(70%)665,000	(100%)950,000
Rory Byrne	900,000	(100%)900,000	(150%)1,350,000
Johan Lindén	800,000	(100%)800,000	(100%)800,000
Frank Davis	600,000	(100%)600,000	(100%)600,000

On a domestic currency basis, the Fixed Salaries in the table above reflect no increase from 2020 Fixed Salaries.

(ii) Following the compensation review by the Compensation Committee and the information gathered by and advice received from FW Cook, the Compensation Committee approved certain awards, which the Compensation Committee of Dole plc will grant under the new Dole plc 2021 Omnibus Incentive Compensation Plan. These grants to our Executive Directors will consist of both stock options and restricted stock units and in the amounts set forth in the table below.

Name	**Restricted Stock Units ($)**	**Ordinary Shares Underlying Options ($)**	**Exercise Price Per Ordinary**	**Grant Date**	**Expiration Date (if applicable)**
Carl McCann	475,000	475,000	IPO price	Completion Date	10 years for Options
Rory Byrne	675,000	675,000	IPO price	Completion Date	10 years for Options
Johan Lindén	400,000	400,000	IPO price	Completion Date	10 years for Options
Frank Davis	300,000	300,000	IPO price	Completion Date	10 years for Options

(iii) Additionally, it is contemplated that one-time awards will be granted to our Executive Directors in connection with the Transactions. These grants will be effective upon the IPO date and may include cash-based awards and shares-based awards. The precise breakdown between cash and share portions will be determined by the Compensation Committee and the Board prior to the IPO date.

(iv) Having taken into account the information gathered from the compensation review and the advice received from FW Cook, we intend to vary the annual compensation and benefits provided to our non-executive directors upon Completion in substitution for their existing compensation as directors of Total Produce. Specifically, it is intended that non-executive director of the Dole plc board of directors will be entitled to receive an annual cash retainer of $85,000 and an annual award of restricted stock units with a grant date value of $85,000. In addition, each committee chair will receive an annual cash retainer of $10,000.

(v) Save as disclosed above the total emoluments receivable by the directors of Total Produce will not be varied automatically as a consequence of the Transaction.

9. **Taxation**

This is a summary of the material Irish and UK tax considerations for Irish Holders (as defined below) and UK Holders (as defined below) respectively in respect of the receipt of Ordinary Shares in Dole plc under the Scheme based on Irish and UK taxation laws and our understanding of the practices of the Revenue Commissioners of Ireland and HM Revenue & Customs currently in force in Ireland and the UK and may be subject to change. It deals with Irish Holders and UK Holders who beneficially own their Total Produce ordinary shares as an investment. The below summary is intended as a general guide and particular rules not discussed below may apply to certain classes of taxpayers holding Total Produce ordinary shares, such as dealers in securities, collective investment schemes, insurance companies, trusts, persons who hold more than 5 per cent of the share capital or voting rights of Total Produce, persons who have acquired Total Produce ordinary shares by reason of their, or another's employment, etc. **Total Produce Shareholders should consult their professional advisers on the tax implications of the Scheme under the laws of their country of residence, citizenship or domicile. If you are in doubt as to your tax position or are subject to tax in a jurisdiction other than Ireland or the UK, you should consult an appropriate professional adviser without delay.**

(a) **Irish Taxation for Total Produce Shareholders**

This summary applies to holders of Total Produce ordinary shares that (a) beneficially own Total Produce Shares; and (i) in the case of individual holders, are resident, ordinarily resident and domiciled in Ireland for the purposes of Irish tax law; or (ii) in the case of holders that are companies, are resident in Ireland for the purposes of Irish tax law; and (b) are not considered resident in any country other than Ireland for the purposes of any double taxation agreement entered into by Ireland ("**Irish Holders**").

(i) **Taxation of Chargeable Gains**

For the purposes of Irish taxation of capital gains and corporation tax on chargeable gains (as appropriate) ("**Irish CGT**"):

(A) the receipt of Ordinary Shares in Dole plc in exchange for Total Produce ordinary shares pursuant to the Scheme should not be treated as a disposal of Total Produce ordinary shares but instead the Ordinary Shares in Dole plc should be treated as the same asset, acquired at the same time and for the same consideration, as the holding of Total Produce ordinary shares held by that Irish Holder immediately prior to the Scheme;

(B) the sale, on behalf of relevant Irish Holders, of fractional entitlements may constitute a part disposal for CGT purposes and a liability to CGT may arise. However, where the relevant amount involved is small and the Irish Holder agrees, the amount of any payment received by the Irish Holder may be deducted from the base cost of the Ordinary Shares in Dole plc received pursuant to the Scheme; and

(C) a subsequent disposal of Ordinary Shares in Dole plc may, depending on an Irish Holder's circumstances (including the availability of exemptions and reliefs) give rise to a chargeable gain or allowable loss.

(ii) **Stamp duty**

No Irish stamp duty should be payable by Total Produce Shareholders on the exchange of the Total Produce ordinary shares or the issue of the Ordinary Shares in Dole plc.

After the IPO, transfers of Ordinary Shares in Dole plc effected by means of the transfer of book-entry interests in DTC will not be subject to Irish stamp duty. However, if you hold Ordinary Shares in Dole plc directly rather than beneficially through DTC, any transfer of such Ordinary Shares in Dole plc could be subject to Irish stamp duty (currently at the rate of 1% of the higher of the price paid or the market value of the shares acquired). Payment of Irish stamp duty is generally a legal obligation of the transferee. The potential for stamp duty could adversely affect the price of Ordinary Shares in Dole plc which are held directly rather than beneficially through DTC.

(b) **UK Taxation for Total Produce Shareholders**

This summary applies to holders of Total Produce ordinary shares that (a) beneficially own Total Produce Shares; and (i) in the case of individual holders, are resident and domiciled in the UK for the purposes of UK tax law; or (ii) in the case of holders that are companies, are resident in UK for the purposes of UK tax law; and (b) are not considered resident in any country other than the UK for the purposes of any double taxation agreement entered into by the UK ("**UK Holders**").

(i) **Taxation of Income**

The Scheme should not be treated as involving a distribution subject to UK tax as income.

(ii) **Taxation of Chargeable Gains**

The Scheme should be treated as a scheme of reconstruction for the purposes of UK taxation of chargeable gains. Accordingly, a UK Holder owning 5 per cent or less of the issued share capital of Total Produce who receives Ordinary Shares in Dole plc pursuant to the Scheme should be treated as not having made a disposal of Total Produce Shares. Instead, "roll over" treatment should apply, which means that the Ordinary Shares in Dole plc should be treated as the same asset as the Total Produce Shares in respect of which they are issued and treated as acquired at the same time as those Total Produce Shares, and for the same acquisition cost.

A subsequent disposal of Ordinary Shares in Dole plc may, depending on the UK Holder's circumstances, give rise to a liability to UK taxation of chargeable gains.

The sale, on behalf of relevant UK Holders, of fractional entitlements may constitute a part disposal for purposes of UK taxation of chargeable gains and a liability to Capital Gains Tax or corporation tax on chargeable gains may arise. However, where the relevant amount is small as compared with the value of the Ordinary Shares in Dole plc held by the UK Holder, the amount of any payment received by the UK Holder should be deducted from the base cost of the Ordinary Shares in Dole plc received pursuant to the Scheme.

(iii) **Transactions in Securities**

Although no application for clearance has been made to HM Revenue & Customs under section 701 of the Income Tax Act 2007 in respect of the Scheme, UK Holders should not be subject to a counteracting tax assessment under the transactions in securities rules in sections 682 *et seq*. of the Income Tax Act 2007 by reference to the Scheme.

(iv) **Stamp Duty and Stamp Duty Reserve Tax ("SDRT")**

No UK stamp duty or SDRT should be payable by UK Holders on the issue of the Ordinary Shares in Dole plc or the cancellation of the Total Produce Shares.

Any holder of Total Produce Shares who has any doubt about his own taxation position or who is subject to taxation in any jurisdiction other than Ireland or the UK is strongly recommended to consult his or her independent professional adviser immediately.

10. Cancellation of Listings and last day of dealings

As part of the implementation of the Scheme and the Transaction an application will made to the Euronext Dublin and the London Stock Exchange to cancel the admission of the Total Produce Shares to trading on Euronext Growth and AIM respectively. The last day of dealings in Total Produce Shares on Euronext Growth and AIM is currently expected to be the earlier of two days prior to the Completion Date or the last trading day immediately prior to the Completion Date.

Following the Completion Date, it is intended that Total Produce will be re-registered as a private company limited by shares. No transfers of Total Produce Shares (other than transfers to Dole plc) will be registered after the Completion Date. At the Completion Date, any share certificates in respect of Total Produce Shares will cease to be of value and should, if so requested by Total Produce or its agents, be sent to Total Produce for cancellation.

11. Certain Effects of the Scheme

If the Scheme becomes effective, Total Produce will become a wholly-owned subsidiary of Dole plc and, as such, Total Produce Shareholders will not have an opportunity to continue their direct equity interest in Total Produce as an ongoing company.

12. Overseas shareholders

As regards persons resident in, or citizens of, jurisdictions outside Ireland or the United Kingdom ("**overseas shareholders**"), the Transaction may be affected by the laws of the relevant jurisdictions. Such overseas shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of overseas shareholders to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

This recommended Transaction by way of a scheme of arrangement under the Act is being proposed for securities of an Irish company, and non-Irish investors should be aware that this Scheme Circular has been prepared for the purposes of complying with Irish law and the Euronext Growth Rules and the AIM Rules (to the extent applicable) and the information disclosed as well as the format and style of this Scheme Circular, may be different from that which would have been the case if this Scheme Circular had been prepared in accordance with the laws of the jurisdictions outside Ireland. In particular, this Scheme Circular contains information concerning the transaction required by Irish disclosure requirements which may be material and which have not been summarised elsewhere in this Scheme Circular.

Overseas shareholders are advised to consult their own tax advisers with respect to the application of taxation laws to their particular circumstances in relation to the Transaction.

13. Action to be taken

It is important that as many votes as possible are cast at the Scheme Meeting so that the High Court may be satisfied that there was at such Scheme Meeting a fair representation of Total Produce Shareholders' opinion. You are therefore encouraged to sign and return the enclosed Forms of Proxy as soon as possible and in any event so as to be received by the Company's Registrars, Computershare Investor Services (Ireland) Limited, at PO Box 13030, Dublin 24, Ireland (if delivered by post) or at 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82, Ireland (if delivered by hand) no later than 11.00 a.m. and 11.15 a.m., respectively, on 15 June 2021.

If you hold your Total Produce Shares in your own name, the completion and return of a Form of Proxy either for the relevant Scheme Meeting or for the EGM will not prevent you from accessing and voting at either meeting (or any adjournment thereof) remotely if you wish to do so. If you wish to amend or revoke your Forms of Proxy after you have returned them to the Company's Registrars, you should contact the Company's Registrars at the address given above.

As set out in the opening pages of this Scheme Circular and in Part 12 (*Notice of Scheme Meeting*) and Part 13 (*Notice of Extraordinary General Meeting of Total Produce plc*), Total Produce Shareholders and other attendees may be restricted by the prevailing COVID-19 restrictions from attending the Scheme Meeting and the EGM in person, but can remotely attend, speak, ask questions and vote at the Scheme Meeting or the EGM via the Virtual Meeting Platform and related teleconference facility, as described in the opening pages of this Scheme Circular and the Virtual Meeting Guide.

If you are a holder of Total Produce Options, unless you hold other Total Produce Shares in your own name, you will not be entitled to attend any of the Meetings.

14. Voting electronically

If you are a certificated shareholder you may submit your Forms of Proxy via the internet by accessing the Company's Registrars' website www.eproxyappointment.com. To appoint a proxy on this website shareholders need to enter a Control Number, a Shareholder Reference Number (SRN), and PIN and agree to the terms and conditions specified by the Company's Registrar. The Control Number, the Shareholder Reference Number (SRN) and PIN can be found on the top of the Form of Proxy.

If you are a CDI Holder, you will be required to make use of the EUI proxy voting service facilitated by Broadridge Global Proxy Voting service. To participate in this proxy voting service, you will need to complete the Meetings and Voting Client Set-up Form (CRT408). Once CDI Holders have access to the Broadridge platform, they can complete and submit proxy appointments (including voting instructions) electronically. Broadridge will process and deliver proxy voting instructions received from CDI Holders by the Broadridge voting deadline date to Euroclear Bank, by their cut-off and to agreed market requirements.

Shareholders who hold their interests in the Company's ordinary shares through a participant account in the Euroclear System can submit proxy appointments (including voting instructions) electronically in the manner described in the document issued by Euroclear Bank in February 2021 and entitled "Euroclear Bank as issuer CSD for Irish corporate securities".

If you have any queries regarding electronic voting, please contact the Company's Registrars, Computershare Investor Services (Ireland) Limited, on +353 1 447 5527 between 9.00 a.m. and 5.00 p.m. Monday to Friday (other than bank holidays in Ireland). For legal reasons, the Company's Registrars will not be able to provide advice on the merits of the Transaction itself or give legal, financial or tax advice.

15. **Further information**

Your attention is drawn to the Conditions and Further Terms of the Scheme and the Transaction set out in Part 5 (*Conditions to and further terms of the Scheme and the Transaction*) of this Scheme Circular all of which form part of this Scheme Circular.

Part 4

THE SCHEME OF ARRANGEMENT

THE HIGH COURT

IN THE MATTER OF TOTAL PRODUCE PLC AND IN THE MATTER OF THE COMPANIES ACT 2014

SCHEME OF ARRANGEMENT (UNDER CHAPTER 1, PART 9 OF THE COMPANIES ACT 2014)

BETWEEN TOTAL PRODUCE PLC AND

THE HOLDERS OF THE TOTAL PRODUCE SHARES (AS HEREINAFTER DEFINED)

PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

"**Act**"	the Companies Act 2014, as amended;
"**AIM**"	the Alternative Investment Market of the London Stock Exchange plc;
"**AIM Rules**"	the AIM Rules published by the London Stock Exchange plc as in force from time to time;
"**Amended Constitution**"	the Constitution of Total Produce plc as amended at the EGM;
"**Ancillary Agreements**"	the Registration Rights Agreement, the Expense Reimbursement Agreement, the Trademark License Extension and all other agreements, certificates and instruments executed and delivered in connection with the transactions contemplated by the Transaction Agreement;
"**Belgian Law Rights**"	the rights governed by Belgian Law that EB Participants have in respect of securities held in the Euroclear System;
"**Board**"	the board of directors of Total Produce;
"**Business Day**"	any day, other than a Saturday, Sunday or public holiday in Dublin, London or New York;
"**Company's Registrars**"	Computershare Investor Services (Ireland) Limited;
"**Completion**"	completion of the Share Exchange, effectiveness of the Merger and completion of the IPO;
"**Completion Date**"	the date on which Completion take place;
"**Conditions**"	the conditions to the Scheme and the Transaction set out in Part 5 (*Conditions to and further terms of the Scheme and the Transaction*) of the Scheme Circular, and "**Condition**" means any one of the Conditions;
"**Consideration Shares**"	the Ordinary Shares in Dole plc to be issued as part of the Share Exchange in accordance with the Exchange Ratio;
"**Court Order**"	the order or orders of the High Court sanctioning the Scheme under Chapter 1, Part 9 of the Act;

"**CREST**"	the relevant system (as defined in the CREST Regulations) in respect of which EUI is the Operator (as defined in the CREST Regulations);
"**CREST Regulations**"	the UK Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time;
"**Delistings**"	the cancellation of the listings of the Company's shares on Euronext Growth and AIM;
"**Dole plc**"	Dole plc, a public limited liability company incorporated in Ireland with registered number 606201, having its registered office at 29 North Anne Street, Dublin 7, Dublin, D07 PH36, Ireland;
"**Dole plc's Articles of Association**"	the articles of association of Dole plc as in effect at the completion of the Transaction;
"**DTC**"	The Depositary Trust Company;
"**DTC Rules**"	the rules and procedures of DTC, including, but not limited to, the Rules, By-Laws and Organization Certificate of DTC and the DTC Settlement Service Guide (as amended from time to time);
"**EB Operating Procedures"**	the Operating Procedures of the Euroclear System as published and amended by Euroclear Bank SA/NV from time to time;
"**EB Participants**"	participants in Euroclear Bank, each of which has entered into an agreement to participate in the Euroclear System subject to the Euroclear Terms and Conditions;
"**EUI**"	Euroclear UK & Ireland, Limited;
"**euro**" **or** "**€**"	the currency unit of participating member states of the European Union as defined in Recital (2) of Council Regulation 974/98/EC on the introduction of the euro;
"**Euroclear System**"	the securities settlement system operated by Euroclear Bank and governed by Belgian law;
"**Exchange Ratio**"	one share in Dole plc for every seven Total Produce Shares or such other ratio as the Board of Total Produce may resolve to apply for the purpose of effecting the Share Exchange;
"**Extraordinary General Meeting**" or "**EGM**"	the extraordinary general meeting of the Total Produce Shareholders (and any adjournment thereof) to be convened in connection with the Scheme, expected to be held as soon as the preceding Scheme Meeting shall have been concluded or adjourned (it being understood that if the Scheme Meeting is adjourned, the EGM shall be correspondingly adjourned);
"**Forms of Proxy**"	the YELLOW form of proxy for the Scheme Meeting and the WHITE form of proxy for the EGM, as the context may require;
"**Governmental Body**"	any Irish, UK or other foreign national or supranational, federal, state, local or other governmental or regulatory authority, agency, commission, board, body, bureau, arbitrator, arbitration panel, or other authority in any jurisdiction, including courts and other judicial bodies, or any competition, antitrust, foreign investment review or supervisory body, central bank or other governmental, trade or regulatory agency or body, securities exchange, stock exchange or any self-regulatory body or authority, including any instrumentality or entity designed to act for or on behalf of the foregoing, in each case, in any jurisdiction

	(provided it has jurisdiction over the applicable person or its activities or property) and including any Tax Authority;
"**High Court**" or "**Court**"	the High Court of Ireland;
"**Holder**"	in relation to any Total Produce Share, the Member whose name is entered in the Register of Members as the holder of the share, and "Joint Holders" shall mean the Members whose names are entered in the Register of Members as the joint holders of the share, and includes any person(s) entitled by transmission;
"**IPO**"	the initial public offering to be undertaken by Dole plc in accordance with the Transaction Agreement;
"**IPO Registration Statement**"	a registration statement on Form F-1 (or such other form as the Steering Committee may deem appropriate) with respect to the offer and sale of Ordinary Shares in Dole plc in respect of the IPO;
"**Latest Practicable Date**"	16 May 2021, being the latest practicable date prior to printing and publication of this Scheme Circular;
"**Law**"	any applicable national, federal, state, local, municipal, foreign, supranational or other law, statute, constitution, principle of common law, resolution, ordinance, code, agency requirement, licence, permit, edict, binding directive, decree, rule, regulation, judgment, order, injunction, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body;
"**Members**"	members of Total Produce on its Register of Members at any relevant date (and each a "**Member**");
"**Merger**"	has the same meaning as defined in the Transaction Agreement;
"**Option Cash Settlement Facility**"	has the same meaning as in Section 8 (*Total Produce Share* Options) of Part 1 (*Letter from the Chair of Total Produce*) of the Scheme Circular;
"**Ordinary Shares in Dole plc**"	the ordinary shares with a nominal value of US$0.01 each in the capital of Dole plc;
"**Outside Date**"	15 November 2021 or such later date as the C&C Shareholders and Total Produce may agree and, if applicable, the High Court may allow;
"**Receiving Agent**"	such agent as the Company may appoint from time to time with responsibility for assisting the Company in (inter alia) the calculation of the Consideration Shares and liaison with the Transfer Agent for the settlement of the Share Exchange and the Merger;
"**Register of Members**"	the register of members maintained by Total Produce pursuant to the Act;
"**Registrar of Companies**"	the Registrar of Companies in Dublin, Ireland as defined in Section 2 of the Act;
"**Restricted Jurisdiction**"	any jurisdiction in relation to which Total Produce is advised that the release, publication or distribution of the Scheme Circular or the related Forms of Proxy or the issue of the Consideration Shares, would or might infringe the laws of that jurisdiction or would or might require compliance with any governmental or other consent or any registration,

filing or other formality that Total Produce is unable to comply with or regards as unduly onerous to comply with;

"**Restricted Overseas Shareholder**"	any Total Produce Shareholder (including an individual, partnership, unincorporated syndicate, limited liability company, unincorporated organization, trust, trustee, executor, administrator or other legal representative) in, or resident in, or any Total Produce Shareholder whom Total Produce believes to be in, or resident in, a Restricted Jurisdiction;
"**Scheme**" or "**Scheme of Arrangement**"	this proposed scheme of arrangement under Chapter 1 of Part 9 of the Act to effect the acquisition of all Total Produce Shares under the terms of the Transaction Agreement, on the terms (including the Conditions) and for the issue of the Consideration Shares set out in the Announcement and the Scheme Circular and on such other terms as the Parties mutually agree in writing, including any revision of the scheme of arrangement as may be so agreed between the Parties and, if required, by the High Court;
"**Scheme Circular**"	the document dated 19 May 2021 sent by Total Produce to Total Produce Shareholders (and for information only, to the holders of Total Produce Options) of which this Scheme forms part;
"**Scheme Meeting**"	the meeting of Total Produce Shareholders convened by order of the High Court pursuant to Chapter 1, Part 9 of the Act to consider and, if thought fit, approve the Scheme, including any adjournment thereof;
"**Scheme Meeting Resolution**"	the resolution to be considered and voted on at the Scheme Meeting proposing the Scheme, with or without amendment (but subject to such amendment being acceptable to each of Total Produce and Dole plc, except for a technical or procedural amendment which is required for the proper implementation of the Scheme and does not have a substantive consequence on the implementation of the Scheme);
"**SEC**"	the U.S. Securities and Exchange Commission;
"**Security Entitlement**"	has the same meaning as in the DTC Rules;
"**Scheme Shareholder**"	a Holder of Total Produce Shares immediately prior to the Completion Date;
"**Share Exchange**"	the acquisition by Dole plc of 100% of the issued share capital of Total Produce in exchange for issuing shares in itself to the Total Produce Shareholders such that immediately after the Merger and immediately prior to the IPO the Total Produce Shareholders will be holders of 82.5% of Dole plc's share capital (rounded to the nearest whole share) on a fully diluted basis;
"**subsidiary**" or "**subsidiaries**"	has the same meaning as in Section 7 of the Act;
"**Trademark License Extension**"	a seventh amendment to the trademark license agreement, dated as of 7 December 1995, by and between Dole and Castle (as amended from time to time, the "Trademark License Agreement"), pursuant to which Dole and Castle will agree to extend the term of the Trademark License Agreement until the 15-year anniversary of the date of Completion (unless sooner terminated in accordance with its terms);
"**Transfer Agent**"	Computershare Trust Company N.A. as appointed by Dole plc to maintain the register of Ordinary Shares in Dole plc;

"**Tax Authority**"	any Governmental Body responsible for the assessment, collection or enforcement of laws relating to taxes or for making any decision or ruling on any matter relating to tax;
"**Total Produce**" or the "**Company**"	Total Produce plc, a company incorporated in Ireland with registered number 427687 and having its registered address at 29 North Anne Street, Dublin 7, D07 PH36, Ireland;
"**Total Produce APSS**"	the Total Produce Employee Profit Sharing Scheme constituted by a trust deed dated 2 October 2007 and entered into by the Company and Computershare Trustees (Ireland) Limited;
"**Total Produce Employees' Share Trust**"	the trust constituted by the trust deed dated 5 December 2007 and entered into by the Company and Lloyds TSB Offshore Trust Company Limited;
"**Total Produce Option Holders**"	the holders of Total Produce Options;
"**Total Produce Option**"	any subsisting options granted under the 2007 Total Produce Share Option Plan;
"**Total Produce Shareholders**"	the holders of Total Produce Shares;
"**Total Produce Share Plans**"	the Total Produce APSS, the Total Produce STIP and the Total Produce SIP;
"**Total Produce SIP**"	the Total Produce Share Incentive Plan constituted by a trust deed dated 15 February 2008 and entered into by the Company and Computershare Trustees Limited;
"**Total Produce Shares**"	the ordinary shares of €0.01 each in the capital of Total Produce;
"**Transaction Agreement**"	the transaction agreement entered into on 16 February 2021 Agreement and as amended on 23 April 2021 (and from time to time thereafter) between Total Produce, TP USA, TP-Dole Merger Sub, LLC, Dole plc, DFC Holdings and the C&C Parties in relation to the implementation of the Scheme and the Transaction; and
"**Transaction**"	the implementation of the Share Exchange, the Merger and the IPO, each as defined in the Transaction Agreement.

(A) The authorised share capital of Total Produce at the date of this Scheme is €10,000,000 divided into 1,000,000,000 ordinary shares of €0.01 each. As of the Latest Practicable Date, 388,999,681 Total Produce Shares in the share capital of Total Produce have been issued and are credited as fully paid and the remainder are unissued.

(B) Dole plc was incorporated and registered in Ireland on 16 June 2017 under the Companies Act 2014 as a private company limited by shares under the name "Pearmill Limited" with registered number 606201. Its name changed to Dole Limited pursuant to a special resolution passed on 2 April 2021 and it was re-registered as a public company on 26 April 2021. Pursuant to Dole plc's Articles of Association the authorised share capital of Dole plc will be US$3,300,000 divided into 300,000,000 Ordinary Shares with a nominal value of US$0.01 each and 300,000,000 Preferred Shares with a nominal value of US$0.001 each and €25,000 divided into 25,000 euro shares with a nominal value of €1.00 each. As of the date of this Scheme Circular, the issued share capital of Dole plc consists of 25,000 euro shares of €1.00 each.

(C) The purpose of the Scheme is to provide for the adoption of a mandatory share exchange arrangement so that Dole plc can acquire the entire issued share capital of Total Produce plc in exchange for the issue of new shares in Dole plc to Total Produce Shareholders.

(D) As a party to the Transaction Agreement, Dole plc has undertaken to be bound by this Scheme and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

THE SCHEME

Before Dole plc can undertake the Merger and the IPO, it must first become the holder of the entire issued share capital of Total Produce. This will be made possible by the approval and adoption of the following arrangements between Total Produce, Total Produce Shareholders and Dole plc:

1. **Mandatory share exchange arrangement so that Dole plc can acquire the entire issued share capital of Total Produce in exchange for the issue of new shares in Dole plc**

(a) All of the Total Produce Shares (including the legal and beneficial interest therein) shall in accordance with the terms of the Transaction Agreement and the Amended Constitution be transferred to Dole plc fully paid up and free from all options, liens, charges, encumbrances and other rights of pre-emption and any other third party rights and interests and together with all rights at the Completion Date or thereafter attached thereto, including voting rights and the right to receive and retain all dividends and other distributions (if any) and any return of capital (whether by reduction of share capital or share premium account or otherwise) announced, declared, made or paid in respect of all Total Produce Shares by reference to a record date on or after the Completion Date.

(b) For such purposes, all Total Produce Shares shall be transferred to Dole plc and such transfer shall be effected by means of a form of transfer or other instrument or instruction of transfer and to give effect to such transfer(s) any person may be appointed by the Board as attorney and/or agent and/or otherwise and shall be authorised as such attorney and/or agent and/or otherwise to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer (whether as a deed or otherwise) of, or give any instruction to transfer or procure the transfer of such Total Produce Shares and every form, instrument or instruction of transfer so executed shall be as effective as if it had been executed or given by the holder or holders of all Total Produce Shares thereby transferred.

(c) The Company be and is hereby authorised and instructed to:

(i) take any and all actions which the Board (or a committee thereof), in their absolute discretion, consider necessary or desirable to implement the Share Exchange and/or the matters in connection with the Share Exchange referred to in the Scheme Circular (including the procedures and processes described in the EB Operating Procedures and the DTC Rules);

(ii) appoint any persons as attorney or agent for the holders of all Total Produce Shares to do any and all things, including the execution and delivery of all such documents and/or instructions as may, in the opinion of the attorney or agent, be necessary or desirable to implement the Share Exchange and/or the matters in connection with the Share Exchange referred to in the Scheme Circular (including the procedures and processes described in the EB Operating Procedures (as amended from time to time));

(iii) instruct Euroclear Bank and/or Euroclear Nominees to effect the transfer to Dole plc of the Total Produce Shares registered in the name of Euroclear Nominees and cancel the Belgian Law Rights representing such Total Produce Shares;

(iv) instruct the Company’s Registrars to effect the transfer to Dole plc of all Total Produce Shares;

(v) take any action necessary or desirable to enable the issuance of Ordinary Shares in Dole plc to (i) holders of Total Produce Shares in certificated form by book entry registration in the records of Dole plc and (ii) Cede & Co., as the nominee for DTC, for the subsequent creation by the DTC of Security Entitlements in respect of certain Ordinary Shares in Dole plc in favour of the relevant holders of Total Produce Shares on the Completion Date, including any action deemed necessary or desirable in order to deliver such Security Entitlements to Euroclear Bank, EUI and/or any other relevant entity pursuant to the terms of the DTC Rules or otherwise; and

(vi) authorise the release by the Company's Registrars, the Secretary of the Company, Euroclear Bank and/or EUI of such personal data of a holder of Total Produce Shares to the extent required to effect the Share Exchange and to create the relevant (i) book entries in the records Dole plc and (ii) Security Entitlements in respect of shares in Dole plc in favour of the relevant holders of Total Produce Shares on the Completion Date.

2. **Consideration for the mandatory share exchange so that Dole plc can acquire the entire issued share capital of Total Produce in exchange for the issue of new shares in Dole plc**

(a) In consideration for the transfer of all Total Produce Shares pursuant to Clause 1 of this Scheme, Dole plc will issue and allot one Ordinary Share in Dole plc (or such other number of Ordinary Shares in Dole plc as shall have been selected by the Total Produce Board) for every seven Total Produce Shares transferred to Dole plc to (i) holders of Total Produce Shares in registered form (represented by share certificate(s)) by book entries in the records of Dole plc or (ii) Cede & Co, as nominee for DTC, for inclusion in the centralized depositary and clearing system of DTC, and ultimately, directly or indirectly, on behalf of and for the benefit of the Total Produce Shareholders on the Completion Date, as appropriate.

(b) On the Completion Date, the Consideration Shares shall be allotted and issued credited as fully paid and free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever.

(c) Dole plc be and is hereby authorised and instructed to:

(i) take any and all actions which the Board of Total Produce (or a committee thereof), in their absolute discretion, consider necessary or desirable to implement the Share Exchange and/or the matters in connection with the Share Exchange referred to in the Scheme Circular (including the procedures and processes described in the DTC Rules (as amended from time to time));

(ii) take any action necessary or desirable to enable DTC to hold the interests in the relevant Ordinary Shares in Dole plc referred to in sub-paragraph (i) above on trust pursuant to the terms of the DTC Rules or otherwise and for the benefit of the holders of all Total Produce Shares on the Completion Date;

(iii) take any action necessary or desirable to enable the issuance of Security Entitlements by the DTC to the relevant holders of all Total Produce Shares, including any action deemed necessary or desirable in order to deliver such Security Entitlements to Euroclear Bank, EUI and/or any other relevant entity on behalf of the relevant holders of all Total Produce Shares on the Completion Date pursuant to the terms of the DTC Rules or otherwise; and

(iv) authorise the release by the Company's Registrars, the Secretary of the Company, Euroclear Bank and/or EUI of such personal data of a holder of Total Produce Shares to the extent required to effect the Share Exchange and create the relevant (i) book entries in the records of Dole plc and (ii) Security Entitlements.

3. **Settlement of Consideration Shares**

(a) Where, at the Completion Date, a Total Produce Shareholder holds Total Produce Shares in certificated form, settlement of any Consideration Shares will be as follows:

(i) Total Produce Shareholders who hold their Total Produce Shares in certificated form will be mandatorily entered into the book entry records maintained by Dole plc and the Transfer Agent will record such Consideration Shares in the book entry records of Dole plc.

(ii) Total Produce Shareholders who hold their Total Produce Shares in certificated form and have a registered address in a Restricted Jurisdiction will have their Consideration Shares sold and the proceeds net of dealing costs or foreign exchange remitted to them by cheque in US Dollars.

(iii) Where, at the Completion Date, a Total Produce Shareholder holds Total Produce Shares via Euroclear Bank in the form of Belgian Law Rights, the Consideration Shares to which such Total Produce Shareholder is entitled will, except as specified below, be allotted and issued to Cede & Co and Security Entitlements deposited in DTC to Euroclear Bank's nominated DTC participant account for the benefit of the persons entitled thereto.

(iv) Where, at the Completion Date, a Total Produce Shareholder holds Total Produce Shares via CREST in the form of CDIs, the Consideration Shares to which such Total Produce Shareholder is entitled will, except as specified below, be allotted and issued to Cede & Co and Security Entitlements deposited in DTC to Euroclear Bank's nominated DTC participant account (as the current custodian for EUI) for the benefit of the persons entitled thereto.

(v) On Completion, each holding of Total Produce Shares credited to any stock account in Euroclear Bank shall be disabled and all such Total Produce Shares will be removed from Euroclear Bank in due course.

(vi) On Completion, each holding of CDIs representing Total Produce Shares credited to any stock account in CREST shall be disabled and all such CDIs will be removed from CREST in due course.

(vii) No fractional entitlement of a Consideration Share shall be allotted to any Total Produce Shareholder but all fractions of Consideration Shares to which a Total Produce Shareholder would otherwise be entitled will be aggregated and sold in the market by the Receiving Agent or Transfer Agent on behalf of Dole plc with any sale proceeds being donated to UNICEF.

(viii) All despatches of cheques required to be made pursuant to this Scheme shall be effected by sending the same through the post in prepaid envelopes addressed to the persons entitled thereto at their respective registered addresses as appearing in the Register of Members of Total Produce immediately prior to Completion (or, in the case of joint holders, at the registered address as appearing in the said register at such time of that one of the joint holders whose name then stands first in the said register in respect of such joint holding) or in accordance with any special instructions regarding communications, and neither Total Produce nor Dole plc nor their agents shall be responsible for any loss or delay in the transmission of any cheques sent in accordance with this sub-clause, which shall be sent entirely at the risk of the persons entitled thereto.

(ix) None of the Company, Dole plc, their respective agents and nominees shall be responsible for any loss or delay in the transmission of any notice, book entry advices, or cheques sent to Total Produce Shareholders which shall be sent entirely at the risk of the Total Produce Shareholder concerned.

(x) The provisions of this Clause 3 shall take effect subject to any condition or prohibition imposed by law.

4. **Certificates for Total Produce Shares**

With effect from the Completion Date:

(a) all certificates representing Total Produce Shares shall cease to have effect as documents of title to the shares comprised therein and every holder thereof shall be bound at the request of Total Produce to deliver up such certificate(s) to Total Produce or as it may direct; and

(b) the Company shall make, or procure to be made, the appropriate entries in its Register of Members to reflect the transfer of all Total Produce Shares.

5. **Overseas Shareholders**

(a) The provision of Clauses 1, 2, 3 and 4 of this Scheme shall be subject to any prohibition or condition imposed by law.

(b) Notwithstanding the provisions of Clause (a) of this Scheme, Total Produce retains the right to permit the release, publication or distribution of the Scheme Circular (or any part or parts thereof) and/or the Forms of Proxy to any Restricted Overseas Shareholder who satisfies Total Produce (in its sole discretion) that doing so will not infringe on the laws of the relevant Restricted Jurisdiction or require compliance with any governmental or other consent or any registration, filing or other formality that Total Produce is unable to comply with or which Total Produce regards as unduly onerous to comply with.

6. **Restricted Jurisdiction and Restricted Overseas Shareholder**

(a) The provisions of this Scheme shall be subject to any prohibition or condition imposed by law. Total Produce may in its sole discretion determine that the Consideration Shares will not be available in any Restricted Jurisdiction and/or that any Restricted Overseas Shareholder will not be entitled to require that the Consideration Shares be registered in his/her name with an address in such jurisdiction.

(b) Notwithstanding the provisions of Clause 3(a) of this Scheme, Total Produce Shareholders who hold their Total Produce Shares in certificated form and have a registered address in a Restricted Jurisdiction will have their Consideration Shares sold and the proceeds net of dealing costs remitted to them, net of any fees or expenses, by cheque in US Dollars.

(c) Total Produce retains the right to permit the release, publication or distribution of the Scheme Circular or the Forms of Proxy to any Restricted Overseas Shareholder who satisfies Total Produce (in its sole discretion) that doing so will not infringe the laws of the relevant Restricted Jurisdiction or require compliance with any governmental or other consent or any registration, filing or other formality that Total Produce is unable to comply with or regards as unduly onerous to comply with.

7. **Mandates**

All mandates to the Company in force at Completion relating to all Total Produce Shares shall, as from the Completion Date, cease to be valid. Email addresses and communication preferences will, to the extent possible, remain valid.

8. **Effective Date**

(a) This Scheme shall become effective on delivery to, and registration by, the Registrar of Companies of the Court Order in connection with the Transaction.

(b) Unless the Scheme shall have become effective on or before the Outside Date or such later date as Total Produce and Dole plc may, with the consent of High Court (if required), agree, it shall not proceed and all undertakings given to the Court in respect of the Scheme shall be deemed to have lapsed with immediate effect.

9. **Modification**

Total Produce and Dole plc may jointly consent on behalf of all persons concerned to any modification of or addition to this Scheme or any condition that the Irish High Court may approve or impose.

10. **Costs**

Total Produce is authorised and permitted to pay all of the costs and expenses relating to the negotiation, preparation, approval and implementation of this Scheme.

11. **Governing Law**

This Scheme is governed and construed by the laws of Ireland and Total Produce, Dole plc and the Total Produce Shareholders hereby agree that the Courts of Ireland shall have exclusive jurisdiction to hear and determine any suit, action or proceeding or to settle any dispute which may arise in relation thereto.

Dated 19 May 2021

Part 5

CONDITIONS TO AND FURTHER TERMS OF THE SCHEME AND THE TRANSACTION

Conditions to the Scheme

1. **The Scheme is subject to the following conditions:**

   (a) as required by section 449(1) of the Act (as amended by section 1087D of the Withdrawal of the United Kingdom from the European Union (Consequential Provisions) Act 2020) the resolution to approve the Scheme must be approved by a majority representing at least 75 per cent in value of the members present and voting either in person or by proxy at the Scheme Meeting and the quorum for the Scheme Meeting is at least two persons holding or representing by proxy at least one-third in nominal value of the issued shares in the Company;

   (b) the EGM Scheme Resolutions being duly passed by the requisite majority of Total Produce Shareholders at the EGM (or any adjournment of such meeting) held no later than the Outside Date;

   (c) the sanction by the High Court (with or without material modification), but subject to any such modification being acceptable to each of Dole plc and Total Produce, of the Scheme pursuant to Chapter 1 of Part 9 of the Act on or before the Outside Date; and

   (d) a copy of the Court Order being delivered for registration to the Registrar of Companies in Dublin and registration of the Court Order by the Registrar of Companies.

2. **Conditions to the Transaction**

   Completion of the Transaction is subject to the satisfaction of each of the following conditions at or prior to Completion, any of which may be waived in writing by all Parties in their sole discretion:

   (a) The Scheme becoming effective and unconditional by not later than the Outside Date (or such later date as Total Produce and the C&C Shareholders may agree and (if applicable) the High Court may allow).

   (b) The EGM Scheme Resolutions shall have been approved.

   (c) (i) Any applicable waiting period (and any extensions thereof) under the HSR Act shall have expired, lapsed or been terminated (as appropriate); (ii) to the extent that the Commission has jurisdiction to examine all or part of the transactions contemplated by this Agreement under the EUMR or to the extent that all or part of the transactions contemplated by this Agreement are referred to the European Commission (the "**Commission**") pursuant to Article 4(5) or Article 22 of the EUMR and the Commission obtains jurisdiction under the EUMR to examine the Share Exchange or the Merger, as the case may be, the issuing by the Commission of a final decision under Article 6.1(b), Article 6.2, Article 8(1) or Article 8(2) of the EUMR, declaring the Share Exchange or the Merger, as the case may be, compatible with the common market subject to the fulfilment of one or more conditions or obligations, if any; and (iii) to the extent that the Commission has jurisdiction to examine all or part of the transactions contemplated by this Agreement under the EUMR and subsequently all or part of the transactions contemplated by this Agreement are referred by the Commission under Articles 9(1) or 9(5) of the EUMR, or under Article 6(1) of Protocol 24 of the Transaction on the European Economic Area, to the Relevant Authority of one or member countries of the European Economic Area, the issuing by such Relevant Authority or Authorities (in case of a partial referral, in conjunction with a final decision of the Commission) of a final decision or decisions which satisfy (or together satisfy) the preceding clause (ii) (that clause being interpreted *mutatis mutandis*).

   (d) No Order binding on the Parties shall be in effect that prohibits, enjoins or makes illegal Completion or any of the other transactions contemplated by the Transaction Agreement or any of the Ancillary Agreements.

(e) The IPO Registration Statement shall have been declared effective by the SEC and shall not be the subject of any stop order or proceedings seeking any stop order.

(f) The Ordinary Shares in Dole plc shall have been approved for listing on the New York Stock Exchange.

(g) The IPO Underwriting Agreement (containing the terms set forth or referenced in the definition of IPO Underwriting Agreement in the Transaction Agreement) shall have been executed by the Underwriters in the IPO.

(h) The relevant Parties shall have executed and delivered, or shall have caused the applicable parties thereto to execute and deliver, the Trademark License Extension.

(i) Dole shall have entered into a composition agreement with the Revenue Commissioners of Ireland and a Special Eligibility Agreement for Securities with The Depository Trust Company in respect of the Ordinary Shares in Dole plc, both of which shall be in full force and effect.

(j) The IPO achieving a price per Dole plc share such that the 17.5% of Ordinary Shares in Dole plc to be held by the C&C Shareholders on a fully diluted basis immediately prior to the IPO have an aggregate value of at least US$215 million (the "**Valuation Floor**"); and

(k) The C&C Shareholders achieving net proceeds of at least US$50 million in the sale of shares on a secondary basis in conjunction with the IPO (the "**Minimum Secondary**").

The Valuation Floor and Minimum Secondary conditions can be waived by Total Produce and the C&C Shareholders by mutual consent at any time prior to Completion. The Scheme of Arrangement is being proposed on the basis that the Share Exchange will be implemented notwithstanding any waiver of the Valuation Floor and Minimum Secondary conditions.

Part 6

FINANCIAL INFORMATION

Total Produce plc

DFC Holdings, LLC

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Total Produce plc:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Total Produce plc and subsidiaries (the Company) as of December 31, 2020 and 2019, the related consolidated statements of operations, comprehensive income, cash flows, and shareholders' equity, for each of the years in the three-year period ended December 31, 2020, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which they relate.

Valuation of goodwill

As discussed in Note 18 to the consolidated financial statements, at 31 December 2020, the Company's goodwill was $234.2 million. As discussed in Note 2, goodwill is tested at least annually for impairment, at the reporting unit level. The Company measured the fair value of goodwill using the income or market approach, or a combination thereof. We identified the valuation of goodwill as a critical audit matter. Subjective auditor judgement and specialized skills and knowledge was required in assessing the assumptions used in the valuation models. The valuation of goodwill is sensitive to differences between estimated and actual cashflows and changes in discount rates. Specifically forecasted revenue, earnings margin and long-term growth rates were judgmental to test as they are affected by expectations about future market or economic conditions, which can vary significantly and are dependent on market forces and events outside of the Company's control.

The following are the primary procedures we performed to address this critical audit matter:

- We involved valuation professionals with specialized skills and knowledge, who assisted in assessing the appropriateness of the discount rates applied for each reporting unit by comparing the assumptions used to develop the discount rates to externally derived data of comparable entities.

- We challenged the reasonableness of the long-term economic growth rate applied for each reporting unit by comparing the Company's assumptions to externally derived data, and the reporting units' historically achieved growth rates;
- We assessed the Company's ability to accurately forecast revenues and earnings margin by comparing historical forecasted revenues and earnings margin for the Company to actual results;
- We performed sensitivity analysis over the Company's key assumptions used to measure the fair value of goodwill to assess the impact of changes in those assumptions on the Company's determination of fair value.

KPMG

We have served as the Company's auditor since 2006.

Dublin, Ireland
28 April 2021

CONSOLIDATED BALANCE SHEETS

	December 31, 2020	December 31, 2019
	(U.S. Dollars and shares in thousands)	
ASSETS		
Current Assets		
Cash and cash equivalents	160,503	129,577
Trade receivables, net of allowances of $10,122 and $5,661, respectively	361,721	359,596
Other receivables, net of allowances of $8,448 and $6,312, respectively	47,486	54,918
Inventories	141,179	114,679
Prepaid expenses and other current assets	19,506	18,780
Total current assets	**730,395**	**677,550**
Other investments	406	3,077
Investments in equity method investments	458,557	429,175
Property, plant and equipment, net of accumulated depreciation of $160,111 and $131,031, respectively	219,665	188,578
Goodwill	234,161	221,102
Intangible assets, net of accumulated amortization of $121,721 and $104,502, respectively	65,634	78,576
Right of use assets - operating leases	140,212	128,961
Deferred tax assets	6,682	4,728
Other noncurrent receivables	30,090	28,108
Total assets	**1,885,802**	**1,759,855**

The accompanying notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEETS

LIABILITIES AND SHAREHOLDERS' EQUITY

	December 31, 2020	December 31, 2019
	(U.S. Dollars and shares in thousands)	
Current liabilities		
Accounts payable and accrued liabilities	622,717	530,013
Bank overdraft	11,243	10,657
Current maturities of debt and finance leases	20,748	86,493
Current maturities of operating leases	21,910	22,250
Defined benefit plan liability	5,787	5,511
Income tax payable	2,589	2,428
Short-term contingent consideration	4,912	8,862
Total current liabilities	**689,906**	**666,214**
Long-term debt and finance leases, less current maturities	314,840	282,208
Long-term operating leases, less current maturities	122,225	110,736
Employee benefits	23,607	13,260
Deferred income tax liabilities	22,451	16,411
Long-term contingent consideration	5,786	7,805
Other noncurrent liabilities	18,755	18,337
Total liabilities	**1,197,570**	**1,114,971**
Commitments and contingent liabilities (see note 25)		
Redeemable noncontrolling interests	30,317	30,891
Shareholders' equity		
Ordinary shares €0.01 par value; 1,000,000,000 shares authorized, 410,724,962 and 410,524,962 issued and outstanding as of December 31, 2020 and December 31, 2019 respectively	4,865	4,863
Additional paid-in capital	198,232	202,619
Accumulated retained earnings	460,715	418,923
Accumulated other comprehensive loss	(128,803)	(131,604)
Total equity attributable to Total Produce Plc.	535,009	494,801
Equity attributable to noncontrolling interests	122,906	119,192
Total equity	**657,915**	**613,993**
Total liabilities and equity	**1,885,802**	**1,759,855**

The accompanying notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands, except share data)		
Revenue	4,345,939	4,166,799	4,392,593
Cost of sales	(4,012,348)	(3,864,313)	(4,067,180)
Gross profit	**333,591**	**302,486**	**325,413**
Selling, general and administrative expenses	(264,844)	(252,679)	(256,227)
Impairment loss of goodwill	-	-	(9,811)
Impairment loss of property, plant and equipment	(1,210)	-	-
(Loss) / gain on disposal of farming investment	-	(749)	17,355
Restructuring expense	-	(1,280)	(5,764)
Foreign currency gain from share placing	-	-	14,771
Operating income	**67,537**	**47,778**	**85,737**
Interest income	2,604	3,077	4,364
Interest expense	(10,523)	(12,042)	(13,829)
Other (expense)/income, net	(515)	3,943	1,057
Income before income taxes and income from investments accounted for under the equity method	**59,103**	**42,756**	**77,329**
Income tax expense	(18,130)	(10,312)	(19,854)
Equity in net earnings of investments accounted for under the equity method	30,279	36,943	363
Net income	**71,252**	**69,387**	**57,838**
Less net income attributable to noncontrolling interests	(18,764)	(14,327)	(21,224)
Net income attributable to Total Produce Plc.	**52,488**	**55,060**	**36,614**
Net income per ordinary share attributable to Total Produce Plc. – Basic (in USD cents per share)	13.51	14.17	9.59
Net income per ordinary share attributable to Total Produce Plc. – Diluted (in USD cents per share)	13.49	14.14	9.56
Weighted average shares outstanding – Basic (in thousands)	388,560	388,478	381,890
Weighted average shares outstanding – Diluted (in thousands)	389,143	389,295	383,147

The accompanying notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands)		
Net income	71,252	69,387	57,838
Other comprehensive income/(loss), net of tax			
Foreign currency translation adjustments	21,876	(5,232)	(40,091)
Remeasurement (loss)/gain on employee benefit schemes	(12,624)	(6,265)	10,920
Share of unconsolidated affiliates effective portion of cash flow hedges	(2,705)	-	-
Total other comprehensive income (loss)	**6,547**	**(11,497)**	**(29,171)**
Comprehensive income	**77,799**	**57,890**	**28,667**
Less: Comprehensive income attributable to noncontrolling interests	(22,510)	(14,120)	(17,786)
Comprehensive income attributable to Total Produce Plc	**55,289**	**43,770**	**10,881**

The accompanying notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
		(U.S. Dollars In thousands)	
Operating Activities			
Net income	71,252	69,387	57,838
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	36,182	34,409	34,023
Non-cash leasing expense	(78)	2,409	-
Goodwill impairment	-	-	9,811
Property, plant and equipment impairment	1,210	-	-
Income from equity method investments	(30,279)	(36,943)	(363)
Deferred tax expense	(698)	(7,966)	2,354
Fair value movement on contingent consideration	519	(228)	(4,764)
Pension and other postretirement benefit plan expense net of contributions paid	(3,620)	(3,760)	(3,070)
Loss / (gain) on disposal of farming investment	-	749	(17,355)
Dividends received from investees	12,906	11,901	12,854
Other	(481)	(3,257)	(4,971)
Changes in operating assets and liabilities:			
Receivables, net of allowances	32,578	29,712	(29,495)
Inventories	(18,027)	(6,213)	387
Accounts payable and accrued expenses	43,109	(14,951)	8,423
Cash flow provided by operating activities	**144,573**	**75,249**	**65,672**
Investing Activities			
Proceeds from sales of property, plant and equipment	891	758	939
Proceeds from disposal of equity investments	4,362	11,564	6,924
Capital expenditures	(23,202)	(26,971)	(35,721)
Purchase of businesses, net of cash acquired	298	(4,888)	1,576
Payment of contingent consideration	(7,729)	(12,405)	(8,259)
Investments in unconsolidated companies	537	(8,151)	(293,996)
Other	(753)	(1,891)	(227)
Cash flow used in investing activities	**(25,596)**	**(41,984)**	**(328,764)**
Financing Activities			
Proceeds from long-term debt	302,450	386,257	512,146
Repayment of long-term debt	(361,057)	(372,297)	(388,596)
Lease repayments on finance leases	(2,844)	(990)	(802)
Proceeds from issue of share capital, net	153	75	174,432
Dividends paid	(11,875)	(14,919)	(15,208)
Dividends paid to noncontrolling interests	(23,349)	(17,938)	(12,414)
Acquisition of non-controlling interests subject to put options	(4,062)	-	-
Other	-	-	153
Cash flow (used in)/provided by financing activities	**(100,584)**	**(19,812)**	**269,711**
Effect of foreign currency exchange rate changes on cash	12,533	(957)	(9,634)
Increase (decrease) in cash and cash equivalents	**30,926**	**12,496**	**(3,015)**
Cash and cash equivalents at beginning of period	**129,577**	**117,081**	**120,096**
Cash and cash equivalents at end of period	**160,503**	**129,577**	**117,081**
Supplemental cash flow disclosures:			
Cash paid for income taxes	(19,313)	(16,931)	(15,730)
Cash paid for interest	(10,859)	(10,682)	(11,098)
Non-cash financing and investing activities:			
Right-of-use assets obtained in exchange for new operating lease obligations	20,978	16,628	-
Purchases of assets under financing lease obligations	9,892	644	801

The accompanying notes are an integral part of these Consolidated Financial Statements

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	Ordinary Shares	Additional Paid-In Capital	Accumulated Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Total Equity Attributable to Total Produce plc	Non-controlling interest	Total Shareholders' Equity
				(U.S. Dollars in thousands)			
Balance at January 1, 2018	**4,113**	**27,245**	**352,898**	**(94,582)**	**289,674**	**103,292**	**392,966**
Net income	-	-	36,614	-	**36,614**	21,224	**57,838**
Other comprehensive income / (loss), net of tax	-	-	-	(25,733)	**(25,733)**	(3,438)	**(29,171)**
Transactions with shareholders							
New shares issued	749	173,683	-	-	**174,432**	-	**174,432**
Exercise of stock options	-	656	-	-	**656**	-	**656**
Dividends paid	-	-	(15,208)	-	**(15,208)**	(12,536)	**(27,744)**
Share of repayment of Dole receivable to affiliates	-	-	16,428	-	**16,428**	-	**16,428**
Acquisition of non-controlling interest	-	-	(457)	-	**(457)**	(852)	**(1,309)**
Disposal of shareholding to noncontrolling interest	-	-	13	-	**13**	324	**337**
Contribution by non-controlling interest	-	-	-	-	-	153	**153**
Noncontrolling interest arising on acquisition of subsidiaries	-	-	-	-	-	2,727	**2,727**
Redeemable non-controlling interest	-	5,534	-	-	**5,534**	(9,292)	**(3,758)**
Balance at December 31, 2018	**4,862**	**207,118**	**390,288**	**(120,315)**	**481,953**	**101,602**	**583,555**
Net income	-	-	55,060	-	**55,060**	14,327	**69,387**
Other comprehensive income / (loss), net of tax	-	-	-	(11,290)	**(11,290)**	(207)	**(11,497)**
Cumulative effect adjustment of ASC 842 related to leases	-	-	(1,274)	1	**(1,273)**	-	**(1,273)**
Transactions with shareholders							
New shares issued	1	51	22	-	**74**	-	**74**
Exercise of stock options	-	122	-	-	**122**	-	**122**
Dividends paid	-	-	(14,919)	-	**(14,919)**	(17,938)	**(32,857)**
Share of repayment of Dole receivable to affiliates	-	-	(8,854)	-	**(8,854)**	-	**(8,854)**
Acquisition of noncontrolling interest	-	-	(1,400)	-	**(1,400)**	(619)	**(2,019)**
Disposal of shareholding to noncontrolling interest	-	-	-	-	-	135	**135**
Non-controlling interest arising on acquisition of subsidiaries	-	-	-	-	-	1,071	**1,071**
Redeemable non-controlling interest	-	(4,672)	-	-	**(4,672)**	20,821	**16,149**
Balance at December 31, 2019	**4,863**	**202,619**	**418,923**	**(131,604)**	**494,801**	**119,192**	**613,993**
Net income	-	-	52,488	-	52,488	18,764	71,252
Other comprehensive income / (loss), net of tax	-	-	-	2,801	2,801	3,746	6,547
Transactions with shareholders							
New shares issued	2	104	47	-	153	-	153
Exercise of stock options	-	(130)	-	-	(130)	-	(130)
Dividends paid	-	-	(11,875)	-	(11,875)	(23,349)	(35,224)
Share of repayment of Dole receivable to affiliates	-	-	787	-	787	-	787
Acquisition of non-controlling interest	-	-	(84)	-	(84)	(1,050)	(1,134)
Disposal of shareholding to noncontrolling interest	-	-	51	-	51	273	324
Non-controlling interest arising on acquisition of subsidiaries	-	-	-	-	-	2,195	2,195
Redeemable non-controlling interest	-	(4,361)	378	-	(3,983)	3,135	(848)
Balance at December 31, 2020	**4,865**	**198,232**	**460,715**	**(128,803)**	**535,009**	**122,906**	**657,915**

The accompanying notes are an integral part of these Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Total Produce plc (in these notes, the "**Company**") is a company tax resident and incorporated in Ireland. Operating from 30 countries primarily across Europe, North America and South America. Total Produce and its subsidiaries (together "**Total Produce**" or the "**Group**") is involved in the growing, sourcing, importing, packaging, marketing and distribution of an extensive selection of fresh fruits, vegetables and flowers, serving the retail, wholesale and foodservice sectors. References in this Report to "we," "our" and "us" refer to Total Produce plc and its subsidiaries, unless the context indicates otherwise.

The principal accounting policies that have been applied to the consolidated financial statements are described in note 2.

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The consolidated financial statements herein are prepared in conformity with generally accepted accounting principles in the United States of America ("U.S. GAAP"). In the opinion of management, the consolidated financial statements of the Group as of December 31, 2019 and 2020 and for each of the years in the three-year period ended December 31, 2020, include all adjustments necessary, which are of a normal recurring nature, to present fairly the Group's financial position, results of operations and cash flows.

Our consolidated financial statements are presented in U.S. Dollars.

Principles of Consolidation

We consolidate all companies in which we have direct and indirect legal or effective control and all Variable Interest Entities ("VIEs") for which we have determined that we are the Primary Beneficiary ("PB") under Accounting Standards Codification ("ASC") 810. We use judgement when determining (i) whether an entity is a VIE; (ii) who are the variable interest holders; (iii) the elements and degree of control that each variable interest holder has; and (iv) ultimately which party is the PB.

When determining which party is the PB, we perform an analysis which considers (i) the design of the VIE; (ii) the capital structure of the VIE; (iii) the contractual relationship between the variable interest holders; (iv) the nature of the VIE's operations; and (v) the purpose and interest of all parties involved including related parties. While we consider these factors, our conclusions about whether to consolidate ultimately depends on the breadth of our decision making-making ability and our ability to influence activities that significantly affect the economic performance of the VIE. We continually re-evaluate whether we are the PB for VIE's in which we hold a variable interest. We have three VIE's two of which Dole Food Company ("Dole") and Exportadora y Servicios El Parque ("El Parque") in which we are not the PB in the arrangement. We equity account for our investment in both. In respect of the third VIE, Eurobanan Canarias S.A. ("EBC"), we are the PB and consolidate its results.

All intercompany balances and transactions with consolidated subsidiaries are eliminated. The results of consolidated entities are included from the effective date of control or, in the case of VIEs, from the date that we are or become the PB. The results of subsidiaries sold or otherwise deconsolidated are excluded from the date that we cease to control the subsidiary or, in the case of VIEs, when we cease to be the PB.

Unconsolidated investments where we have significant influence are reported using the equity method of accounting. Under the equity method of accounting, we recognize our share of earnings and losses based on our ownership percentage of such investments in equity in net earnings of investments accounted for under the equity method. Unrealized gains and income and expenses arising from transactions with equity method investments are eliminated to the extent of the Group's interest in the equity. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that they do not provide evidence of impairment. In accordance with ASU 2016-15 Statement of Cash Flows (Topic 230) Classification of Certain Cash Receipts and Cash Payments, our policy is to classify dividends from equity method investees within operating activities in our statement of cashflows as a return on investment, unless the investor's cumulative distributions received less distributions received in prior periods that were determined to be returns of investment exceed cumulative equity in earnings recognized by us. When such an excess occurs, the current-period distribution up to this excess is considered a return of investment and classified as cash inflows from investing activities

All material equity method investments have either coterminous financial year ends, or accounting year ends within three months of that of the Group. In the case of the latter, appropriate adjustments are made for the effects of significant transactions or events that occur between that date and the date of the Group's consolidated financial statements. Where appropriate, the accounting policies of equity method investments have been changed to ensure consistency with the policies adopted by the Group.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts and disclosures reported in the consolidated financial statements and accompanying notes.

Estimates and assumptions include, but are not limited to, the areas of: defined benefit pension obligations; impairment of goodwill; valuation of intangible assets; uncertainty in income taxes; determination of control and evaluation of VIE considerations; measurement of contingent consideration, measurement and classification of noncontrolling interest containing put and call options; deferred tax asset valuation allowances; measurement of expected credit loss for trade and other receivables; and measurement of right of use assets and lease liabilities. Actual results could differ from these estimates and assumptions.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits, including bank deposits of less than three months maturity on acquisition.

Trade and Other Receivables

We adopted ASC 326 Financial Instruments - Credit Losses (“ASC 326”) effective January 1, 2020 using the modified retrospective approach. The comparative periods continue to be presented under the then-applicable accounting policy.

2020 Accounting Policy

Trade receivables less allowances are recognized in our accompanying Consolidated Balance Sheets at net realizable value, which approximates fair value.

Included in other receivables are Grower and supplier loans. The Group makes advances to third-party growers for various farming needs. Grower and supplier advances are stated at the gross advance amount less allowances for potentially uncollectible balances.

Our allowance for credit losses on trade and other receivables will reflect our estimate of credit losses over the remaining expected life of the asset. Expected credit losses for newly recognized trade and other receivables, as well as changes to expected credit losses during the period, will be recognized in earnings and classified within cost of sales for grower and supplier loans receivable, and selling, general and administrative expenses for trade accounts receivable.. These expected credit losses will be measured based on historical loss data, current conditions and forecasts that affect the collectability of the reported amount. Write-off of accounts receivable is performed only when all collection efforts have been exhausted without success.

Previous accounting policy prior to adoption of ASC 326

Trade receivables less allowances are recognized in our accompanying Consolidated Balance Sheets at net realizable value, which approximates fair value. We perform ongoing credit evaluations of our customers and adjust credit limits based upon payment history and customers' credit worthiness, as determined by our review of their current credit information. We continuously monitor collections and payments from our customers and maintain a provision for estimated credit losses based upon our historical experience, specific customer collection issues that we have identified, and the aging of the trade receivables based on contractual terms.

Write-off of accounts receivable is performed only when all collection efforts have been exhausted without success.

Included in other receivables are Grower and Supplier loans. The Group makes advances to third-party growers for various farming needs. Some of these advances are secured with crop harvests, property or other collateral owned by the growers. The Group monitors these receivables on a regular basis and records an allowance for these grower receivables based on estimates of the growers' ability to repay advances, the historical loss experience, and the fair value of the collateral if appropriate. Grower and supplier advances are stated at the gross advance amount less allowances for potentially uncollectible balances.

Allowances are recorded and charged to cost of sales for grower and supplier loans receivable, and selling, general and administrative expenses for trade accounts receivable when an account is deemed to be uncollectible. Recoveries of advances to growers and suppliers previously reserved in the allowance are credited to cost of sales and SG&A for grower and supplier loans receivable and accounts receivable respectively.

Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The cost of inventories is based on the first-in, first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

The Group incurs certain crop growing costs such as land preparation, planting, fertilization, grafting, pruning, and irrigation. Based on the nature of these costs and type of crop production, these costs may be capitalized into inventory. These costs are recognized into cost of products sold during each harvest period. The deferred growing costs included in inventories in our Consolidated Balance Sheets consist primarily of land preparation, cultivation, irrigation and fertilization costs. Due to the nature of the products sold by the Group no provision for obsolete inventories is required against the value of inventories held.

Property, Plant and Equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment (if any). Depreciation is computed using the straight-line method over the estimated useful lives of these assets as set out below:

- Freehold buildings: 30-50 years;
- Plant and equipment: 5-15 years;
- IT equipment: 3-5 years;
- Motor vehicles: 5 years;
- Bearer plants: 1-30 years; and
- Software: 3–8 years

The residual value of assets, if not insignificant, and the useful life of assets are reassessed annually. Gains and losses on disposals of property, plant and equipment are recognized on the completion of sale. Gains and losses on disposals are determined by comparing the proceeds received with the carrying amount and are included in operating profit in accordance with the guidance in ASC 610.

Expenditure incurred to replace a component of property, plant and equipment that is accounted for separately is capitalized. Other subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditure, including repairs and maintenance costs, is recognized in the statement of operations as an expense as incurred. Borrowing costs incurred in the construction of major assets which take a substantial period of time to complete are capitalized in the financial period in which they are incurred.

Costs incurred on the acquisition of computer software and software licenses are capitalized. Other costs directly associated with developing and maintaining computer software programs are capitalized once the recognition criteria set out in ASC 350-40 are met. Computer software is depreciated over periods of between three to eight years using the straight-line method.

We review long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Fair value is measured by either determining the estimated undiscounted future cash flows directly associated with the asset and is compared to the asset's carrying amount. If this comparison indicates that there is an impairment, the amount of the impairment is calculated by comparing the carrying value to discounted expected future cash flows or comparable market values, depending on the nature of the asset. We recognized impairment of $1,210,000 for property, plant and equipment for the year ended December 31, 2020. We did not recognize any impairment for property, plant and equipment for the years ended December 31, 2019 or December 31, 2018.

Goodwill and Intangible Assets

Goodwill represents amounts arising on the acquisition of subsidiaries or equity-accounted affiliates as a result of the fair value of consideration transferred exceeding the fair value of net identifiable assets and liabilities assumed in a business combination. Goodwill is allocated to reporting units and is not amortized but is tested annually for impairment at a consistent time each financial year and more frequently when events or changes in circumstance indicate that it may be impaired.

During the annual goodwill impairment test performed, we assessed qualitative and quantitative factors to determine whether it was more likely than not that the fair value of each reporting unit was less than it's carrying value. Qualitative factors include industry and market considerations, overall financial performance, and other relevant events and factors affecting the reporting unit. Quantitative factors include forecasted revenue and margin and determination of recoverable amount. Based on the results of the qualitative impairment test for 2020, we determined that it was not more likely than not that the fair value was less than the carrying value of our reporting units.

Our goodwill impairment charges are calculated as the amount by which the carrying amount of the reporting unit exceeds the reporting unit's fair value. However, the impairment charge recognized cannot exceed the total amount of goodwill allocated to that reporting unit. Goodwill is stated at the amount originally recognized less any impairment losses. In respect of equity-accounted affiliates, the carrying amount of goodwill is included in the carrying amount of the investment.

Where goodwill forms part of a reporting unit and part of the operations within that unit is disposed of and, the operations being disposed constitute a business, the goodwill associated with the business disposed of is included in the carrying amount of the business when determining the gain or loss on its disposal. Goodwill disposed of in this circumstance is measured on the basis of the relative fair values of the business disposed of and the portion of the reporting unit retained.

Intangible assets acquired as part of a business combination are valued at their fair value at the date of acquisition. These include customer relationships, supplier relationships and brands. Intangible assets are amortized to the statement of operations on a straight-line basis over the period of their expected useful lives as follows:

- Customer relationships: 3-15 years;
- Supplier relationships: 3-15 years; and,
- Brands: 10-15 years.

We did not recognize any impairment charges for goodwill or intangible assets for the years ended December 31, 2020 and December 31, 2019. An impairment charge of $9,811,000 was recognized in the year ended December 31, 2018 in respect of the Group's fresh produce business in the Netherlands.

Borrowings

Long-term debt is carried at the principal amount borrowed, including unamortized discounts and premiums, fair value adjustments and debt issuance costs, where applicable. We amortize the amount of discounts, premiums and fair value adjustments over the period the debt is outstanding using the effective interest method. The costs we incur for issuing debt are capitalized and amortized as an increase to interest expense over the life of the debt using the effective interest method.

Lease Liabilities and Right of Use Assets

Leases where we are the lessee - accounting policy from January 1, 2019

As of the first day of our 2019 fiscal year beginning January 1, 2019, we adopted ASU No. 2016-02, “Leases (Topic 842),” which requires leases with durations greater than twelve months to be recognized on the balance sheet, using the modified retrospective approach. Prior year consolidated financial statements were not adjusted, and therefore information for periods prior to fiscal year 2019 is presented in accordance with the previous accounting standard. We elected to avail of the package of transition provisions available for expired or existing contracts, which allowed us to carryforward our historical assessments of (1) whether contracts are or contain leases, (2) lease classification and (3) initial direct costs. The Group has availed of the practical expedient not to separate lease components from any associated non-lease components for leases of plant and equipment and motor vehicles.

A lease is defined as a contract that conveys the right to use an asset for a period of time in exchange for consideration. We lease property, plant, equipment and motor vehicles under finance and operating leases. We evaluate our leases at inception or at any subsequent modification and classify them as either finance or operating leases. For leases with terms greater than 12 months, we recognize a related asset (“right-of-use asset”) and obligation (“lease liability”) on the lease commencement date, calculated as the present value of lease payments over the lease term.

The lease liability is initially measured as the present value of the lease payments to be made over the term of the lease, discounted using the rate implicit in the lease or, where this is not available, the Group's incremental borrowing rate. Lease payments include fixed and variable lease payments, and amounts expected to be paid under residual value guarantees. Variable lease payments are those made for the right to use the underlying asset that vary because of changes in facts or circumstances occurring after the commencement date, other than the passage of time. Subsequent changes in lease payments that vary with an index or rate are recognized as incurred and do not form part of the variable lease payment within the lease liability. Lease payments also include the exercise price of a purchase option where the Group is reasonably certain that they will exercise the option and also any termination costs associated with a lease where the lease term reflects the termination of the lease.

The right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. The cost of the right of use asset includes the lease liability recognized, any initial direct costs, restoration costs and payments made on or before the lease commencement date less any lease incentives received. The right of use asset is depreciated on a straight-line basis over the lower of the lease term and the useful life of the asset. Where the lease contains a purchase option and the lessee is reasonably certain to exercise the purchase option the asset is depreciated over the useful life of the asset. Right of use assets are subject to impairment testing.

The Group has applied judgment in determining the lease term for leases where they are the lessee and the lease contract contains renewal and/or termination options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term which in turn impacts the right of use asset and lease liability to be recognized.

For finance leases, we recognize interest expense and amortization of the right-of-use asset, and for operating leases, we recognize lease expense on a straight-line basis over the lease term.

See note 21 for more information.

Leases where we are the lessor - accounting policy from January 1, 2019

At inception or modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset. If an arrangement contains lease and non-lease components, then the Group applies ASC 606 to allocate the consideration in the contract.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of Other (expense)/income, net.

Leases where we are the lessee - accounting policy until December 31, 2018

Finance leases

Leases of property, plant and equipment, where the Group retains substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased item and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant interest charge on the finance balance outstanding.

The corresponding rental obligations, net of finance charges, are included in interest bearing loans and borrowings, allocated between current and non-current as appropriate. The interest element of the finance cost is charged to the statement of operations over the lease period. Assets held under finance leases are depreciated over the shorter of their expected useful lives or the lease term, taking into account the time period over which benefits from the leased assets are expected to accrue to the Group.

Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases, net of incentives received from the lessor, are charged to the statement of operations on a straight-line basis over the period of the lease. Income earned from operating leases is credited to the statement of operations when earned.

Leases where we are the lessor – accounting policy until December 31, 2018

Under the new standard, accounting for leases as a lessor is similar to the previous standard

For contracts entered into before January 1, 2019, the Group determined whether the arrangement was or contained a lease based on the assessment of whether:

- Fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- The arrangement had conveyed a right to use the asset if one of the following was met:
    - The purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
    - The purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
    - Facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

When the Group acted as a lessor, it determined at lease inception whether each lease was a finance lease or an operating lease.

To classify each lease, the Group made an overall assessment of whether the lease transferred substantially all of the risks and rewards incidental to ownership of the underlying assets. If this was the case, then the lease was a finance lease; if not, then it was an operating lease. As part of this assessment, the Group considered certain indicators such as whether the lease was for the major part of the economic life of the asset.

Derivative Financial Instruments

Derivative financial instruments are used to reduce our exposure to adverse fluctuations in foreign exchange and interest rates. Foreign currency derivatives are entered into only when they match an existing foreign currency asset or liability, or where they are used to hedge a forecasted transaction. Interest rate swaps may be used to manage any interest rate risk in accordance with our risk management policies. Derivative financial instruments are not used for speculative purposes.

Derivative financial instruments are measured at fair value at each reporting date and the movement in fair value is recognized in the statement of operations unless they are designated in a hedge accounting relationship.

We account for derivative financial instruments in accordance with the guidance in ASC 815 Derivatives and Hedging (“ASC 815”) including the guidance in ASU 2017-12. ASC 815 requires us to recognize the value of derivative instruments as either assets or liabilities in the balance sheet at fair value. The accounting for changes in the fair value (i.e., gains or losses) of a derivative instrument depends on whether it has been designated as a hedge and qualifies as part of a hedging relationship. None of our derivatives have been entered into hedge accounting relationships during the years ended December 31, 2020, December 31, 2019 and December 31, 2018.

For derivatives not in hedge accounting relationships, the earnings impact resulting from our derivative instruments is recorded in the same line item within the Consolidated Statements of Operations as the items being hedged from a financial risk management perspective. We also classify the cash flows from our derivative financial instruments in the same category as the items being hedged on our Consolidated Statements of Cash Flows based on the fact that our derivative financial instruments do not contain an other-than-insignificant financing element at inception. The fair values of derivatives used to hedge or modify our risks fluctuate over time.

We also enter a number of loans denominated in a foreign currency into hedges of a net investment in a foreign operation. Refer to “Foreign Currency” for our policy with respect to net investment hedges.

Employee Benefits

Using appropriate actuarial methods and assumptions, we evaluate defined benefit pension plans in accordance with the ASC 715 *Compensation - Retirement Benefits*. Our disclosures in respect of plan assets, investment strategies, major categories of plan assets, concentration of risks within plan assets and valuation techniques used to measure the fair value of plan assets are contained in note 22.

We account for share-based compensation expense consistent with ASC 718 *Compensation – Stock Compensation* (“ASC 718”). Our share-based payments are composed entirely of share-based compensation expense as all equity awards granted to employees and members of our Board of Directors, each of whom meets the definition of an employee under the provisions of the ASC are stock options. We use a binomial pricing model to estimate the fair value of stock options granted. We recognize share-based compensation expense over the requisite service period, which is generally the vesting period of each award. The employee share-option benefit in the Statement of Operations amounted to $130,000 in the year ended 31 December 2020 and the share option expense charge in the Statement of Operations amounted to $122,000 and $656,000 in the years ended 31 December 2019 and 2018 respectively.

Revenue Recognition

Revenue is recognized as control of a good or service is transferred to a customer in the amount expected to be entitled at transfer. We record revenue based on the five-step model in accordance with ASC 606 *Revenues from Contracts with Customers* (“ASC 606”). We identify for our contracts with customers, the performance obligations within each contractual arrangement, determine the transaction price of that contract, allocate that price to each of the performance obligations based on observable stand-alone selling prices and recognize revenues when each performance obligation has been fulfilled. Due to the nature of our performance obligations and our contractual arrangements with our customers, there are no significant judgements involved in the measurement, timing and recognition of revenue arising from our application of ASC 606.

The Group’s principal revenue streams include: i) product revenue from the sale of fresh produce and ii) product revenue from the sale and distribution of health foods and consumer goods.

Product revenues are recognized at a point in time when control of the goods have been transferred to the customer, which can be on shipping or delivery depending on the terms of trade with that customer. Product revenues can include surcharges for warehousing, transportation, handling and palletization of product before shipment or delivery.

We avail of the election available under ASC 606 to account for shipping and handling costs that occur after the customer has obtained control of the product as fulfilment costs and not as performance obligations within the contractual arrangement. Such costs are reported within selling, general and administrative expenses.

For product revenues contracts with customers state the terms of the sale including net payment terms, the quantity, and the price of each product purchased. As a result, the contracts do not include a significant financing component. The transaction price for product is measured as the consideration that is expected to be received for the sale, net of variable consideration including provisions for returns, discounts, rebates and allowances and also excluding value added taxes. These provisions for variable consideration are estimated based on the expected amount to be provided to the customers, taking into account our experience with those customers, historical and expected trading and contractual terms. The estimated variable consideration is included in transaction price only to the extent that it is probable that a significant reversal of cumulative revenue recognized would not occur when the uncertainties giving rise to the estimate crystallize.

Returns, discounts and rebates are recorded as a reduction to revenue. Estimated sales discounts are recorded in the period in which the related sale is recognized. Consideration given to customers for cooperative advertising is recognized at the terms agreed in advance and as a reduction of revenue except to the extent that there is a distinct good or services, in which case it is recorded as distribution expenses. Volume rebates are recognized as earned by the customer, based upon the contractual terms of the arrangement with the customer and, where applicable, the estimate of sales volume over the term of the arrangement. Estimates of variable consideration are reassessed at each reporting date and adjustments made as new information becomes available and actual sales volumes become known. Adjustments to these estimates have historically not been significant.

We have elected the practical expedient to expense incremental costs of obtaining a contract, if the contract period is for one year or less. These costs are included in selling, general and administrative expenses. We have no contract periods in excess of one year and so also utilize the following practical expedients: to not adjust the promised amount of consideration for the effects of a significant financing component due to the fact that the period between the transfer of the promised good or service to a customer and the customer payment is one year or less; and to omit disclosure of unsatisfied performance obligations as of each balance sheet date.

Cost of Products Sold

Cost of products sold includes the cost of produce, packaging materials, labor, depreciation, overhead, transportation and other distribution costs, including handling costs incurred to deliver fresh produce or consumer products to customers.

Advertising and Promotional Costs

We expense advertising and promotional costs as incurred. Advertising and promotional costs, which are included in selling, general and administrative expenses, were $5,300,000 for 2020, $5,800,000 for 2019 and $6,300,000 for 2018.

Research and Development

Expenditure on research and development activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognized in the statement of operations as an expense as incurred. We did not incur any material research and development expense in the years ended December 31, 2020, 2019 and 2018.

Interest Income/Expense

Interest income comprises interest income on funds invested and other receivables like grower loans. It also includes dividends received from equity investments and amortization of premium on borrowings issued. Interest income is recognized as it accrues using the effective interest method. Dividends are recognized when received or entitlement to dividend is declared.

Interest expense comprises interest expense on borrowings, amortization of discount on borrowings, interest expense relating to ASC 842, unwinding of the discount on provisions, debt extinguishment costs and arrangement fees. All finance costs, other than borrowing costs incurred in the construction of major assets which are capitalized, are recognized in the statement of operations using the effective interest method. No such borrowing costs requiring capitalization arose during the periods presented.

Income Taxes

Deferred taxes are accounted for under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statement carrying amount and the tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company assesses the likelihood that its deferred tax assets will be recovered from future taxable income, and to the extent it believes, based upon the weight of available evidence, that it is more likely than not that all or a portion of the deferred tax assets will not be realized, a valuation allowance is established. The potential for recovery of deferred tax assets is evaluated by considering taxable income in carryback years, existing taxable temporary differences, prudent and feasible tax planning strategies and estimating the future taxable profits.

We recognize the benefit of a tax position only to the extent that it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. If the tax position is deemed more-likely-than-not to be sustained, the tax position is then assessed to determine the amount of benefit to recognize in the consolidated financial statements. The amount of the benefit that is recognized is the largest amount that has a greater than 50 percent likelihood of being realized upon settlement. Income tax expenses includes the effects of any resulting tax reserves, or unrecognized tax benefits, that are considered appropriate as well as the related net interest and penalties.

We present interest and penalties related to an underpayment of income taxes on the income tax expense line in the accompanying consolidated statement of operations. Accrued interest and penalties are included on the related income tax liability line in the consolidated balance sheet.

In respect of undistributed earnings for foreign subsidiaries, where those earnings are considered to be either indefinitely reinvested, or the earnings could be distributed tax free, no taxes have been provided thereon.

We release income tax effects from accumulated other comprehensive income/(losses) when the entire portfolio of the item giving rise to the tax effect is disposed of, liquidated, or terminated.

Earnings Per Share

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period, excluding shares purchased by the Company and held as treasury shares. Diluted earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding after adjustment for the effects of all ordinary shares and options with a dilutive effect.

Operating and Reportable Segments

Operating segments, defined as components of the Group that engage in business activities from which they may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker ('CODM'). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors of the Board. Our reportable segments are identified in note 5. All transactions between our reportable segments are at an arm's length basis.

Foreign Currency and Net Investment Hedges

The functional currency of Total Produce plc is Euro and the reporting currency for the presentation of the consolidated financial statements is the U.S. dollar. Transactions in foreign currencies are translated into the functional currency of the entity at the foreign exchange rate ruling at the date of the transaction. Non-monetary assets carried at historic cost are not subsequently retranslated. Non-monetary assets carried at fair value are subsequently remeasured at the exchange rate at the date of valuation. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the foreign exchange rate ruling at that date. Foreign exchange movements arising on such translation are recognized in the statement of operations. Cost of Sales in the accompanying Consolidated Statements of Operations includes a net foreign exchange loss of $0.2 million for 2020, $0.2 million for 2019, and a gain of $0.1 million for 2018. These amounts include the effect of foreign currency remeasurement and realized foreign currency transaction gains and losses.

Net investment hedges are used in connection with foreign currency denominated operations. Assets and liabilities of foreign currency denominated operations, including goodwill and fair value adjustments arising on consolidation, are translated to Euro at the foreign exchange rates ruling at the reporting date.

The income and expenses of foreign currency denominated operations are translated to the functional currency of their parent at the average exchange rate for the year. Foreign exchange movements arising on translation of the net investment in a foreign operation, including those arising on long-term intra-Group loans deemed to be quasi equity in nature, are recognized directly in other comprehensive income, in the currency translation reserve. The portion of exchange gains or losses on foreign currency borrowings used to provide a hedge against a net investment in a foreign operation that is designated as a hedge of those investments is recognized directly in other comprehensive income to the extent that they are determined to be effective. Hedge accounting for net investment hedges are discontinued prospectively when the net investment hedging relationship no longer meets the prospective effectiveness test. If the net investment hedge is no longer effective, any amounts not yet recognized in the Consolidated Statement of Operations remain in currency translation reserve until the net investment is sold, substantially or completely liquidated.

Business Combinations

We account for business combinations using the acquisition method of accounting. Application of this method of accounting requires that (i) identifiable assets acquired (including identifiable intangible assets) and liabilities assumed generally be measured and recognized at fair value as of the acquisition date and (ii) the excess of the purchase price over the net fair value of identifiable assets acquired and liabilities assumed be recognized as goodwill. Transaction costs related to business combinations are expensed as incurred.

Determining the fair value of assets acquired and liabilities assumed and the allocation of the purchase price requires management to use significant judgment and estimates, especially with respect to intangible assets. Estimates in valuing certain identifiable assets include, but are not limited to, the selection of valuation methodologies, estimates of future revenue and cash flows, expected long-term market growth, future expected operating expenses, costs of capital and appropriate discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. During the measurement period, we may record certain adjustments to the carrying value of the assets acquired and liabilities assumed with the corresponding offset to goodwill. After the measurement period, which could last up to one year after the transaction date, all adjustments are recorded in the consolidated statements of operations and comprehensive loss.

The noncontrolling interests (“NCI”) in acquired businesses are measured at fair value at the date of acquisition and are separately presented within shareholders' equity, distinct from equity attributable to Total Produce plc. Each reporting period, net income/(loss) and comprehensive income/(loss) of the consolidated subsidiaries in which noncontrolling interests are held, are attributed to that noncontrolling interest based on their equity interest in each consolidated subsidiary.

Contingent consideration is defined in ASC 805 Business Combinations (“ASC 805”) as an obligation of the acquirer to transfer additional assets or equity interests to the former owners of an acquiree as part of the exchange for control of the acquiree if specified future events occur or conditions are met. Contingent consideration is recognized and measured at fair value at the acquisition date. Any obligation of the Group to pay contingent consideration in connection with a business combination is classified as a liability where liability classification is required by ASC 480 Distinguishing liabilities from equity (“ASC 480”), otherwise it is classified as equity. Post-combination accounting for contingent consideration is impacted by its initial classification. Where it is classified as a liability, it is remeasured at each reporting date at fair value and any change is reported within earnings. Where equity classification has been followed, the contingent consideration is not remeasured subsequently and its settlement is accounted for within equity.

The Group made acquisitions in 2020 and 2019 with initial cash spend of $1,440,000 (2019: $7,467,000), deferred consideration of $Nil (2019: $127,000) with a further $139,000 (2019: $1,632,000) of contingent consideration payable dependent on the achievement of profit targets.

Redeemable Noncontrolling Interest

If a put option is held by a NCI in a subsidiary undertaking, whereby the holder of the put option can require the Group to acquire the NCI's shareholding in the subsidiary at a future date, the Group examines the nature of such a put option to determine whether the put option is a separate financial instrument to, or embedded within, the NCI.

As our NCI containing put and call options contain exercise prices based on future EBIT/(DA) of the consolidated subsidiaries in question and meet the criteria for mezzanine classification they are classified as Redeemable noncontrolling interest as mezzanine equity. The embedded put and call features do not meet the criteria for bifurcation.

Both permanent and mezzanine classified NCI are measured at fair value on the acquisition date. Each reporting period we attribute net income and comprehensive income of a consolidated subsidiary to the controlling interest and NCI. When redemption of a mezzanine classified NCI becomes probable, the NCI is accreted to its redemption amount with the offset to retained earnings. We accrete these changes over the periods prior to the earliest redemption date, or recognize them immediately as they occur.

Fair Value Measurements

Fair value is measured in accordance with ASC 820, "Fair Value Measurements and Disclosures" that defines fair value, establishes a framework for measuring fair value and enhances disclosures about fair value measures required under other accounting pronouncements, but does not change existing guidance as to whether or not an instrument is carried at fair value. We measure fair value for financial instruments, such as derivatives on an ongoing basis. We measure fair value for non-financial assets when a valuation is necessary, such as for impairment of long-lived and indefinite-lived assets when indicators of impairment exist.

The inputs used to measure fair value are based on a hierarchy that prioritizes observable and unobservable inputs used in valuation techniques. These levels, in order of highest to lowest priority, are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2: Observable prices that are based on inputs not quoted on active markets, but corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Certain assets and liabilities, including long-lived assets, goodwill, property plant and equipment, and cost and equity investments, are measured at fair value on a nonrecurring basis using Level 3 inputs, which would primarily include the use of a discounted cash flow valuation approach.

Contingencies

Estimated losses from contingencies are expensed if it is probable that an asset has been impaired or a liability has been incurred at the date of the consolidated financial statements and the amount of the loss can be reasonably estimated. Gain contingencies are not reflected in the consolidated financial statements until realized. We use judgment in assessing whether a loss contingency is probable and estimable. Actual results could differ from these estimates.

3. NEW ACCOUNTING PRONOUNCEMENTS

New Accounting Pronouncements Adopted

In February 2020, the FASB issued ASU 2020-02, *Financial Instruments—Credit Losses (Topic 326) and Leases (Topic 842)* which provides additional guidance in respect of the measurement of current expected credit losses calculated in accordance with ASC 326. The guidance in ASU 326 immediately applicable and was applied in conjunction with FASB ASC Topic 326, which we adopted effective January 1, 2020.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments - Measurement of Credit Losses on Financial Instruments and subsequent amendments to the guidance, ASU 2018-19 in November 2018, ASU 2019-05 in May 2019 including codification improvements in Topic 326 in ASU 2019-04, issued in April 2019, ASU 2019-10 and ASU 2019-11 both issued in November 2019. This standard significantly changes how entities measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The standard replaces the previous "incurred loss" approach with an "expected loss" model for instruments measured at amortized cost, generally resulting in the earlier recognition of credit losses in the consolidated financial statements. The amendment affects loans, debt securities, trade receivables, net investment in leases, off balance sheet credit exposures, reinsurance receivables and any other financial assets not excluded from the scope that have the contractual right to receive cash.

We adopted this ASU along with the conforming subsequent amendments using the modified retrospective and their impact was not material and there was no adjustment to retained earnings as of the adoption date, January 1, 2020. In addition, at that date we also adopted the guidance in ASU 2020-03, *Codification Improvements to Financial Instruments*. This ASU contains a number of amendments to financial instruments in terms of updated disclosures, changes and clarifications to existing definitions and guidance in order to improve the understandability of the financial instrument guidance and was effective at the adoption of ASU 2016-13.

New Accounting Pronouncements Not Yet Adopted

In August 2020, the FASB issued ASU 2020-06, Debt—*Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*. This ASU reduces the complexity in accounting for convertible debt and contracts in an entity's own equity by limiting the accounting models used for convertible instruments. It is expected to result in fewer embedded conversion features being separately recognized from the host contract as compared with current GAAP. Convertible instruments that continue to be subject to separation models are (1) those with embedded conversion features that are not clearly and closely related to the host contract, that meet the definition of a derivative, and that do not qualify for a scope exception from derivative accounting and (2) convertible debt instruments issued with substantial premiums for which the premiums are recorded as paid-in capital. This ASU will not become effective for us until January 1, 2022 but can be adopted early from January 1, 2021. We are currently evaluating this ASU and the impact it may have on our consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. The ASU provides optional guidance to companies to ease the potential burden associated with transitioning away from reference rates that are expected to be discontinued. The new guidance provides optional expedients and exceptions to apply generally accepted accounting principles to contract modifications and hedging relationships, subject to certain criteria that reference LIBOR or another reference rate expected to be discontinued. Companies can adopt the ASU immediately, however the guidance will only be available through December 31, 2022. We are currently evaluating this ASU and the impact it may have on our consolidated financial statements.

In January 2020, the FASB issued ASU 2020-01, *Investments-Equity Securities (Topic 321), Investments-Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815)-Clarifying the Interactions between Topic 321, Topic 323, and Topic 815*.

The amendments in this update clarify certain interactions between the guidance to account for certain equity securities under Topic 321, the guidance to account for investments under the equity method of accounting in Topic 323, and the guidance in Topic 815, which could change how an entity accounts for an equity security under the measurement alternative or a forward contract or purchased option to purchase securities that, upon settlement of the forward contract or exercise of the purchased option, would be accounted for under the equity method of accounting or the fair value option in accordance with Topic 825, Financial Instruments.

This ASU will be effective for us beginning the first day of our 2021 fiscal year. We are evaluating the impact of the adoption of this ASU on our financial condition, results of operations and cash flows, and, as such, we are not able to estimate the effect the adoption of the new standard will have on our consolidated financial statements.

In December 2019, the FASB issued ASU 2019-12, Income Taxes (Topic 740): *Simplifying the Accounting for Income Taxes*. The ASU introduces new guidance to evaluate whether a step-up in tax basis of goodwill relates to a business combination in which book goodwill was recognized or a separate transaction, and also provides a policy election to not allocate consolidated income taxes when a member of a consolidated tax return is not subject to income tax. The ASU also makes changes to the current guidance for making intraperiod allocations and determining when a deferred tax liability is recognized after an investor in a foreign entity transitions to or from the equity method of accounting, among other changes. This ASU will be effective for us beginning the first day of our 2021 fiscal year, and the impact of adopting the new standard will not have a material impact on our consolidated financial statements.

4. REVENUE

The following table presents the Group's revenues split by revenue to third parties and revenue to equity accounted affiliates.

	Year ended December 31, 2020	**Year ended December 31, 2019**	**Year ended December 31, 2018**
	(U.S. Dollars in thousands)		
Third party revenue	4,232,318	4,060,571	4,294,032
Sales to equity method investments	113,621	106,228	98,561
Total revenue	**4,345,939**	**4,166,799**	**4,392,593**

The Group's revenues by primary revenue stream for the years ended December 31, 2020, 2019, and 2018 are as follows:

	Year ended December 31, 2020	**Year ended December 31, 2019**	**Year ended December 31, 2018**
	(U.S. Dollars in thousands)		
Fresh produce	4,180,845	4,026,291	4,233,954
Health foods and consumer goods	124,040	99,774	115,240
Third party freight	41,054	40,734	43,399
Total revenue	**4,345,939**	**4,166,799**	**4,392,593**

The following table presents the Group's disaggregated revenue disclosures by channel for revenue for the years ended December 31, 2020, 2019, and 2018. Revenue by reportable segment for the same periods is disclosed in note 5.

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands)		
Retail	2,668,454	2,386,697	2,551,029
Wholesale	1,252,547	1,252,562	1,337,017
Food Service	311,317	421,312	405,986
Sales to equity method investments	113,621	106,228	98,561
Total revenue	**4,345,939**	**4,166,799**	**4,392,593**

5. SEGMENTS

ASC 280 Segment Reporting ("ASC 280") sets out the requirements for disclosure of financial and descriptive information about the operating segments, products and the geographical areas in which the Group operates, as well as information on major customers.

In accordance with ASC 280, the Group's reportable operating segments, based on how performance is assessed, and resources are allocated, are as follows:

- Europe – Non-Eurozone: This reportable segment is an aggregation of six operating segments in the Czech Republic, Poland, Scandinavia and the United Kingdom. These segments have been aggregated as they all are primarily involved in the procurement, marketing and distribution of fresh produce and share other similar economic characteristics and operate in similar regulatory environments. Up to the middle of 2018, it also included a small healthfoods business that has been discontinued.
- Europe – Eurozone: This reportable segment is an aggregation of thirteen operating segments principally in France, Ireland, Italy, the Netherlands, Brazil and Spain. These segments have been aggregated as they all are primarily involved in the procurement, marketing and distribution of fresh produce and some healthfoods and consumer goods products, and share other similar economic characteristics, transact in Euro and operate in the same regulatory environment. The Brazilian business is included in the Eurozone as it is a subsidiary of our Dutch businesses and a supplier to our operations in the Eurozone.
- International: This segment is an aggregation of five operating segments in North America, one in South America and one in India. These segments have been aggregated as they all are primarily involved in the procurement, marketing and distribution of fresh produce and share other similar economic characteristics and operate in similar regulatory environments. They also primarily transact in U.S. Dollar.
- Dole: This operating segment represents the Group's 45% interest in Dole. Dole is one of the world's leading producers, marketers and distributors of fresh fruit and vegetables. It has an iconic brand and leading market positions and scale. It is one of the world's largest producers of bananas and pineapples, and a leader in other fresh fruits, value added and fresh-packed vegetables and berries. In terms of market share, they hold the number one and three positions, respectively, for bananas in North America and Europe, and are number two and three, respectively, for pineapples in North America and Europe. They sell and distribute throughout a wide network in North America, Europe, Latin America, the Middle East and Africa.

Management uses Adjusted Revenue and Adjusted EBITDA to evaluate segment performance and allocate resources.

Adjusted Revenue is defined as revenue adjusted to include each segment's share of revenue from investments accounted for under the equity method. Management uses Adjusted Revenue when evaluating performance of segments because of the significance of investments accounted for under the equity method to segments and the Group.

Adjusted EBITDA is reconciled below to income before income taxes and income from investments accounted for under the equity method by: (1) subtracting net interest charges (2) subtracting depreciation (3) subtracting intangible asset amortization charges (4) subtracting litigation and transaction related costs (5) adding or subtracting fair value movements on contingent consideration (6) subtracting impairment charges on goodwill, intangible assets and property, plant and equipment, (7) subtracting the net unrealized loss or adding the net unrealized gain on derivative instruments; (8) subtracting the net unrealized loss or adding the net unrealized gain on foreign denominated intercompany borrowings; (9) subtracting the net realized loss or adding the net realized gain on noncash settled foreign denominated intercompany borrowings; (10) subtracting restructuring charges or onerous contract costs; (11) subtracting the loss or adding the gain on asset sales for assets held-for-sale and actively marketed property; (12) subtracting financing charges and other debt related costs; (13) adding the gain or subtracting the loss on the sale of equity investments or other business interests and (14) subtracting the foreign currency gains relating to proceeds from share placings. It also includes the Group share of these items within equity method investments and the following items specific to its equity method investment in Dole (A) deducting costs of discontinued operations; (B) deducting vegetable recalls and related costs and (C) deducting costs that are directly related to the COVID-19 pandemic, and are as follows: (i) incremental to charges incurred prior to the outbreak, including incremental costs related to personal protective equipment and transportation, and direct costs due to lower production capacity from a plant shutdown, (ii) not expected to recur once the crisis has subsided and operations return to normal, and (iii) clearly separable from normal operations. Management uses Adjusted EBITDA when evaluating performance because it eliminates the effects of (i) considerable amounts of non-cash depreciation and amortization and (ii) items not within the control of the Company’s operations managers.

Interest expense, interest income and income taxes are managed on a centralized basis. These items are not allocated between operating segments for the purposes of the information presented to the Chief Operating Decision-Maker ('CODM').

Management does not use assets by segment to evaluate performance or allocate resources. Therefore, we do not disclose assets by segment.

Adjusted Revenue

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands)		
Europe - Non-Eurozone	1,706,802	1,655,456	1,745,184
Europe – Eurozone	1,920,902	1,856,334	2,063,019
International	1,475,309	1,420,721	1,384,970
Dole	2,098,529	2,012,591	815,734
Inter-segment revenue	(75,729)	(70,249)	(65,659)
Adjustments			
Share of revenue of investments accounted for under the equity method [i]	(2,779,874)	(2,708,054)	(1,550,655)
Group revenue as reported in the consolidated statement of operations	**4,345,939**	**4,166,799**	**4,392,593**

[i] After elimination of proportionate share of transactions between Group subsidiaries and investments accounted for under the equity method.

Adjusted EBITDA

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands)		
Europe - Non-Eurozone	60,628	57,826	62,828
Europe – Eurozone	43,513	31,460	42,754
International	30,680	25,470	25,267
Dole	114,117	112,873	20,894
Adjustments			
Interest expense, net	(7,920)	(8,965)	(9,465)
Depreciation	(24,634)	(22,900)	(21,908)
Amortization of intangible assets	(11,548)	(11,509)	(12,115)
Litigation and transaction related costs	(396)	(198)	(4,197)
Net unrealized (loss)/gain on derivative financial instruments	(633)	(13)	428
Fair value movements on contingent consideration	(519)	228	2,551
Goodwill impairment	—	—	(9,811)
Impairment of property, plant and equipment	(1,210)	—	—
(Loss)/gain on disposal of farming investment	—	(749)	17,355
Restructuring charges	—	(1,280)	(5,764)
Foreign currency gain from share placing	—	—	14,771

Items in earnings for equity method investments	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands)		
Equity in net earnings of investments accounted for under the equity method..........	(30,279)	(36,943)	(363)
Group share of depreciation	(45,135)	(40,601)	(19,553)
Group share of income tax expense	(22,329)	(16,532)	(2,760)
Group share of amortization of acquisition related intangible assets	(2,895)	(3,012)	(3,163)
Group share of net gain/(loss) on asset sales/impairments	3,137	7,369	14
Group share of net unrealized (gain)/loss on derivative financial instruments	5,321	(5,185)	325
Group share of net gain/(loss) on foreign currency denominated intercompany borrowings	(8,977)	1,886	1,784
Group share of restructuring charges and onerous contract costs....................................	(2,039)	(4,959)	(2,781)
Group share of costs associated with industry wide product recalls.......................................	—	(1,832)	(1,740)
Group share of transaction costs.......................	(294)	(756)	—
Group share of COVID-19 costs	(4,854)	—	—
Group share of costs of discontinued operations	—	(1,114)	—
Group share of interest expense, net.................	(34,631)	(37,808)	(18,022)
Income before income taxes and income from investments accounted for under the equity method...	**59,103**	**42,756**	**77,329**

Our acquisitions of property, plant and equipment, depreciation of property, plant and equipment, and amortization of intangible assets for the years ended December 31, 2020, 2019, and 2018 were as follows:

	Year ended December 31, 2020			Year ended December 31, 2019			Year ended December 31, 2018		
	Acquisition of property, plant and equipment	Depreciation of property, plant and equipment	Amortization of intangible assets	Acquisition of property, plant and equipment	Depreciation of property, plant and equipment	Amortization of intangible assets	Acquisition of property, plant and equipment	Depreciation of property, plant and equipment	Amortization of intangible assets
Europe Non-Eurozone	27,901	12,959	3,338	11,403	12,141	2,973	17,716	11,427	3,332
Europe Eurozone	6,878	9,568	1,363	10,246	9,102	1,691	13,635	8,739	1,888
International................	1,791	2,107	6,847	5,357	1,657	6,845	3,337	1,742	6,895
Total Group...............	**36,570**	**24,634**	**11,548**	**27,006**	**22,900**	**11,509**	**34,688**	**21,908**	**12,115**

Country of domicile and geographic disclosures

The Group had significant sales from our operations in the United States, Sweden, Spain, UK, Republic of Ireland, and the Netherlands, based on point of sale. Our revenue by country for years ended December 31, 2020, 2019 and 2018 were:

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands)		
United States	1,094,917	989,815	943,461
Sweden	645,067	604,651	646,790
Spain	628,444	605,605	676,987
UK	619,361	653,446	663,651
Republic of Ireland	424,918	391,983	412,317
Netherlands	381,970	416,052	512,619
Other	551,262	505,247	536,768
Total revenue	**4,345,939**	**4,166,799**	**4,392,593**

The Group had significant long-lived assets in the Sweden, UK, Spain, Republic of Ireland, Denmark and the United States. Long-lived assets are comprised of property, plant and equipment and right of use assets net of related accumulated depreciation. Our long-lived assets by country were:

	Year ended December 31, 2020	Year ended December 31, 2019
	(U.S. Dollars in thousands)	
Sweden	74,239	54,752
Spain	50,759	46,700
UK	60,963	44,700
Republic of Ireland	38,825	37,549
Other	134,882	133,722
Total long-lived assets	**359,668**	**317,423**

6. OTHER (EXPENSE)/INCOME, NET

Other income, net includes the following:

	Year ended December 31 2020	Year ended December 31 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands)		
Other income			
Rental income	2,708	2,270	2,304
Gain/(loss) on contingent consideration	(519)	228	2,551
Other income	1,042	2,273	1,249
Subtotal – other income	**3,231**	**4,771**	**6,104**
Other components of net periodic benefit cost	(2,169)	(419)	(835)
Transaction related costs	(396)	(198)	(4,197)
Other expenses	(1,245)	(211)	(15)
Subtotal – other expense	**(3,810)**	**(828)**	**(5,047)**
Total other income/(expense), net	**(579)**	**3,943**	**1,057**

7. INTEREST INCOME AND EXPENSE

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands)		
Interest Income			
Interest income	2,604	3,077	4,364
Total interest Income	**2,604**	**3,077**	**4,364**
Interest Expense			
Interest expense on long term debt	(7,796)	(10,492)	(12,195)
Interest expense on finance lease liabilities	(114)	(58)	—
Interest expense on capital lease liabilities	—	—	(130)
Other interest expense	(2,613)	(1,492)	(1,504)
Total Interest Expense	**(10,523)**	**(12,042)**	**(13,829)**

8. INCOME TAXES

The following table presents income tax expenses by selected jurisdiction for each of the years ended December 31, 2020, 2019 and 2018:

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands)		
Current tax (benefit)/expense			
Ireland	262	(280)	492
United States	2,706	3,109	1,563
Foreign - excluding United States	15,860	15,449	15,445
Total current tax (benefit)/expense	**18,828**	**18,278**	**17,500**
Deferred tax (benefit)/expense			
Ireland	185	566	421
United States	(298)	(1,948)	2,016
Foreign - excluding United States	(585)	(6,584)	(83)
Total deferred tax (benefit)/expense	**(698)**	**(7,966)**	**2,354**
Income tax expenses	**18,130**	**10,312**	**19,854**

Income before income taxes and income from investments accounted for under the equity method consisted of the following:

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands)		
Ireland	2,852	2,597	15,128
United States	7,615	978	7,206
Foreign - excluding United States	48,636	39,181	54,995
	59,103	**42,756**	**77,329**

The differences between the reported income tax expense and income taxes computed at the Irish statutory tax rate of 12.5% for the years ended December 31, 2020, 2019 and 2018 are explained in the following reconciliation:

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands)		
Income tax expense at the Irish statutory tax rate of 12.5%	7,388	5,345	9,666
Effects of			
Nondeductible goodwill impairment	—	—	2,453
Difference in tax rates	8,247	1,908	4,018
Movement in valuation allowance	2,824	740	1,014
Tax exempt income	(248)	—	(1,546)
Expenses not deductible for income tax purposes	1,467	1,227	1,492
Changes in unrecognized tax benefits, net of indirect benefits	(648)	32	1,227
Contingent consideration adjustments	(329)	163	1,316
Changes in estimates made in respect of prior periods	(678)	821	427
Other items	107	76	(213)
Income tax expense	**18,130**	**10,312**	**19,854**

Deferred tax recognized directly in other comprehensive income:

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands)		
Deferred tax benefit (expense) on remeasurement (loss)/gain on defined benefit plans	2,584	84	(763)
Total deferred tax benefit (expense) recognized in other comprehensive income	**2,584**	**84**	**(763)**

Deferred tax recognized directly in retained earnings

On January 1, 2019, we recognized a benefit of $412,000 in retained earnings for the income tax effects of our adoption of ASC 842—*Leases*.

The following table provides details of the principal components of our deferred tax assets and liabilities as of December 31, 2020 and 2019:

	December 31, 2020	December 31, 2019
	(U.S. Dollars in thousands)	
Deferred tax assets:		
Property, plant and equipment	996	924
Leases	583	413
Accounts payable and accrued liabilities	7,295	5,540
Employee benefits	4,153	1,955
Carry forward losses	18,548	15,573
Other	1,335	1,047
Total deferred tax assets	32,910	25,452
Valuation allowance	(16,395)	(12,091)
Offset against deferred tax liabilities	(9,833)	(8,633)
Total deferred tax assets, net	**6,682**	**4,728**
Deferred tax liabilities:		
Intangible assets	18,982	20,660
Property, plant and equipment	3,863	2,039
Accounts payable and accrued liabilities	—	77
Leases	120	—
Other	222	1,284
Investments in equity method investments	9,097	982
Total deferred tax liabilities	32,284	25,042
Offset against deferred tax assets	(9,833)	(8,633)
Total deferred tax liabilities, net	**22,451**	**16,409**

At December 31, 2020, we had approximately $81,534,000 of operating and capital loss carryforwards expiring as follows (USD in thousands):

	Ireland	United States	Foreign - excluding United States	Total
2021	—	—	1,727	1,727
2022	—	—	—	—
2023	—	—	—	—
2024	—	—	108	108
2025	—	304	1,551	1,855
Indefinite	32,977	917	43,950	77,844
Total	32,977	1,221	47,336	81,534

The following table presents the movement in the valuation allowance for each of the three years in the period ended December 31, 2020:

	Year ended December 31 2020	Year ended December 31 2019	Year ended December 31, 2018
	(U.S. Dollars In thousands)		
Balance at January 1	**12,091**	**11,577**	**11,091**
Increase recognized in the income statement	4,509	1,437	1,201
Decrease recognized in the income statement	(1,685)	(697)	(187)
Translation adjustments	1,480	(226)	(528)
Balance at December 31	**16,395**	**12,091**	**11,577**

The valuation allowance increased by $2,824,000 in 2020 and by $740,000 in 2019. The increase in 2020 and 2019 relates primarily to valuation allowance on additional net operating loss and capital loss carryforwards. The 2020 increase includes an additional $3,622,000 valuation allowance on net operating loss carryforwards relating to one of our subsidiaries that we recognized because it is experiencing a downturn in its trading conditions that in 2020 we determined to be sustained.

No provision for income tax has been provided on undistributed earnings of our foreign subsidiaries because such earnings are indefinitely reinvested in the foreign operations or because such earnings can be repatriated in a tax-free manner. Cumulative unremitted earnings of overseas subsidiaries that are indefinitely reinvested totaled approximately $10,600,000 at December 31, 2020. In the event of a repatriation of those earnings in the form of dividends or otherwise, we may be liable for income taxes, subject to adjustment, if any, for foreign tax credits and foreign withholding taxes payable to foreign tax authorities. The Company estimates that approximately $500,000 of income taxes would be payable on the repatriation of the unremitted earnings to Ireland.

We recognize deferred tax assets on potential foreign tax credits expected to be generated by the repatriation of undistributed earnings only when the repatriation has occurred or is expected to occur in the foreseeable future.

A reconciliation of the beginning and ending amount of unrecognized tax benefits (excluding interest and penalties) is as follows:

	Year ended December 31, 2020	Year ended December 31, 2019
	(U.S. Dollars in thousands)	
Balance at January 1	11,928	12,140
Increases due to tax positions taken in the current year	2,190	1,676
Decreases due to lapse of statute of limitations	(2,704)	(1,652)
Translation adjustments	1,285	(236)
Balance at December 31	12,699	11,928

The total of unrecognized tax benefits was $12,699,000 and $11,928,000 as of December 31, 2020 and 2019 respectively. If recognized, we estimate that our effective tax rate would be affected by additional income tax benefit of $6,089,000 and $6,024,000 for the years ended December 31, 2020 and 2019 respectively. We currently estimate that our unrecognized tax benefits will not change materially during the next twelve months. We recognized a liability for accrued interest and penalties of $2,019,000 and $2,032,000 for the years ended December 31, 2020 and 2019 respectively.

The tax years 2016 to 2020 remain subject to examination by taxing jurisdictions in Ireland, the United States, and the United Kingdom; the tax years 2015 to 2020 remain subject to examination by taxing jurisdictions in Sweden and Denmark.

9. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year, excluding shares purchased by the Company and held as treasury shares.

In November 2010, the Group purchased 22,000,000 of its own shares which are held as treasury shares. In respect of the shares that are held by the Group (treasury shares), all rights (including voting and dividend rights) are suspended until those shares are reissued and therefore they are not included in earnings per share calculations. Details relating to the purchase of the Group's own shares in prior periods are outlined in Note 27.

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars and shares in thousands)		
Profit for the year attributable to equity shareholders of the parent	52,488	55,060	36,614
Weighted average number of shares – basic (in thousands)	388,560	388,478	381,890
Basic earnings per share – cents	13.51	14.17	9.59

Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding after adjustment for the effects of all ordinary shares and options with a dilutive effect. We use the treasury stock method to calculate the dilutive effect of outstanding equity awards in the denominator for diluted EPS.

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars and shares in thousands)		
Profit for the year attributable to equity shareholders of the parent	52,488	55,060	36,614
Weighted average number of shares	388,560	388,478	381,890
Effect of share options with a dilutive effect	583	817	1,257
Weighted average number of shares – diluted	389,143	389,295	383,147
Diluted earnings per share – cents	13.49	14.14	9.56

The average market value of the Company's shares used for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the year, during which the options were outstanding.

10. CASH

Cash and cash equivalents comprise cash balances held for the purposes of meeting short-term cash commitments and call deposits, which are readily convertible to a known amount of cash within a short time frame of between one day and three months.

	December 31 2020	December 31 2019
	(U.S. Dollars in thousands)	
Bank balances	160,434	111,537
Call deposits (demand balances)	69	18,040
Cash, cash equivalents	**160,503**	**129,577**

11. TRADE RECEIVABLES

	December 31 2020	December 31 2019
	(U.S. Dollars in thousands)	
Trade receivables due from third parties	350,349	347,704
Trade receivables due from equity accounted affiliates	21,494	17,553
Allowance for credit loss	(10,122)	(5,661)
Trade Receivables, net of allowance		
Current	361,721	359,596

Movements in the trade receivables, allowance for credit losses are as follows.

	Year ended December 31 2020	Year ended December 31 2019	Year ended December 31 2018
	(U.S. Dollars in thousands)		
Balance at January 1	(5,661)	(7,770)	(7,192)
Arising on acquisition of subsidiaries	(157)	(118)	(956)
Provision for receivables impairment - charged to selling, general and administrative expenses	(5,468)	(964)	(1,561)

	Year ended December 31 2020	Year ended December 31 2019	Year ended December 31 2018
	(U.S. Dollars in thousands)		
Receivables written off as uncollectible	1,976	3,094	1,566
Foreign exchange	(812)	97	373
Balance at December 31	(10,122)	(5,661)	(7,770)

We adopted ASC 326 Financial Instruments—Credit Losses effective January 1, 2020, which did not have a material impact on the Group's allowance for credit losses.

We manage the credit risk of a portion of our trade receivables through the use of non-recourse trade receivables arrangements with a total facility amount of $115,300,000. Under the terms of these agreements the Group has transferred substantially all of the credit risk of the trade receivables which are subject to these agreements. At December 31, 2020 trade receivables amounting to $57,600,000 million have been derecognized.

12. OTHER RECEIVABLES

	December 31 2020	December 31 2019
	(U.S. Dollars in thousands)	
Grower loans	30,677	35,242
Irish value added tax ("VAT") receivables	837	758
Other VAT receivables	7,292	7,646
Other receivables	34,387	31,946
Other receivables due from equity accounted affiliates	12,831	13,746
Allowance for credit loss	(8,448)	(6,312)
Other Receivables, net of allowance		
Current	47,486	54,918
Noncurrent	30,090	28,108

Movements in the other receivables allowance for credit loss are as follows.

	Year ended December 31 2020	Year ended December 31 2019	Year ended December 31 2018
	(U.S. Dollars in thousands)		
Balance at January 1	(6,312)	(5,789)	(5,141)
Provision for receivables impairment - charged to selling, general and administrative expenses	(2,745)	(1,070)	(2,200)
Receivables written off as uncollectible	390	572	1,366
Reclassification	428	—	—
Foreign exchange	(209)	(25)	186
Balance at December 31	(8,448)	(6,312)	(5,789)

We adopted ASC 326 Financial Instruments—Credit Losses effective January 1, 2020, which did not have a material impact on the Group's allowance for credit losses on other receivables. The comparative periods continue to be presented under the then-applicable accounting policy.

As a result, for our December 2019 amounts, allowances were calculated on the basis of losses incurred at this date of assessment. We continuously monitor collections and payments from our customers and maintain a provision for estimated credit losses based upon our historical experience, specific customer collection issues that we have identified, and the aging of the trade receivables based on contractual terms.

For allowances calculated after January 1 2020, our allowance for credit losses on trade and other receivables will reflect our estimate of credit losses over the remaining expected life of the asset. Expected credit losses for newly recognized financial assets, as well as changes to expected credit losses during the period, will be recognized in earnings and classified within cost of sales. These expected credit losses will be measured based on historical loss data, current conditions and forecasts that affect the collectability of the reported amount. Write-off of accounts receivable is performed only when all collection efforts have been exhausted without success.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group has detailed procedures for monitoring and managing the credit risk related to its trade receivables based on experience, customers' track records and historic default rates. Individual risk limits are generally set by customer, and risk is accepted above such limits only in defined circumstances. The utilization of credit limits is regularly monitored, and a significant element of the credit risk is covered by credit insurance. The impairment provision is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible, at which point the amount is considered irrecoverable and is written off directly against the trade receivable.

The Group also makes advances to key suppliers, generally to secure produce in key categories. Advances made are generally interest- bearing and recovered through deduction from payments made in respect of produce delivered by the counterparty.

A rating system has been utilized in relation to other receivables.

Trade receivables are considered to be in default if repayment is not considered probable. Other receivables are considered to be in default if the receivable is not collected within the agreed terms.

The expected loss rates for other receivables are based on the repayment profiles of individual receivables over a three-year period and the corresponding historical credit losses that have been experienced in this period. The historical loss rates are adjusted to reflect current and forward-looking information available that affect the ability of the other receivable to repay the balance.

The following table details the aging of other receivables (non-current and current) including loans and advances to suppliers, and the related loss allowance:

	Gross 2020	**Loss allowance 2020**	**Net 2020**	**Gross 2019**	**Loss allowance 2019**	**Net 2019**
			(U.S. Dollars in thousands)			
Not past due	65,807	(1,445)	64,362	67,393	—	67,393
Past due 0 – 30 days	844	(786)	58	627	—	627
Past due 31 – 90 days	167	(167)	—	252	—	252
Past due 91 – 180 days	291	(291)	—	952	(421)	531
Past due more than 180 days	6,084	(5,759)	325	6,368	(5,891)	477
Total	**73,193**	**(8,448)**	**64,745**	**75,592**	**(6,312)**	**69,280**

Non-trade receivables due from equity accounted affiliates

At December 31, 2020 and 2019, the Group had non-trade receivable balances due from its equity accounted affiliates of $12,831,000 and $13,746,000, respectively.

13. INVENTORIES

	December 31 2020	December 31 2019
	(U.S. Dollars In thousands)	
Inventories		
Goods for resale	120,897	97,346
Consumables	16,731	12,886
Growing crops	3,551	4,447
Total	**141,179**	**114,679**

14. PREPAYMENTS AND OTHER ASSETS

	December 31, 2020	December 31, 2019
	(U.S. Dollars in thousands)	
Prepaid expenses	16,570	13,254
Income tax receivable	2,936	2,736
Other assets		2,790
Total prepayment and other assets	19,506	18,780

15. INVESTMENTS IN UNCONSOLIDATED AFFILIATES – DOLE

On February 1,2018, the Group announced that it had entered into a binding agreement to acquire a 45% stake in Dole from Mr. David H. Murdock for a cash consideration of $300 million (the 'First Tranche'). The acquisition of the First Tranche was approved by the Board of Directors of Total Produce and was initially subject to anti-trust review in a limited number of jurisdictions. On July 30, 2018, the European Commission (the 'EC') approved the acquisition of the First Tranche. The EC approval was conditional on the divestment of Saba Fresh Cut AB (the Swedish bagged salad business owned by Dole). This limited disposal had no material impact on the strategic rationale or the commercial value of the transaction. As all other transaction conditions precedent were satisfied at this date, the acquisition of the First Tranche completed on July 31, 2018. The registered address of Dole is One Dole Drive, Westlake Village, California 91362, United States.

On completion of the acquisition of the First Tranche on July 31, 2018, the Group and Mr. David H. Murdock have balanced governance rights with respect to Dole. The Board of Directors of Dole comprises six members, three of which are appointed by Total Produce and three by Mr. David H. Murdock. Mr. David H. Murdock remains Chairman of Dole and Carl McCann was appointed Vice Chairman. Major decisions require consent of at least one Board member appointed by each of Total Produce and Mr. David H. Murdock.

In addition, and at any time after closing of the First Tranche, the Group has the right, but not the obligation, to acquire (in any one or more tranches of 1%) up to an additional 6% of Dole common stock (the 'Second Tranche'). In the event the Group exercises the right to acquire the additional 6% the total consideration for the 51% stake shall be $312 million. Following the second anniversary of the closing of the First Tranche, the Group has the right, but not the obligation, to acquire the balance of Dole common stock (the 'Third Tranche'), whereby the consideration for the Third Tranche is to be calculated based on nine times the three-year average historical Dole Adjusted EBITDA less net debt. However, in no event shall the Third Tranche purchase price be less than $250 million or exceed $450 million (such cap subject to increase after six years).

The Third Tranche consideration is payable in cash or, if the parties mutually agree, Total Produce stock. From the fifth anniversary of completion of the acquisition of the First Tranche, in the event the Group has not exercised its right to acquire 100% of Dole, Mr. David H. Murdock is permitted to cause a process to market and sell 100% of Dole common stock.

We hold a variable interest in Dole and it qualifies as a VIE under the guidance in ASC 810-10-15-14. Due to the governance arrangements in place and as all significant decisions in Dole require the consent of both the Group and Mr David H. Murdock, we do not hold a controlling financial interest in Dole and are not the primary beneficiary. By virtue of the voting arrangements in place we exercise significant influence over Dole and equity account for our investment in accordance with ASC 323 in the consolidated Group accounts following completion of the acquisition of the First Tranche on July 31, 2018. The overall business is seasonal with the greater share of net income in the first half of the financial year.

The following table provides aggregated financial information for Dole as it relates to the amounts recognized in the statement of operations, statement of comprehensive income and balance sheet. The audited financial statements of Dole as of December 31, 2020 and 2019 and for each of the three years in the period ended December 31, 2020 are separately presented elsewhere in this Scheme Circular in accordance with the requirements of rules 3-05 and 3-09 of Regulation S-X.

	December 31, 2020	**December 31, 2019**
	(U.S. Dollars in thousands)	
Opening balance	313,289	303,367
Share of net income	21,868	24,890
Share of other comprehensive income/(loss)	4,551	(6,028)
Share of notes and interest issued to affiliates	777	(8,940)
Closing carrying amount	**340,485**	**313,289**
Deferred tax recognized on the change in the Group's temporary taxable basis difference on its investment in Dole, recognized in:		
Equity in net earnings of investments accounted for under the equity method	6,757	982
Other comprehensive income/(loss), net of tax	1,358	-

Dole's financial calendar consists of thirteen periods of four weeks. The 2020 financial year began on December 29, 2019 (FY19: December 30, 2018) and ended on December 31, 2020 (FY19: December 28, 2019).

Summarized financial information for Dole for the financial years ended December 31, 2020 and December 28, 2019 as well as for the five months ended December 29, 2018 are set out below. Unless stated otherwise the information reflects the amounts reported in the financial statements of Dole rather than the share attributable to the Group.

Summary Statement of Operations

	Year ended December 31, 2020	Year ended December 28, 2019	Five months ended December 29, 2018
	(U.S. Dollars in thousands)		
Revenue	4,671,999	4,515,955	1,766,625
Gross Profit	365,799	354,562	89,823
Selling, general and administrative expenses	(189,912)	(183,657)	(79,404)
Net interest expense	(72,906)	(82,072)	(36,202)
Earnings/(loss) from equity investments	2,149	(378)	183
Other income/(expense)	(29,305)	(3,316)	(1,131)
Income (loss) before income taxes	**75,825**	**85,139**	**(26,731)**
Income tax (expense)/benefit	(25,332)	(25,122)	1,256
(Loss)/profit from discontinued operations	(43)	(2,500)	249
Less: Net income attributable to noncontrolling interests	(1,854)	(2,205)	(974)
Net income/(loss) attributable to Dole equity shareholders	**48,596**	**55,312**	**(26,200)**
Total Produce 45% share of net income/(loss) attributable to equity shareholders	**21,868**	**24,890**	**(11,790)**

Summary Statement of Other Comprehensive Income Statement

	Year ended December 31, 2020	Year ended December 28, 2019	Five months ended December 29, 2018
	(U.S. Dollars in thousands)		
Other comprehensive (loss)			
Pension and postretirement obligation adjustments, net of income tax benefits of $875, $1,131 and $Nil	(7,045)	(5,131)	14,362
Foreign currency translation adjustment, net of income tax of $Nil, $Nil and $Nil	25,575	(8,265)	(8,361)
Effective portion of changes in fair value of cash flow hedges, net of income tax of $2,758, $Nil and $Nil	(8,417)	—	—
Total other comprehensive income/ (loss)	**10,113**	**(13,396)**	**6,001**
Comprehensive income/(loss) attributable to equity shareholders	**10,113**	**(13,396)**	**6,001**
Total Produce 45% share of net income/(loss) attributable to equity shareholders	**4,551**	**(6,028)**	**2,700**

Summary Balance Sheet information

	December 31, 2020	December 28, 2019
	(U.S. Dollars in thousands)	
Current assets	784,231	774,812
Intangible assets	278,093	278,155
Property, plant and equipment	1,093,355	1,058,534
Right of use assets	232,067	263,073
Assets held for sale	48,543	64,637
Other non-current assets	108,297	98,612
Borrowings	(1,247,522)	(1,317,317)
Lease liabilities	(229,220)	(261,590)
Other noncurrent liabilities	(348,956)	(364,248)
Other current liabilities	(683,542)	(619,953)
Noncontrolling interest	(9,367)	(9,170)
Net assets	25,979	(34,455)
Total Produce 45% share of net assets	11,691	(15,505)
Goodwill	328,794	328,794
Carrying amount of Total Produce's 45% investment in Dole.	**340,485**	**313,289**

During the year ended December 31, 2020, we did not provide any financial support to Dole that we were not contractually obligated to provide.

The following table presents our maximum exposure to loss in Dole as a VIE as of December 31, 2020 and 2019:

	December 31, 2020	December 31, 2019
	(U.S. Dollars in thousands)	
Carrying value of equity investment in Dole	340,485	313,289
Maximum exposure to loss	340,485	313,289

The maximum exposure to loss represents the amount that would be absorbed by us in the event that all of our assets held in the VIE, had no value. We have not provided any guarantees in respect of debt issued by Dole.

The following table shows amounts due to and from Dole as of December 31, 2020 and 2019:

	December 31, 2020	December 31, 2019
	(U.S. Dollars in thousands)	
Amounts due to Dole - presented within trade payables	2,627	971
Amounts due from Dole - presented within trade receivables	1,298	493

See Note 26 for related party transactions with Dole for each of the three years in the period ended December 31, 2020.

Other required disclosures

Audited financial statements as of December 31, 2020 and December 28, 2019 and for each of the three years in the period ended December 31, 2020 are in accordance with Rule 3-09 of Regulation S-X., included elsewhere within the Scheme Circular.

16. INVESTMENTS IN UNCONSOLIDATED AFFILIATES - OTHER

As of December 31, 2020, our investments in unconsolidated affiliates (other than Dole) using the equity method of accounting was $118,072,000 (2019: $115,886,000). There are no significant investees in which we hold 20% of more of their voting stock that are not accounted for using the equity method of accounting.

One of our equity accounted affiliates, El Parque, a fresh produce business is a VIE and is accounted for under the equity method of accounting. See Note 29 for further details in respect of El Parque.

For our equity accounted investments, we recognize our share of earnings and losses based on our ownership percentage of such investments in equity in net earnings (losses) of investments accounted for under the equity method. Significant equity method investees excluding Dole as of December 31, 2020 and December 31, 2019 are as follows:

The following sets out the Group's significant equity method investments other than Dole.

	Principal Activity	**Country of Incorporation**	**Ownership interest**
The Fresh Connection LLC	Fresh Produce	USA	50%
2451487 Ontario Inc.	Fresh Produce	Canada	50%
2451490 Ontario Inc.	Property Holding Company	Canada	50%
Frankfort & Korning Beheer Venio BV	Fresh Produce	Netherlands	50%
Peviani SpA	Fresh Produce	Italy	50%
Frutas IRU S.A.	Fresh Produce	Spain	50%
Exportadora y Servicios El Parque Limitada	Fresh Produce	Chile	50%

The following table provides aggregated financial information for equity-accounted entities, other than Dole as it relates to the amounts recognized in the statement of operations, statement of comprehensive income and balance sheet.

	2020	2019
	(U.S. Dollars in thousands)	
Opening balance	115,886	119,174
Share of profit after tax	15,168	13,035
Share of other comprehensive income/(loss)	—	—
Recognized directly in equity	(91)	(169)
Investment in equity accounted affiliates (A)	(176)	1,868
Repayment of long-term loans	(68)	(2,261)
Equity accounted investee becoming an investment (D)	—	(2,458)
Equity accounted investee becoming a subsidiary (C)	(5,328)	—
Disposal	—	(65)
Dividends declared (E)	(15,292)	(12,432)
Foreign exchange	7,973	(806)
Closing carrying amount	**118,072**	**115,886**

A. Investments in equity accounted affiliates

During 2020, the Group invested $901,000 (FY19: $1,875,000) in cash in a number of joint ventures in Europe.

B. Equity accounted investee becoming an investment

In 2019, as a result of changes in shareholder arrangements and the Group no longer having significant influence in two equity accounted affiliates, the Group ceased equity accounting for these two investments. The carrying value of these investments at the date that the arrangements changed was deemed to equate to fair value and the value was reclassified to other investments and accounted for as an, other financial asset.

C. Equity accounted investee becoming a subsidiary

In April 2020, the Group acquired additional shares in Eco Farms, a company based in California in the United States that specializes in avocados. This resulted in Eco Farms being consolidated as a subsidiary of the Group from the date of acquisition of additional shares. The carrying amount of the original shareholding at the date of acquisition of $5,328,000 was deemed to be fair value.

D. Dividends declared

Dividends of $15,292,000 (2019: $12,432,000) were declared by equity accounted affiliates during the year. The cash received from dividends in 2020 was $13,905,000 (2019: $11,497,000).

The following table shows, as at December 31, 2020 and 2019, the Group's share of the underlying equity in net assets of equity accounted affiliates (other than Dole) and the carrying amount of the Group's investment in those equity accounted affiliates. The difference arising relates to goodwill on acquisition of those affiliates:

	December 31, 2020	December 31, 2019
	(U.S. Dollars in thousands)	
Net assets of equity accounted affiliates – excluding Dole		
Total Produce share of net assets	88,944	87,309
Goodwill	29,128	28,577
Carrying value of equity investment in equity accounted affiliates – excluding Dole	**118,072**	**115,886**

The following table shows amounts due to and from equity accounted affiliates, other than Dole as of December 31, 2020 and 2019:

	December 31, 2020	December 31, 2019
	(U.S. Dollars in thousands)	
Amounts due to equity accounted investees (other than Dole) - presented within trade payables	17,477	16,471
Amounts due from equity accounted investees (other than Dole) - presented within trade receivables	3,790	866

See Note 26 for related party transactions with equity accounted affiliates for each of the three years in the period ended December 31, 2020.

	December 31, 2020	December 31, 2019
	(U.S. Dollars in thousands)	
Current assets	382,187	311,260
Non-current assets	308,192	259,454
Current liabilities	(288,712)	(249,168)
Non-current liabilities	(140,590)	(118,981)
Redeemable preferred stock		
Noncontrolling interests	(3,900)	(2,970)

	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
	(U.S. Dollars in thousands)		
Revenue	1,605,660	1,621,362	1,684,004
Cost of sales	(1,383,617)	(1,391,192)	(1,487,641)
Net Income/(loss)	34,496	19,703	45,525
Net Income/(loss)- attributable to Total Produce plc	15,168	13,035	12,769

17. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consisted of the following:

	December 31, 2020	December 31, 2019
	(U.S. Dollars in thousands)	
Land and buildings	147,028	130,030
Plant and equipment	175,163	141,203
Motor vehicles	26,844	26,103
Bearer plants	1,566	1,836
Computer software	29,175	20,419
Less accumulated depreciation	(160,111)	(131,013)
Property, plant and equipment, net	**219,665**	**188,578**

Plant and equipment and motor vehicles include assets held under finance leases totaling $10,414,000 and $3,928,000 respectively (2019: $693,000 and $3,592,000 respectively). Accumulated amortization for assets under finance leases was $3,578,000 at December 31, 2020 and $2,223,000 at December 31, 2019. Depreciation on right of use assets was $1,192,000, (2019: $756 and 2018: $Nil).

Depreciation expense on property, plant and equipment totaled $24,634,000 (2019: $22,900,000 and 2018: $21,908,000). Included within depreciation expense was depreciation expense on capitalized software of $2,978,000 (2019: $2,286,000 and 2018: $1,646,000). Computer software expenditure capitalized in the year was $6,586,000 (2019: $5,183,000, 2018: $4,981,000). Accumulated depreciation of capitalized software was $12,308,000 at December 31, 2020 and $8,386,000 at December 31, 2019.

18. GOODWILL AND INTANGIBLE ASSETS

The following table reflects our indefinite-lived intangible assets, including goodwill and our definite-lived intangible assets along with related accumulated amortization by major category:

	December 31, 2020	December 31, 2019
	(U.S. Dollars in thousands)	
Goodwill	234,161	221,102
Definite lived intangibles		
Customer relationships	141,157	137,077
Other intangible assets	44,053	46,000
Accumulated amortization	(119,576)	(104,502)
Goodwill and intangibles, net	**299,795**	**299,678**

There were no impairment charges recorded to goodwill or indefinite lived intangibles during the year (2019: Nil and 2018: 9,811,000).

The following table reflects the changes in the carrying amount of goodwill for the years ended December 31, 2020 and 2019 by reportable segment.

	Europe- Non-Eurozone	Europe - Eurozone	International	Total
	(U.S. Dollars in thousands)			
Balance as of December 31, 2018	**103,192**	**14,995**	**101,917**	**220,104**
Arising on acquisition of subsidiaries	1,895	2,101	—	3,996
Disposal of business........................	(775)	—	—	(775)
Foreign exchange movement	(368)	(174)	(1,681)	(2,223)
Balance as of December 31, 2019..	**103,944**	**16,922**	**100,236**	**221,102**
Arising on acquisition of subsidiaries	—	1,031	67	1,098
Foreign exchange movement	10,233	1,445	283	11,961
Balance as of December 31, 2020....	**114,177**	**19,398**	**100,586**	**234,161**

The Group has applied the provisions of ASU 2017-04 with effect from January 1, 2017 and so uses the simplified impairment testing set out in that update which provides guidance in applying a step one approach to test for impairment before calculating the actual impairment. Our goodwill impairment charges are calculated as the amount by which the carrying amount of the reporting exceeds the reporting unit's fair value. However, the impairment charge recognized cannot exceed the total amount of goodwill allocated to that reporting unit Goodwill is tested annually for impairment in the 4th quarter, or more frequently if there are indications that goodwill might be impaired. For the purposes of impairment testing, goodwill is allocated at the reporting unit level.

Our impairments of goodwill are generally estimated using the income or market approach, or a combination thereof. This approach calculates the present value of future cash flows by estimating the after-tax cash flows attributable to a reporting unit and then discounting the after-tax cash flows to a present value using a risk-adjusted discount rate. We selected this method as being the most meaningful in preparing our goodwill assessment as we believe the income approach most appropriately measures our income-producing assets. The cash flow projections in the analysis consist of management's estimates of revenue growth rates and profitability. The values applied to these key assumptions are derived from a combination of external and internal factors, based on past experience together with management's future expectations about business performance.

The Group's earnings are significantly dependent on the selling prices and margins obtained for products sold. These, in turn, are largely determined by market supply and demand. Fresh produce supplies in individual markets are affected by the geography of production, growing conditions (including climate), seasonality and perishability. Market demand is a function of population size, per capita consumption, the availability and quality of individual products, competing products, climatic, economic and other general conditions in the marketplace. Excess produce leading to reduced selling prices (particularly for products purchased under contract) could have a material adverse effect on the Group's business, results of operations and financial condition.

The discount rate used in the fair value analysis reflect the current market assessment of the risk specific to each reporting unit. The discount rates were estimated by calculating a reporting unit-specific weighted average cost of capital to reflect the market assessment of risks specific to each reporting unit for which the cash flow projections have not been adjusted.

Due to the mix of unobservable inputs utilized, the fair value of goodwill is classified as Level 3 of the fair value hierarchy. Applying the techniques above, an impairment charge of $Nil relating to goodwill was recognized in the statement of operations in 2020 (2019: $Nil, 2018: $9,811,000. The impairment charges in 2018 related to the fresh produce businesses in the Netherlands, which had experienced a difficult trading environment resulting in a slower recovery than had been anticipated.

Details of our definite lived intangible assets as of December 31, 2020 were as follows:

	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
	(U.S. Dollars in thousands)		
Definite lived intangibles			
Customer relationships	141,157	(95,580)	45,577
Other intangible assets	44,053	(23,996)	20,065

Other intangible assets include brands of $6,760,000 and supplier relationships of $13,296,000

A rollforward of the intangible assets excluding goodwill for the years ended December 31, 2020 and 2019 was as follows:

	December 31, 2020	December 31, 2019
	(U.S. Dollars in thousands)	
Balance as of January 1	78,576	86,961
Additions	186	2,953
Disposal	(298)	(15)
Amortization	(11,548)	(11,509)
Foreign exchange impact	(1,282)	186
Balance as of December 31	**65,634**	**78,576**

Amortization expense of definite-lived intangible assets totaled $11,548,000, $11,509,000 and $12,115,000 for the years ended December 31, 2020, 2019 and 2018, respectively. These amounts are included in selling, general and administrative expenses.

The estimated amortization expense related to definite-lived intangible assets for the five succeeding years is as follows:

Year	Estimated amortization expense
	(U.S. Dollars in thousands)
2021	10,538
2022	10,062
2023	9,209
2024	8,252
2025	7,979

19. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

	December 31, 2020	December 31, 2019
Current	**(U.S. Dollars in thousands)**	
Trade payables	464,105	405,831
Accruals	92,484	62,804
Deferred consideration	—	288
Other payables	31,183	30,885
Irish payroll taxes	3,650	3,083
Irish valued added taxes	1,664	939
Other taxes	18,056	15,132
Derivative liability	1,149	342
Related party payables		
Trade payables due to unconsolidated investments	10,298	10,681
Non-trade payables due to unconsolidated investments	128	28
Total current payables and accrued expenses	**622,717**	**530,013**

Other taxes include payroll taxes and value added taxes incurred outside of Ireland.

20. BORROWINGS

As of December 31, 2020, the principal amount of our outstanding indebtedness totaled $346,831,000. There were no debt issuance costs, debt discounts or debt premium at December 31, 2020. Commitment fees of $669,000 are included in prepayments on the consolidated balance sheet as at December 31, 2020.

Our undrawn facilities comprised approved revolving debt facilities, committed and uncommitted borrowing facilities and term debt of up to $388,636,000 (2019: $332,425,000) in addition to undrawn amounts of $129,857,000 (2019: $111,248,000) on approved overdrafts. As of December 31, 2020, we remained in compliance with the financial covenants across our various debt agreements.

The following table provides a summary of our indebtedness as of December 31, 2020 and 2019:

	As of December 31,					As of December 31,
	2020					2019
Debt obligation	Commitment	Undrawn amounts	Amounts outstanding	Weighted average interest rate	Maturity	Amount outstanding
			(U.S. Dollars in thousands)			
Revolving credit facilities	578,147	319,893	258,254	1.23%	2021 - 2023	284,185
Committed notes	60,097	—	60,097	3.20%	2021 - 2024	75,936
Uncommitted notes	66,000	66,000	—	—	2023	—
Other (mainly term debt)	10,628	2,743	7,885	4.21%	2021 - 2024	6,889
Overdrafts	141,100	129,857	11,243	1.38%	1 year	10,657
Finance leases	9,352	—	9,352	2.41%	2021 - 2025	1,691
Total			346,831			379,358
Current			31,991			97,150
Non-current			314,840			282,208

Revolving credit facilities

The Group has a number of bilateral revolving credit facilities with six relationship banks (Rabobank, HSBC, Bank of Montreal, Danske Bank, Ulster Bank and Bank of Ireland). These facilities typically have maturities of three to five years and can contain plus one extensions and accordion features. The facilities mature between 2021 and 2023. The total of these facilities amounted to $578,147,000 at December 31, 2020 with $319,893,000 undrawn.

These facilities are generally multicurrency giving the Group the ability to draw down borrowings in Euro, US Dollar, Sterling, Canadian Dollar, Swedish Krona, Danish Kroner and Czech Koruna. Interest on the borrowings is at floating rates set in advance for periods ranging from 1 month to 3 months by reference to interest bank interest rates (EURIBOR, US LIBOR, sterling LIBOR, STIBOR etc) plus a margin dependent on net leverage of the Group as calculated in accordance with the individual facility agreements. In addition, we pay fees on unused commitments. The facilities are unsecured and are guaranteed by Total Produce plc and certain subsidiaries. The facilities contain covenants customary for unsecured facilities of this type including financial covenants on maximum leverage and minimum interest cover.

Committed notes

The Group has issued committed notes under two private placement facilities. The Group's unsecured committed notes which fall due between 2021 and 2024 are comprised of amortizing fixed rate debt issued in 2013 that is maturing in 2021 and 2022 and amortizing fixed rate debt issued in 2017 and maturing in 2021 to 2024. At December 31, 2020 the total unamortized principle on these notes was STG £3,000,000 and $44,000,000, respectively. The facilities are unsecured and are guaranteed by Total Produce plc and certain subsidiaries. The facilities contain covenants customary for unsecured facilities of this type including financial covenants on maximum leverage and minimum interest cover.

Uncommitted note facility

In July 2020, the Group renewed a three-year private placement facility of $66,000,000. This facility allows the Group to drawn down long term funding for periods of up to twelve years. The facilities are unsecured and are guaranteed by Total Produce plc and certain subsidiaries. The facilities contain covenants customary for unsecured facilities of this type including financial covenants on maximum leverage and minimum interest cover.

Bank overdrafts

The Group and its subsidiaries have a number of bank overdraft facilities which are primarily used to fund season working capital requirements. The total of these facilities at December 31, 2020 was $141,100,000 with $129,857,000 available. The facilities contain covenants customary for unsecured facilities of this type including financial covenants on maximum leverage and minimum interest cover.

Maturities of debt financing

Maturities of our debt financings excluding debt issuance costs, debt discounts and debt premium as of December 31, 2020 were as follows (translated at the December 31, 2020 Euro to USD exchange rate:

Fiscal Year	**Maturity of debt financings**
	(U.S. Dollars in thousands)
2021	30,344
2022	164,550
2023	127,722
2024	14,863
2025	—
Thereafter	—

Total bank borrowings include borrowings of $6,289,000 (2019: $3,838,000) secured on property, plant and equipment.

Interest on borrowings expensed in each of the three years ended December 31, 2020 is disclosed in Note 7.

No interest on borrowings incurred on construction of property, plant and equipment requiring capitalization arose during the three years ended December 31, 2020.

21. LEASES

As of the first day of our 2019 fiscal year beginning December 29, 2018, we adopted ASU No. 2016-02, “Leases (Topic 842),” which requires leases with durations greater than twelve months to be recognized on the balance sheet using the modified retrospective approach. Prior year consolidated financial statements were not adjusted under the new standard and, therefore, those amounts are not presented below.

We elected the package of transition provisions available for expired or existing contracts, which allowed us to carry forward our historical assessments of (1) whether contracts are or contain leases, (2) lease classification and (3) initial direct costs.

A lease is defined as a contract that conveys the right to use an asset for a period of time in exchange for consideration. We lease property, plant, equipment & motor vehicles under finance and operating leases. We lease property and equipment under finance and operating leases. For leases with terms greater than 12 months, we record the related asset and obligation at the present value of lease payments over the term. Many of our leases include rental escalation clauses, renewal options and/or termination options that are factored into our determination of lease payments when appropriate. We do not separate lease and non-lease components of contracts.

Right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Right-of-use assets and liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. When available, we use the rate implicit in the lease to discount lease payments to present value; however, most of our leases do not provide a readily determinable implicit rate. Therefore, we must estimate our incremental borrowing rate to discount the lease payments based on information available at lease commencement.

The lease term consists of the non-cancellable period of the lease and the periods covered by options to extend or terminate the lease when it is reasonably certain that we will exercise such options. Our lease agreements do not contain any residual value guarantees.

We elected the package of transition provisions available for expired or existing contracts, which allowed us to carry forward our historical assessments of (1) whether contracts are or contain leases, (2) lease classification and (3) initial direct costs.

A lease is defined as a contract that conveys the right to use an asset for a period of time in exchange for consideration. We lease property, plant, equipment & motor vehicles under finance and operating leases. We lease property and equipment under finance and operating leases. For leases with terms greater than 12 months, we record the related asset and obligation at the present value of lease payments over the term. Many of our leases include rental escalation clauses, renewal options and/or termination options that are factored into our determination of lease payments when appropriate. We do not separate lease and non-lease components of contracts.

Right-of-use assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Right-of-use assets and liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. When available, we use the rate implicit in the lease to discount lease payments to present value; however, most of our leases do not provide a readily determinable implicit rate. Therefore, we must estimate our incremental borrowing rate to discount the lease payments based on information available at lease commencement.

The lease term consists of the non-cancellable period of the lease and the periods covered by options to extend or terminate the lease when it is reasonably certain that we will exercise such options. Our lease agreements do not contain any residual value guarantees.

The following table presents the lease-related assets and liabilities recorded on the balance sheet as of December 31, 2020 and 2019:

	Classification on the balance sheet	December 31 2020	December 31 2019
		(U.S. Dollars in thousands)	
Assets			
Operating lease assets	Operating lease right-of-use assets	140,212	128,961
Finance Lease assets	Property, plant and equipment, net	10,980	2,063
Total lease assets		**151,192**	**131,024**
Liabilities			
Current			
Operating	Current maturities of operating leases	21,910	22,250
Finance	Current maturities of debt and finance leases	1,647	525
Noncurrent			
Operating	Operating leases, less current maturities	122,225	110,736
Finance	Long-term debt and finance leases, less current maturities	7,705	1,166
Total lease liabilities		**153,487**	**134,677**

	December 31, 2020	December 31, 2019
	(U.S. Dollars in thousands)	
Weighted-average remaining lease term (in years)		
Operating leases..	11.03	12.25
Finance leases	3.89	2.69
Weighted-average discount rate		
Operating leases..	2.37%	2.40%
Finance leases	2.41%	1.89%

We adopted ASC 842 with effect from January 1, 2019. Upon adoption of the new lease standard, discount rates used for existing leases were established at January 1, 2019. ASC 842 requires a lessee to classify a lease as either a finance or operating lease. Both will result in the recognition of a right of use asset and a lease liability on the balance sheet. Interest and amortization expense are recognized for finance leases while only a single lease expense is recognized for operating leases, typically on a straight-line basis.

Lessor accounting remains similar to previous accounting policies.

Lease Costs

The following table presents certain information related to the lease costs for finance and operating leases for the years ended December 31, 2020 and 2019:

	December 31, 2020	December 31, 2019
	(U.S. Dollars in thousands)	
Interest on Finance lease liability	114	56
Depreciation on Finance lease assets	1,192	716
Operating lease costs	27,289	24,341
Short-term lease cost	1,433	1,747
Total lease cost	**30,028**	**26,861**

Supplemental cash flow information

	December 31, 2020	December 31 2019
	(U.S. Dollars in thousands)	
Cash paid for amounts included in the measurement of the lease liability		
Operating cash flows for operating leases	29,397	22,308
Financing cash flows for finance leases	2,844	990

Undiscounted Cash Flows

The following tables reconcile the undiscounted cash flows for each of the first five years and total remaining years to the finance lease liabilities and operating lease liabilities recorded on the balance sheets as of December 31, 2020:

	Operating Leases	Finance Leases
	(U.S. Dollars in thousands)	
2021	26,573	1,826
2022	23,214	1,354
2023	20,644	1,147
2024	18,979	1,008
2025	14,826	4,812
Thereafter	62,283	—
Total lease payments	**166,519**	**10,147**
Less: Imputed interest	**(22,279)**	**(590)**
Total lease liabilities	**144,240**	**9,557**

Related party lease transactions

The Group in the ordinary course of business entered into a number of lease agreements with related parties. During the periods presented, the Group as lessee, entered into the following transactions with such parties.

	Classification on the balance sheet	December 31, 2020	December 31, 2019
		(U.S. Dollars in thousands)	
Liabilities			
Current			
Operating …….............................	Current maturities of operating leases	1,993	2,437
Finance	Current maturities of debt and finance leases	135	121
Noncurrent			
Operating	Operating leases, less current maturities	14,202	15,661
Finance	Long-term debt and finance leases, less current maturities	427	514
Total related party lease liabilities		16,757	18,733

Leases as a lessor

We are the lessor in respect of various properties under both cancellable and non-cancellable operating leases. In 2020, $2,708,000 (2019: $2,270,000, 2018: $2,304,000) was recognized as rental income in the statement of operations.

22. EMPLOYEE BENEFIT PLANS

The Group operates a number of defined contribution and defined benefit pension plans. The schemes are set up under trusts and the assets of the plans are therefore held separately from those of the Group.

Defined contribution plans

The charge in the statement of operations in respect of the Group's defined contribution plans was $10,586,000 (2019: $10,071,000 and 2018: $9,824,000).

Defined benefit plans

We operate six funded defined benefit pension plans for certain employees of the Group. Two of these plans are based in Ireland, two are based in the United Kingdom, and two smaller schemes in each of the Netherlands and Canada. The pension benefits payable on retirement in the UK, Ireland and Canada are determined based on years of service and the levels of salary. The scheme in the Netherlands provides pension benefits based on career average salary.

The plans in Ireland have been closed to new entrants since 2009 and salaries for defined benefit purposes have been capped with any salary increases above the cap pensionable on a defined contribution basis. In 2017, the Group initiated an Enhanced Transfer Value ('ETV') program whereby an offer was made to all active and deferred members of the Irish defined benefit pension plans (the “Irish Plans”) to transfer their accumulated accrued benefits from the Irish Plans, eliminating future accrual of benefits in the Irish Plans and receive a transfer value above the statutory minimum amount. This program has reduced the volatility of the Irish Plans going forward. Both of the UK schemes are also closed to new entrants and to new accruals. The schemes in the Netherlands and North America are also closed to new entrants.

With respect to the UK plans, on October 26, 2018, the UK High Court ruled (in a landmark case relating to the Lloyds Banking Group's pension schemes) that pension benefits must be equalized in respect of Guaranteed Minimum Pensions (GMPs) accrued between May 17, 1990 and April 5, 1997. The impact of this ruling on the UK plans was treated as a plan amendment.

Defined benefit pension schemes represent a significant commitment of the Group's resources and they are exposed to the volatility of market conditions. The values of pension assets are exposed to worldwide conditions in equity and bond markets. The underlying calculation of pension plan liabilities are subject to changes in discount rates, inflation rates and the longevity of plan members. The cost of defined benefit schemes and in particular the method used to value liabilities in the current historically low interest rate environment has resulted in significant volatility and cost to the Group. In addition, the cost of operating defined benefit pension plans has increased due to more stringent funding rules and increased regulations.

Obligations and funded status

The following tables sets forth a reconciliation of defined benefit obligations, plan assets and funded status for our defined benefit pension plans as of December 31, 2020 and December 31, 2019 (U.S. Dollars in thousands):

	Ireland	UK	Netherlands	Canada	Total
			(U.S. Dollars in thousands)		
Benefit obligation at December 31, 2018	**(90,275)**	**(99,165)**	**(14,458)**	**(1,777)**	**(205,675)**
Service cost	(1,101)	—	(435)	—	(1,536)
Interest cost	(1,822)	(2,916)	(306)	(73)	(5,117)
Employee contributions	(76)	—	(64)	—	(140)
Benefits paid	2,657	2,416	91	161	5,325
Actuarial gains/losses	(8,184)	(7,876)	(2,715)	(28)	(18,803)
Currency	1,774	(3,768)	276	(83)	(1,801)
Benefit obligation at December 31, 2019	**(97,027)**	**(111,309)**	**(17,611)**	**(1,800)**	**(227,747)**
Service cost	(1,310)	—	(548)	—	(1,858)
Interest cost	(1,359)	(2,122)	(258)	(69)	(3,808)
Employee contributions	(67)	—	(63)	—	(130)
Plan Amendments	—	(279)	—	—	(279)
Benefits paid	2,958	2,615	99	163	5,835
Actuarial gains/losses	(4,420)	(16,264)	(1,297)	(26)	(22,007)
Settlements	—	—	—	—	—
Currency	(9,402)	(5,080)	(1,807)	(37)	(16,326)
Benefit obligation at December 31, 2020	**(110,627)**	**(132,439)**	**(21,485)**	**(1,769)**	**(266,320)**
Fair value of plan assets at December 31, 2018	**88,243**	**90,195**	**13,186**	**1,529**	**193,153**
Actual return on plan assets	5,931	11,935	2,639	79	20,584
Employer contributions	3,502	1,431	504	—	5,437
Employee contributions	76	—	64	—	140
Benefits paid	(2,657)	(2,416)	(91)	(161)	(5,325)
Currency	(1,740)	3,531	(252)	74	1,613
Fair value of plan assets at December 31, 2019	**93,355**	**104,676**	**16,050**	**1,521**	**215,602**
Actual return on plan assets	2,663	12,114	1,492	56	16,325
Employer contributions	2,070	1,226	526	—	3,822
Employee contributions	67	—	63	—	130
Benefits paid	(2,958)	(2,615)	(99)	(163)	(5,835)
Settlements	—	—	—	—	—
Currency	8,874	4,462	1,655	26	15,017
Fair value of plan assets at December 31, 2020	**104,071**	**119,863**	**19,687**	**1,440**	**245,061**
Net pension liability/(asset) recognized at December 31, 2019	**(3,672)**	**(6,633)**	**(1,561)**	**(279)**	**(12,145)**
Net pension liability/(asset) recognized at December 31, 2020	**(6,556)**	**(12,576)**	**(1,798)**	**(329)**	**(21,259)**

We recognized these amounts on our consolidated balance sheets as follows (US Dollars in thousands):

	December 31, 2020	December 31, 2019
	(U.S. Dollars in thousands)	
Amounts recognized in the Consolidated Balance Sheets		
Defined benefit plan liability – current	**(5,787)**	**(5,511)**
Employee benefits – noncurrent		
Defined benefit plan liability, net—noncurrent	(15,472)	(6,633)
Other employee benefits—noncurrent	(8,135)	(6,627)
Employee benefits – noncurrent, total	**(23,607)**	**(13,260)**
Amount recognized in the Consolidated Balance Sheets	(29,394)	(18,871)
Amounts recognized in the Accumulated Other Comprehensive Income		
Net actuarial losses	**(64,591)**	**(53,797)**
Net prior service (cost) credit	**8,952**	**9,758**
Total amount recognized in Accumulated Other Comprehensive Income	(55,639)	(44,039)

Actuarial assumptions

We used the following weighted average assumptions to determine our projected benefit obligations under the pension plans:

	Ireland		United Kingdom		Netherlands		Canada	
	December 31,		December 31,		December 31,		December 31,	
	2020	2019	2020	2019	2020	2019	2020	2019
Rate of increase in salaries	0.00%-2.00%	0.00%-2.00%	2.5%	2.5%	0.00%-2.00%	0.00%-2.00%	n/a	n/a
Rate of increase in pensions	0.65%-1.30%	0.70%-1.40%	1.9%- 2.8%	1.9%-2.65%	0%	0%	2.00%	2.00%
Inflation rate	1.30%	1.40%	2.9%	2.7%	1.3%	1.40%	2.00%	2.00%
Discount rate	1.08%	1.40%	1.4%	2.0%	1.08%	1.40%	4.20%	4.20%

Components of Net Pension Cost

Net periodic pension cost consisted of the following (US Dollars in thousands):

	Year ended December 31, 2020				
	Ireland	UK	Netherlands	Canada	Total
	(U.S. Dollars in thousands)				
Current service cost	(1,310)	—	(548)	—	(1,858)
Interest cost	(1,359)	(2,122)	(258)	(69)	(3,808)
Expected return on plan assets	3,028	3,954	235	58	7,275
Amortization of unrecognized actuarial gains / losses	(1,404)	(545)	(132)	—	(2,081)
Amortization of net past service costs	749	(87)	123	—	785
Net pension cost	**(296)**	**1,200**	**(580)**	**(11)**	**313**

	Year ended December 31, 2019				
	Ireland	UK	Netherlands	Canada	Total
	(U.S. Dollars in thousands)				
Current service cost	(1,101)	—	(435)	—	(1,536)
Interest cost	(1,822)	(2,916)	(306)	(73)	(5,117)
Expected return on plan assets	2,444	4,002	282	63	6,791
Amortization of unrecognized actuarial gains / losses	(1,206)	(693)	(139)	—	(2,038)
Amortization of net past service costs	735	(73)	121	—	783
Net pension cost	**(950)**	**320**	**(477)**	**(10)**	**(1,117)**

	Year ended December 31, 2018				
	Ireland	UK	Netherlands	Canada	Total
	(U.S. Dollars in thousands)				
Current service cost	(1,391)	-	(548)	-	(1,939)
Interest cost	(1,900)	(2,893)	(302)	(77)	(5,172)
Expected return on plan assets	3,203	4,450	273	66	7,992
Amortization of unrecognized actuarial losses	(1,580)	(1,069)	(164)	-	(2,813)
Amortization of prior service costs	775	(77)	127	-	825
Net pension cost	**(893)**	**411**	**(614)**	**(11)**	**(1,107)**

We present all non-service cost components of net pension cost within other expense/(income) in our consolidated statements of operations.

Net pension costs actuarial assumptions

We used the following weighted average assumptions to determine our net periodic pension cost for the years ended:

	Ireland			United Kingdom			Netherlands			Canada		
	For the year ended December 31,			For the year ended December 31,			For the year ended December 31,			For the year ended December 31,		
	2020	2019	2018	2020	2019	2018	2020	2019	2018	2020	2019	2018
Rate of increase in salaries	0.00%—2.00%	0.00%—2.00%	0.00%—2.00%	2.50%	2.50%	2.50%	0.00%—2.00%	0.00%—2.00%	0.00%—2.00%	n/a	n/a	n/a
Rate of increase in pensions	0.70%—1.40%	0.80%—1.60%	0.85%—1.70%	1.90%—2.65%	2.50%—3.20%	2.50%—3.20%	0.00%	0.00%	0.00%	2.00%	2.00%	2.00%
Inflation rate	1.40%	1.60%	1.70%	2.70%	3.20%	3.20%	1.40%	1.60%	1.70%	2.00%	2.00%	2.00%
Discount rate	1.40%	2.10%	2.00%	2.00%	2.90%—3.00%	2.50%—2.60%	1.40%	2.10%	2.00%	4.20%	4.20%	4.20%

Plan assets

Our weighted average asset allocations were:

	Ireland			UK		Netherlands		North America	Total	Total
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Equity securities	22,612	20,013	35,237	40,769	—	—	—	—	57,849	60,782
Fixed-income securities	49,109	43,564	65,043	53,187	—	—	1,147	1,212	115,299	97,963
Real estate investment funds	14,953	14,138	3,478	2,724	—	—	240	253	18,671	17,115
Other	8,718	7,929	4,748	7,787			—	—	13,466	15,716
Insurance contracts	—	—	—	—	19,687	16,050	—	—	19,687	16,050
Cash and cash equivalents	8,679	7,711	11,357	209	—	—	53	56	20,089	7,976
Total	**104,071**	**93,355**	**119,863**	**104,676**	**19,687**	**16,050**	**1,440**	**1,521**	**245,061**	**215,602**

The fair value of pension plan assets at December 31, 2020 was determined using the following fair value measurements:

Asset category	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(U.S. Dollars in thousands)		
Equity securities	57,849	57,849	—	—
Fixed-income securities	115,299	—	115,299	—
Other	13,466	13,466	—	—
Insurance contracts	19,687	—	19,687	—
Cash and cash equivalents	20,089	20,089	—	—
Fair value excluding investments measured at net asset value	**226,390**	**91,404**	**134,986**	**—**
Investments measured at net asset value	18,671			
Total plan assets at fair value	**245,061**			

The fair value of pension plan assets at December 31, 2019 was determined using the following fair value measurements (USD in thousands):

Asset category	Total Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(U.S. Dollars in thousands)		
Equity securities	60,782	60,782	—	—
Fixed-income securities	97,963	—	97,963	—
Other	15,716	15,716	—	—
Insurance contracts	16,050	—	16,050	—
Cash and cash equivalents	7,976	7,976	—	—
Fair value excluding investments measured at net asset value	**198,487**	**84,474**	**114,013**	**—**
Investments measured at net asset value	17,115			
Total plan assets at fair value	**215,602**			

Employer contributions

In 2020, we contributed $3,822,000 to our pension plans. We estimate that 2021 pension contributions will be approximately $4,000,000. Our actual contributions and plans may change due to many factors, including changes in tax, employee benefit, or other laws and regulations, tax deductibility, significant differences between expected and actual pension asset performance or interest rates, or other factors.

Future Benefit Payments

The estimated future benefit payments from our pension plans at December 31, 2020 were:

(U.S. Dollars in thousands)	
2021	6,191
2022	6,299
2023	6,412
2024	6,642
2025	6,693
2026 – 2030	37,215

23. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are used to reduce our exposure to adverse fluctuations in foreign exchange and interest rates. Foreign currency derivatives are entered into only when they match an existing foreign currency asset or liability, or where they are used to hedge a forecasted transaction. Interest rate swaps may be used to manage any interest rate risk in accordance with our risk management policies.

Derivative financial instruments are measured at fair value at each reporting date and the movement in fair value is recognized in the statement of operations unless they are designated in a hedge accounting relationship.

None of our derivatives have been entered into hedge accounting relationships during the years ended December 31, 2020 and December 31, 2019.

All derivatives have been entered into for economic hedging purposes. No derivatives have been transacted for trading or speculative purposes.

The following table presents the balance sheet location and fair value of the derivative instruments (in thousands):

	Fair Value Measurements at December 31, 2020	
	Other receivables	Accrued Liabilities
	(U.S. Dollars in thousands)	
Foreign currency exchange contracts held at fair value through profit and loss	—	1,424

	Fair Value Measurements at December 31, 2019	
	Other receivables	Accrued Liabilities
	(U.S. Dollars in thousands)	
Foreign currency exchange contracts held at fair value through profit and loss	94	342

Derivative amounts recorded in the statement of operations was as follows:

	Classification in Statements of Operation	Year ended December 31, 2020	Year ended December 31, 2019	Year ended December 31, 2018
		(U.S. Dollars in thousands)		
Foreign currency exchange contracts not in hedge relationships	Other income / (expense), net	(682)	116	496

Derivative instruments are disclosed on a gross basis.

Hedges of a net investment in a foreign operation

The Group uses foreign currency borrowings to hedge the net investment in foreign entities. The carrying value of borrowings, which are designated as net investment hedges at the year end, amounts to $65,357,000 (2019: $85,606,000). The gains or losses on the effective portions of such borrowings are recognized in other comprehensive income. A gain of $3,168,000 was included in other comprehensive income in the period ended 31 December 2020, a loss of $1,422,000 was included in other comprehensive income in the period ended December 31, 2019, and a gain of $374,000 was included in other comprehensive income in the period ended December 31, 2018. Ineffective portions of the gains and losses on such borrowings are recognized in the statement of operations although no ineffectiveness has been recognized in the current or prior period. Gains and losses accumulated in other comprehensive income are included in the statement of operations on the disposal of a foreign entity.

24. FAIR VALUE MEASUREMENTS

Fair Value of Financial Instruments

Set out below are the major methods and assumptions used in estimating the fair values of the financial assets and liabilities disclosed in the consolidated financial statements.

Other investments

Other investments are measured at fair value which is based on quoted market prices where available.

Cash and cash equivalents, including short-term bank deposits

The carrying amount reported in the consolidated financial statements for these items approximates fair value due to their liquid nature and are classified as Level 1.

Trade receivables and other receivables, net

The carrying value reported in the consolidated financial statements for these items is net of allowances, which includes a degree of counterparty non-performance risk and are classified as Level 2.

Accounts payable and accrued liabilities

The carrying value reported in the consolidated financial statements for these items approximates their fair value, which is the likely amount for which the liability with short settlement periods would be transferred to a market participant with a similar credit standing as ours and are classified as Level 2.

Derivative financial instruments

Our derivative assets or liabilities include foreign exchange and interest rate derivatives that are measured at fair value using observable market inputs such as forward rates, interest rates, our own credit risk as well as an evaluation of our counterparties' credit risks.

Additionally, we include an element of default risk based on observable inputs into the fair value calculation. Based on these inputs, the derivative assets or liabilities are classified within Level 2 of the valuation hierarchy.

Interest-bearing loans and borrowings

For floating rate interest-bearing loans and borrowings with a contractual repricing date of less than six months, the nominal amount is deemed to reflect fair value. For loans with repricing dates of greater than six months, the fair value is calculated based on the present value of the expected future principal and interest cash flows discounted at interest rates effective at the reporting date and adjusted for movements in credit spreads. Based on these inputs, the derivative assets or liabilities are classified within Level 2 of the valuation hierarchy. We estimate the total fair value of our total borrowings is $328,437,000 at December 31, 2020. Refer to Note 20, "Borrowings."

Contingent consideration

Fair value is based on the present value of expected payments discounted using a risk-adjusted discount rate. The expected payment is determined by forecasting the acquiree's earnings over the applicable period. Contingent considerations are estimated using Level 3 inputs. Refer to Note 30 for additional disclosures on contingent consideration.

As of December 31, 2020, and 2019, the Group recognized and measured the following financial instruments at fair value:

	As of December 31, 2020			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	(U.S. Dollars in thousand)			
Assets measured at fair value				
At fair value through profit or loss				
Other investments	406	—	—	406
Foreign exchange contracts	—	—	—	—
Foreign exchange contracts	—	—	—	—
Liabilities measured at fair value				
At fair value through profit or loss				
Foreign exchange contracts	(1,424)	—	(1,424)	—
Contingent consideration	(10,698)	—	—	(10,698)
Assets measured at fair value				
At fair value through profit or loss				
Other investments	5,663	5,108	—	555
Foreign exchange contracts	94	—	94	—
Liabilities measured at fair value				
At fair value through profit or loss				
Foreign exchange contracts	(342)	—	(342)	—
Contingent consideration	(16,667)	—	—	(16,667)

25. COMMITMENTS AND CONTINGENCIES

Capital commitments

We have authorized capital expenditure of $38,250,000 (2019: $17,421,000) at the reporting date. Capital expenditure contracted for at December 31, 2020 amounted to $2,919,000.

Subsidiaries

The Company has guaranteed certain liabilities of a number of its subsidiaries for the year ended December 31, 2020 including guarantees under Section 357 of the Irish Companies Act, 2014.

Guarantees

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies or equity accounted affiliates within the Group, the Company considers these to be insurance arrangements and accounts for them as such. The Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee. The following are details of contracts made by the Company at December 31, 2020 to guarantee the indebtedness of other companies or equity accounted affiliates within the Group:

I. The Company has guaranteed bank borrowings of subsidiaries in the amount of $328,945,000 (2019: $352,125,000).

II. The Company has guaranteed bank borrowings of $4,653,000 (2019: $4,806,000) within investments accounted for under the equity method.

III. The Company has given guarantees in respect of other trading obligations arising in the ordinary course of business of $254,000 (2019: $439,000).

In addition to the Company guarantees above, certain Group subsidiaries have given guarantees totaling $ 10,581,000 (2019: $ 8,778,000) in respect of other trading obligations arising in the ordinary course of business and guarantees totaling $7,631,000 (2019: $6,536,000) in respect of bank borrowings within investments accounted for under the equity method.

Contingencies

From time to time, the Group is involved in claims and legal actions, which arise in the normal course of business. Based on information currently available to the Group, and legal advice, the Group believes such litigation will not, individually or in aggregate, have a material adverse effect on the consolidated financial statements and that the Group is adequately positioned to deal with the outcome of any such litigation.

26. RELATED PARTY TRANSACTIONS

The Group has a related party relationship with its equity accounted investees. Transactions with the Group's equity accounted investees are set out below.

Related party transactions with equity accounted investees

The Group trades in the normal course of its business, in some situations under supply contracts, with its equity accounted investees. A summary of transactions with these related parties during the year is as follows:

	2020 Revenue	2020 Purchases	2019 Revenue	2019 Purchases	2018 Revenue	2018 Purchases
			(U.S. Dollars in thousands)			
Dole	8,900	49,000	4,600	21,600	—	—
Other equity accounted investees...............	104,490	64,204	100,800	101,130	98,848	132,363

The amounts due from and to equity accounted affiliates at year end are disclosed, in aggregate, in notes 15 and 16 for Dole and other equity accounted investees, respectively.

Leasing transactions with related parties are disclosed in Note 21.

Other related party transactions - Balmoral

Balmoral International Land Holdings plc ("Balmoral") is a related party to Total Produce because the Chair of the Board of Total Produce is also the Chair of the Board of Balmoral.

In the years ended December 31, 2020, 2019 and 2018, a subsidiary of the Group leased a number of buildings, was in receipt of property management services and provided IT management services to Balmoral. The total net expense for the years ended December 31, 2018, December 31, 2019 and December 31, 2020 were $1,526,000, $1,447,000 and $1,430,000, respectively.

Up to August 1, 2018, the Group provided key management services to Balmoral. During 2018, the Group received income from Balmoral of $215,000. Income related to expenses recharged by the Group to Balmoral and related to costs incurred by the Group on behalf of Balmoral, including recharges in respect of administration expenses and a portion of the employment costs of the Chairman.

In 2019, a joint venture of Total Produce disposed of assets to a wholly-owned subsidiary of Balmoral. The total consideration for the transaction (inclusive of deferred and contingent consideration) was $7,542,000.

27. SHAREHOLDERS' EQUITY

At December 31, 2020, the authorized share capital was €10,000,000 ($12,265,000) divided into 1,000,000,000 ordinary shares of 1 cent (euro) each. The issued share capital at that date was 410,724,962 ordinary shares (2019: 410,524,962 ordinary shares). During the year, the Group received consideration of $152,000 (2019: $75,000) from the issue of 200,000 (2019:100,000) shares that were issued to satisfy the exercise of 200,000 (2019:100,000) share options.

At December 31, 2020, the Company held 22,000,000 (2019: 22,000,000) treasury shares in the Company. All rights (including voting and dividend rights) in respect of these treasury shares are suspended until these shares are reissued. The following shows a summary of activity during the years ended December 31, 2020 and 2019 in respect of our ordinary shares. (U.S. Dollars in thousands, except share and per share data):

	December 31, 2020		December 31, 2019	
	Ordinary Shares	Ordinary Shares $	Ordinary Shares	Ordinary Shares $
In issue at beginning of year	410,525	4,863	410,429	4,862
Shares repurchased by the Company		—	(4)	—
Shares issued on exercise of share options	200	2	100	1
In issue at end of year	410,725	4,865	410,525	4,863

Capital management

The Board regularly reviews and monitors our capital structure with a view to maintaining a strong capital base in order to sustain market confidence in the business. This involves considering dividends paid to shareholders, the amount of liquid assets on the balance sheet and return on capital. We operate a share option scheme and an employee profit sharing scheme, which allows employees to use part of their profit sharing awards to acquire shares in the Company.

The Group has the authority to purchase its own shares. This authority permits the Group to buy up to 10% of the issued share capital at a price which may not exceed 105% of the average price over the previous five trading days. On January 27, 2016, we completed a €20,000,000 share buy-back program that commenced on the October 9, 2015, with a total of 14,017,270 ordinary shares repurchased at a total cost of €20,361,000 ($22,200,000) including associated costs. The repurchased ordinary shares were cancelled. The share buy-back program was earnings accretive.

In November 2010, the Group also exercised this authority and completed a share buy-back of 22,000,000 shares at a cost of €8,580,000 ($11,721,000), plus costs of €107,000 ($150,000). These shares are held as treasury shares unless reissued or cancelled.

Dividends paid and proposed

The following is a summary of the dividends declared and paid for the years ended December 31, 2020 and 2019 (U.S. Dollars in thousands, except where indicated):

	December 31, 2020	December 31, 2019
Dividends paid during the year		
Final dividend for the year ended December 31, 2019: €2.5770 cents / share (2018: €2.5140 cents/share)	11,875	11,003
Interim dividend for the year ended December 31, 2020: nil (2018: €0.9129 cents/share)	—	3,916
Total	**11,875**	**14,919**

On January 29, 2021, we paid an interim dividend for 2020 of €0.9129 cents per ordinary share, or $4,307,000 with respect to the financial year ended December 31, 2020.

We have proposed a final dividend for 2020 of €2.770 cents per ordinary share to be paid to ordinary shareholders to be paid in May 2021. These proposed dividends have not been recognized as a liability in the consolidated balance sheet because they have not been approved. The final dividend is subject to approval by our shareholders at our 2021 Annual General Meeting.

28. NONCONTROLLING INTEREST

For some of our subsidiaries, we own a controlling equity stake, and a third party or key member of the business' management team owns a minority portion of the equity. The balance sheet and operating activity of these entities are included in our consolidated financial statements and we adjust the net income in our consolidated statement of operations to exclude the noncontrolling interests' proportionate share of results. We present the proportionate share of equity attributable to the redeemable noncontrolling interests as temporary equity within our consolidated balance sheet and the proportionate share of noncontrolling interests not subject to a redemption provision that is outside of our control as equity.

The following table presents the changes in redeemable noncontrolling interest for each of the years ended December 31, 2020 and 2019.

	For the years ended December 31,	
	2020	**2019**
	(U.S. Dollars in thousands)	
Balance at January 1	30,891	47,475
Impact of adoption of ASC 842	—	(183)
Share of net income/(loss)	4,500	4,868
Share of items recognized in other comprehensive income	(1,190)	836
Share of comprehensive income	**3,310**	**5,704**
Dividends paid to redeemable noncontrolling interest holders	(6,444)	(7,763)
Redeemable noncontrolling transferred to noncontrolling interest	—	(18,457)
Acquired redeemable noncontrolling interest	(4,331)	—
Accretion to redemption value recognized in additional paid in capital	7,606	3,163
Foreign currency translation	(715)	952
Balance at December 31	**30,317**	**30,891**

29. VARIABLE INTEREST ENTITIES

We consolidate all Variable Interest Entities ("VIEs") for which we have determined that we are the Primary Beneficiary ("PB") under ASC 810. We use judgement when determining (i) whether an entity is a VIE; (ii) who are the variable interest holders; (iii) the elements and degree of control that each variable interest holder has; and (iv) ultimately which party is the PB.

We have one material VIE, Dole in which we are not the PB and do not consolidate its results and instead account for our investment using the equity method of accounting, as described in Note 15.

A second VIE, El Parque, a fresh produce business, is accounted for under the equity method of accounting. Its registered office is Los Acantos 1320, Vitacura, Santiago, Chile. On December 16, 2016, we acquired 50.005% of the series A shares and 50.08% of the series B shares in El Parque. Remaining shares of series A and series B are held by IDI and 3 individual investors, respectively. Only series A shares have all voting right. The El Parque board of directors comprises two members, one from each TP and IDI. Therefore, voting interest and economic interest are not proportionate because we have majority ownership but not majority representation on the board.

We and IDI both have equal equity participation (Series A) and management representation on the board of El Parque. Further all the significant activities of the business are managed by the unanimous consent of the board and there are no tiebreaker votes. We do not therefore meet the power criteria required in order to be considered the PB under the VIE model nor do we hold a controlling financial interest in El Parque.

We consolidate the results of one VIE as we are the PB, being our 50% shareholding in EurobananCanarias S.A. ("EBC") a Canary Islands fruit produce business. Its registered office is Avda. de Anaga Nº11, 38001, Santa Cruz de Tenerife. Through our involvement in EBC since its incorporation in 1993, we have an economic interest of 50% and a power to appoint its managing director. The managing director influences all decisions related to operations, and our economic interest is not equal to voting interest (decision making right for all relevant activities). Accordingly, the conditions of a primary beneficiary are met, and we consolidate EBC under the VIE model. We have not provided any financial or other support to EBC during the periods presented in these consolidated financial statements.

El Parque – equity accounted VIE

During the year ended December 31, 2020, we did not provide any financial support to El Parque, a non-consolidated VIE. The following table presents our maximum exposure to loss in our El Parque, as of December 31, 2020 and 2019:

	December 31 2020	December 31 2019
	(U.S. Dollars in thousands)	
Carrying value of equity investment in El Parque	7,893	9,310
Maximum exposure to loss	**7,893**	**9,310**

The maximum exposure to loss represents the amount that would be absorbed by us in the event that all of our assets held in the VIE had no value. We have not provided any guarantees in respect of debt issued by El Parque.

EBC – consolidated VIE

The following is the summarized financial information for EBC reflected in our consolidated financial statements as of December 31, 2020 and 2019 and for each of the three years in the period ended December 31, 2020.

	For the year ended		
	December 31, 2020	December 31, 2019	December 31, 2018
	(US Dollars in thousands)		
Revenue	489,743	461,893	474,074
Gross Profit	38,817	35,943	36,072
Selling, general and administrative expenses	(21,130)	(19,984)	(19,603)
Interest (expense)/income, net	(147)	(144)	40
Income/(loss) before income taxes	**17,540**	**15,815**	**16,509**
Income tax expense	(4,202)	(3,814)	(3,989)
Equity in net earnings of investments accounted for under the equity method	2,180	1,113	1,393
Net Income	**15,518**	**13,114**	**13,913**
Less: Net income attributable to noncontrolling interest	(3,755)	(2,761)	(2,657)
Net income attributable to EBC equity holders	**11,763**	**10,353**	**11,256**

	December 31, 2020	December 31, 2019
Current assets	111,339	103,497
Non-current assets	55,226	53,718
Current liabilities	68,150	67,142
Non-current liabilities	14,525	12,590
Non-controlling interest	15,476	14,941

30. CONTINGENT CONSIDERATION

Total contingent consideration amounts to $10,698,000 (2019: $16,667,000) and represents provision for the net present value of the amounts expected to be payable in respect of acquisitions which are subject to earn-out arrangements. The following tables present the activity in contingent consideration for each of the years ended December 31, 2020 and 2019.

	For the year ended	
	December 31, 2020	**December 31, 2019**
	(U.S. Dollars in thousands)	
Balance at beginning of year	**16,667**	**28,060**
Paid during year	(7,729)	(12,405)
Fair value movements charged / (credited) to statement of operations	519	(228)
Arising on acquisition of subsidiaries	139	1,632
Arising on disposal of subsidiaries	—	(211)
Arising on investment in joint ventures	291	—
Arising on acquisition of non-controlling interests	228	—
Foreign exchange movements	583	(181)
Balance at end of year	**10,698**	**16,667**
Current	5,786	8,862
Non-current	4,912	7,805
Balance at end of year	**10,698**	**16,667**

See Note 24 for fair value disclosures on the measurement of contingent consideration at December 31, 2020 and 2019.

31. SUBSEQUENT EVENTS

The 2020 interim dividend of 0.9129 euro cent per share was paid after year end on January 29, 2021. The total dividend amounted to €3,549,000 ($4,307,000).

On February 17, 2021, the Group and Dole Food Company, Inc (“Dole”). and affiliates of Castle & Cooke, Inc. (the “C&C shareholders”), which own a 55% interest in Dole's parent company (“Dole Holdings”) (together, the “Parties”), announced that they entered into a binding transaction agreement (the “Agreement”) to combine under a newly created, U.S.-listed company (“Dole plc”) (the “Transaction”). The Group has secured a committed debt facility with a term of 5 years to backstop and refinance certain existing Total Produce facilities in advance of the completion of the Transaction. In the event that the Transaction does not complete this committed financing shall remain in place in the Total Produce Group.

On March 26, 2021, Total Produce entered into a credit agreement, which provides for a $500 million multi-currency senior secured Revolving Credit Facility, which is available to Total Produce and its co-borrowers.

The Credit Agreement also provides for a $940 million seven-year US Dollar senior secured term loan facility (“Term Loan B”) to be available upon the consummation of certain conditions provided therein, including the closing of the Transaction.

Following strong demand from bank lenders, Total Produce and the initial arranges of the facilities intend to amend the financing structure by increasing the Revolving Credit Facility to $600 million, introducing a new $300 million U.S. Dollar senior secured term loan facility (“Term Loan A”) to be provided by commercial banks, which would reduce the Term Loan B commitments to $540 million.

Upon the completion of the Transaction, the Revolving Credit Facility will be available to Dole plc and certain of its subsidiaries, and the Term Loan B will be available to Total Produce USA Holdings Inc. Proceeds of the Term Loans will be used to refinance the existing Total Produce and Dole Food Company debt facilities, with the exception of the Dole vessel financing and certain other Group bilateral facilities which will remain post completion of the Transaction. The Revolving Credit Facility and both Term Loans will be syndicated.

The Revolving Credit Facility and the Term Loans are expected to provide long-term sustainable capitalization following the completion of the Transaction, lowering the combined company’s average cost of capital and creating a stronger balance sheet.

On 22 April 2021, the Group announced that the Board had resolved to pay a final dividend of 2.770 cent per share for the year ending December 31, 2020. This dividend will be paid on May 28, 2021 to shareholders on the Register of Members at the close of business on April 30, 2021. The ex-dividend date will be April 29, 2021 with a currency election date of May 5, 2021, 12.00 noon GMT.

Deloitte.

Deloitte & Touche LLP
650 S. Tryon St.
Suite 1800
Charlotte, NC 28202-4200

INDEPENDENT AUDITORS' REPORT

The Board of Managers
DFC Holdings, LLC
Charlotte, NC

We have audited the accompanying consolidated financial statements of DFC Holdings, LLC, Inc. and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2020 and December 28, 2019, and the related consolidated statements of operations, comprehensive income (loss), members' equity, and cash flows for each of the three years in the period ended December 31, 2020, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of DFC Holdings, LLC and its subsidiaries as of December 31, 2020 and December 28, 2019, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2020 in accordance with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

March 10, 2021 (April 28, 2021, as to the subsequent events described in Note 22)

DFC HOLDINGS, LLC
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended		
	December 31, 2020	**December 28, 2019**	**December 29, 2018**
		(In thousands)	
Revenues, net	$ 4,671,999	$ 4,515,955	$ 4,566,808
Cost of sales	(4,311,275)	(4,174,298)	(4,270,198)
Gross profit	$ 360,724	$ 341,657	$ 296,610
Selling, marketing and general and administrative expenses	(200,582)	(208,884)	(239,313)
Merger, transaction and other related costs	(661)	(24)	(1,645)
Gain on asset sales	11,181	23,366	13,766
Operating income	$ 170,662	$ 156,115	$ 69,418
Other expense, net	(29,305)	(3,316)	(7,341)
Interest income	3,131	4,784	4,377
Interest expense	(78,250)	(89,180)	(85,102)
Income (loss) from continuing operations before income taxes and equity earnings	$ 66,238	$ 68,403	$ (18,648)
Income tax (expense) benefit	(23,782)	(24,036)	10,280
Earnings (loss) from equity method investments	2,149	(532)	(1,263)
Income (loss) from continuing operations, net of income taxes	$ 44,605	$ 43,835	$ (9,631)
Loss from discontinued operations, net of income taxes	(43)	(2,500)	(3,935)
Net income (loss)	$ 44,562	$ 41,335	$ (13,566)
Less: Net income attributable to noncontrolling interests	(1,854)	(1,971)	(1,832)
Net income (loss) attributable to DFC Holdings, LLC	$ 42,708	$ 39,364	$ (15,398)

See Notes to Consolidated Financial Statements

DFC HOLDINGS, LLC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Year Ended		
	December 31, 2020	December 28, 2019	December 29, 2018
	(UIn thousands)		
Net income (loss)	$ 44,562	$ 41,335	$ (13,566)
Other comprehensive income (loss):			
Net unrealized loss on derivatives, net of income tax benefits of $2,758, $0 and $0	(8,417)	—	—
Foreign currency translation adjustment, net of income tax of $0, $0 and $0	25,575	(8,265)	(19,158)
Pension and postretirement obligation adjustments, net of income tax benefits of $928, $1,131 and $2,660	(7,045)	(5,131)	(12,818)
Reclassification of stranded tax effects from the Tax Cuts and Jobs Act	—	(4,134)	—
Total other comprehensive income (loss)	10,113	(17,530)	(31,976)
Comprehensive income (loss)	54,675	23,805	(45,542)
Less: Comprehensive income attributable to noncontrolling interests	(1,854)	(1,971)	(1,832)
Comprehensive income (loss) attributable to DFC Holdings, LLC	$ 52,821	$ 21,834	$ (47,374)

See Notes to Consolidated Financial Statements

DFC HOLDINGS, LLC
CONSOLIDATED BALANCE SHEETS

	December 31, 2020	December 28, 2019
	(In thousands)	
ASSETS		
Cash and cash equivalents	$ 66,795	$ 64,914
Short-term investments	6,246	5,676
Trade receivables, net of allowances of $19,425 and $20,472, respectively	382,417	372,377
Grower advance receivables, net of allowances of $3,395 and $3,660, respectively	51,308	56,041
Other receivables, net of allowances of $9,619 and $7,413, respectively	84,564	81,166
Inventories, net of allowances of $3,162 and $2,178, respectively	220,363	231,123
Prepaid expenses	30,236	27,097
Other current assets	13,574	5,809
Assets held-for-sale	255	—
Total current assets	855,758	844,203
Long-term investments	25,048	24,603
Investments in unconsolidated affiliates	25,588	22,741
Actively marketed property	47,081	58,840
Property, plant and equipment, net of accumulated depreciation of $580,419 and $514,772, respectively	1,125,638	1,096,800
Operating lease right-of-use assets	232,067	263,073
Goodwill	329,823	329,823
Intangible assets, net of accumulated amortization of $68 and $36, respectively	254,393	254,455
Other assets, net	61,117	54,723
Total assets	$ 2,956,513	$ 2,949,261
LIABILITIES AND EQUITY		
Accounts payable	$ 253,309	$ 232,237
Income taxes payable	12,863	5,390
Accrued liabilities	412,577	377,534
Current maturities of operating leases	53,250	62,952
Notes payable and current portion of long-term debt, net	75,504	53,958
Total current liabilities	807,503	732,071
Long-term debt, net	1,230,552	1,317,799
Operating leases, less current maturities	175,970	198,638
Deferred income tax liabilities	75,322	75,067
Other long-term liabilities	276,824	290,088
Total liabilities	$ 2,566,171	$ 2,613,663
Members' equity:		
Class A units, 550 units issued and outstanding as of December 31, 2020 and December 28, 2019	—	—
Class B units, 450 units issued and outstanding as of December 31, 2020 and December 28, 2019	—	—
Additional paid-in capital	869,951	868,528
Notes receivable from affiliate	(25,005)	(25,308)
Accumulated deficit	(363,253)	(405,961)
Accumulated other comprehensive loss	(100,084)	(110,197)
Total equity attributable to DFC Holdings, LLC	381,609	327,062
Equity attributable to noncontrolling interests	8,733	8,536
Total equity	390,342	335,598
Total liabilities and equity	$ 2,956,513	$ 2,949,261

See Notes to Consolidated Financial Statements

DFC HOLDINGS, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended		
	December 31, 2020	December 28, 2019	December 29, 2018
Operating Activities		(In thousands)	
Net income (loss)	$ 44,562	$ 41,335	$ (13,566)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	91,392	88,111	89,612
Non-cash lease expense	51,428	58,062	—
Net unrealized loss (gain) on financial instruments	6,549	9,329	(11,559)
Asset write-offs and net gain on sale of assets	3,027	(17,389)	(6,334)
(Earnings) loss from equity method investments	(2,149)	532	1,263
Amortization of debt discounts and debt issuance costs	3,724	3,825	3,902
Refinancing charges	—	—	5,458
(Provision) benefit for deferred income taxes	2,238	(5,061)	12,691
Pension and other postretirement benefit plan expense	10,324	8,253	9,923
Other	—	380	568
Changes in operating assets and liabilities:			
Receivables, net of allowances	7,041	(17,776)	(26,264)
Inventories	2,159	19,663	(22,067)
Prepaid expenses and other assets	(6,698)	16,294	(3,061)
Income taxes	(8,114)	(24,230)	(72,691)
Accounts payable	14,606	(23,124)	13,441
Accrued and other long-term liabilities	(13,671)	(27,926)	(13,274)
Operating lease liabilities	(55,304)	(58,004)	—
Cash flow provided by (used in) operating activities	151,114	72,274	(31,958)
Investing Activities			
Sales of assets	28,233	71,767	85,809
Capital expenditures	(90,604)	(84,189)	(74,696)
Purchases of investments	(1,218)	(2,167)	(1,724)
Investments in unconsolidated affiliates	(173)	(170)	—
Other	—	(145)	3,593
Cash flow provided by (used in) investing activities	(63,762)	(14,904)	12,982
Financing Activities			
Short-term debt borrowings	56,000	23,659	69,000
Repayments on short-term debt borrowings and overdrafts	(58,104)	(46,500)	(46,726)
Long-term debt borrowings	552,352	705,904	817,697
Long-term debt repayments	(637,838)	(735,199)	(860,394)
Payment of debt issuance costs	(583)	—	(1,343)
Payment of noncontrolling interests	—	—	(797)
Affiliate transaction costs	—	—	(15,000)
Dividends paid to noncontrolling interests	(1,657)	(1,566)	(1,220)
Preferred return on preferred units	—	—	(570)
Funding by affiliates	—	—	28
Repayment of notes issued to affiliates	1,726	20,954	15,070
Note receivable issued to affiliates	—	(20,311)	(25,000)
Cash flow (used in) financing activities	(88,104)	(53,059)	(49,255)
Effect of foreign currency exchange rate changes on cash	2,633	(1,556)	(2,189)
Increase (decrease) in cash and cash equivalents	1,881	2,755	(70,420)
Cash and cash equivalents at beginning of the year	64,914	62,159	132,579
Cash and cash equivalents at end of year	$ 66,795	$ 64,914	$ 62,159
Supplemental cash flow information:			
Income tax payments, net of refunds	$ 37,206	$ 51,488	$ 47,720
Interest payments on borrowings	74,956	83,412	73,854
Non-cash realized gains (losses) on financial instruments	(4,908)	11,584	—
Non-cash Investing and Financing Activities:			
Accrued property, plant and equipment	$ 47,231	$ 51,383	$ 4,792

See Notes to Consolidated Financial Statements

DFC HOLDINGS, LLC
CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY

	Equity Attributable to DFC Holdings, LLC											
								Accumulated Other Comprehensive Loss				
	Common Units	Preferred Units	Class A Units	Class B Units	Additional Paid-In Capital	Notes Receivable from Affiliates	Accumulated Deficit	Derivative Instruments	Pension & Other Post-retirement Benefits	Cumulative Translation Adjustment	Equity Attributable to Noncontrolling Interests	Total Equity
	(In thousands, except units)											
Balance at December 30, 2017	$ 1,000	$ 100	$ —	$$ —	$ 868,086	$ (14,663)	$ (418,491)	$ —	$ (25,270)	$ (35,421)	$7,372	$ 381,613
Net income (loss)	—	—	—	—	—	—	(15,398)	—	—	—	1,832	(13,566)
Affiliate transaction costs	—	—		—	—	—	(15,000)	—	—	—	—	(15,000)
Repayment of notes issued to affiliates	—	—	—	—	—	15,070	—	—	—	—	—	15,070
Notes issued to affiliates	—	—	—	—	—	(25,000)	—	—	—	—	—	(25,000)
Interest receivable from affiliates	—	—	—	—	914	(914)	—	—	—	—	—	—
Contributions (distributions)	—	—	—	—	28	—	(570)	—	—	—	(1,220)	(1,762)
Acquisition of noncontrolling interests	—	—	—	—	(944)	—	—	—	—	—	147	(797)
Foreign currency translation adjustment, net of income tax of $0	—	—	—	—	—	—	—	—	—	(19,158)	—	(19,158)
Change in employee benefit plans, net of income tax benefit of $2,660	—	—	—	—	—	—	—	—	(12,818)	—	—	(12,818)
July 31, 2018 amendment and restatement of the LLC agreement	(1,000)	(100)	550	450	—	—	—	—	—	—	—	—
Balance at December 29, 2018	—	—	550	450	868,084	(25,507)	(449,459)	—	(38,088)	(54,579)	8,131	308,582
Net income	—	—	—	—	—	—	39,364	—	—	—	1,971	41,355
Repayment of notes issued to affiliates	—	—	—	—	—	20,510	—	—	—	—	—	20,510
Notes issued to affiliates	—	—		—	—	(20,000)	—	—	—	—	—	(20,000)
Interest receivable from affiliates	—	—	—	—	444	(311)	—	—	—	—	—	133
Distributions	—	—	—	—	—	—	—	—	—	—	(1,566)	(1,566)
Reclassification of stranded tax effects from the Tax Cuts and Jobs Act	—	—	—	—	—	—	4,134	—	(4,134)	—	—	—
Foreign currency translation adjustment, net of income tax of $0	—	—	—	—	—	—	—	—	—	(8,265)	—	(8,265)
Change in employee benefit plans, net of income tax benefit of $1,131	—	—	—	—	—	—	—	—	(5,131)	—	—	(5,131)
Balance at December 28, 2019	$ —	$ —	$ 550	$ 450	$ 868,528	$ (25,308)	$ (405,961)	$ —	$ (47,353)	$ (62,844)	$ 8,536	$ 335,598
Net income	—	—	—	—	—	—	42,708	—	—	—	1,854	44,562
Interest receivable from affiliates	—	—	—	—	1,423	303	—	—	—	—	—	1,726
Distributions	—	—	—	—	—	—	—	—	—	—	(1,657)	(1,657)
Foreign currency translation adjustment, net of income tax of $0	—	—	—	—	—	—	—	—	—	25,575	—	25,575
Net unrealized loss on derivatives, net of income tax benefit of $2,758	—	—	—	—	—	—	—	(8,417)	—	—	—	(8,417)
Change in employee benefit plans, net of income tax benefit of $928	—	—	—	—	—	—	—	—	(7,045)	—	—	(7,045)
Balance at December 31, 2020	$ —	$ —	$ 550	$ 450	$869,951	$ (25,005)	$ (363,253)	$ (8,417)	$ (54,398)	$ (37,269)	$ 8,733	$ 390,342

See Notes to Consolidated Financial Statements

DFC HOLDINGS, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 — NATURE OF OPERATIONS

DFC Holdings, LLC is the sole owner of Dole Food Company, Inc. and its consolidated subsidiaries (collectively referred to in these notes as "Dole" or the "Company"). Dole is engaged in the worldwide sourcing, processing, distributing and marketing of high-quality fresh fruit and vegetables. Dole is one of the largest producers of bananas and pineapples and is an industry leader in packaged salads, fresh-packed vegetables and fresh berries.

Dole conducts operations throughout North America, Latin America, Europe, Asia, the Middle East and Africa (primarily in South Africa). As a result of its global operating and financing activities, Dole is exposed to certain risks including changes in commodity and fuel costs, fluctuations in interest rates, fluctuations in foreign currency exchange rates, as well as other environmental and business risks in both sourcing and selling locations.

Dole's principal products are produced on both Company-owned and leased land and are also acquired through associated producer and independent grower arrangements. Dole's products are primarily packed and processed by Dole and sold to wholesale, retail and institutional customers and other food product companies.

DFC Holdings, LLC was established as a Delaware limited liability company (the "Parent") on August 8, 2013. The limited liability company agreement was amended and restated on December 29, 2014. Until July 31, 2018, the Members of Dole were wholly owned through the Parent by David H. Murdock ("Mr. Murdock"), Dole's Chairman.

On February 1, 2018, Mr. Murdock, through his wholly owned subsidiaries, entered into a Securities Purchase Agreement (the "Agreement") with a wholly owned subsidiary of Total Produce plc ("Total Produce") to sell 45% of the Parent for $300.0 million (the "Transaction"). The Parent wholly owns the Company and has no independent assets or operations apart from its investment in the Company and on a consolidated basis has the same assets, liabilities, total equity and earnings as the Company. The Transaction closed on July 31, 2018. On February 17, 2021, Dole, Total Produce, and Mr. Murdock announced that they have entered into a binding transaction agreement (including all subsequent amendments, the "IPO Agreement") to combine Dole and Total Produce under a newly created entity listed in the U.S. ("Dole plc") (the "IPO Transaction"). See Note 21 "Total Produce plc Transaction" and Note 22 "Subsequent Events" for further information.

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus ("COVID-19") a global pandemic and recommended containment and mitigation measures worldwide. As of the date of this Scheme Circular, Dole operations remain open and in production throughout the world. The Company cannot reasonably estimate the length or severity of this pandemic. The Company experienced certain direct costs primarily related to personal protective equipment and transportation, and costs due to lower production capacity from a plant shutdown. However, the Company is not able to reasonably estimate the full extent to which the disruption may have indirectly impacted the Company's consolidated financial position, consolidated results of operations, and consolidated cash flows in fiscal year 2020.

NOTE 2 — BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements herein are prepared in conformity with generally accepted accounting principles in the United States of America ("U.S. GAAP"). In the opinion of management, the consolidated financial statements of Dole include all necessary adjustments, which are of a normal recurring nature, to present fairly Dole's financial position, results of operations and cash flows.

Dole's consolidated financial statements include the accounts of majority owned subsidiaries over which Dole exercises control, and entities that are not majority owned but require consolidation, because Dole has the ability to exercise control over operating and financial policies or has the power to direct the activities that most significantly impact the entities' economic performance. Intercompany accounts and transactions have been eliminated in consolidation.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Estimates and assumptions include, but are not limited to, the areas of customer and grower receivables, inventories, impairment of assets, useful lives of property, plant and equipment, intangible assets, marketing programs, income taxes, self-insurance reserves, retirement benefits, financial instruments, and commitments and contingencies. Actual results could differ from these estimates and assumptions.

During February of 2021, the Board of Directors of the Company approved a change in the fiscal year end from a 52/53 week year ending on the Saturday closest to December 31 to a calendar year ending on December 31. The change was made effective with fiscal year 2020 on a prospective basis, and, therefore, operating results for prior years were not adjusted.

As a result of the change, fiscal year 2020 consisted of 369 days ending on December 31, 2020, fiscal year 2019 consisted of 364 days ending on December 28, 2019, and fiscal year 2018 consisted of 364 days ending on December 29, 2018. Under a 52/53 week year, fiscal year 2020 would have consisted of 371 days ending on January 2, 2021. As such, the change in fiscal year resulted in two fewer operating days. The Company performed an assessment of the change in fiscal year and concluded that the change did not have a material impact to Dole's financial condition, results of operation or cash flows nor comparability to prior years.

Summary of Significant Accounting Policies

Revenue Recognition: Revenue is recognized when a performance obligation is satisfied as control of a good or service is transferred to a customer in the amount expected to be entitled at transfer. For each customer contract, the performance obligations are identified, the transaction price is allocated to the individual performance obligations, and revenue is recognized when these performance obligations are fulfilled and control of the good or service is transferred to the customer. The transfer of control of a good or service to customers is based on written sales terms that allow customers right of return when the good or service does not meet certain quality factors.

Revenue consists primarily of product revenue which includes the selling of agricultural goods to third-party customers. Product revenue also includes surcharges for additional product services such as freight, cooling, warehousing, fuel, containerization, handling, and palletization related to the transfer of products. The Company also has certain marketing contracts in which Dole is the principal, and the revenue and cost of sales is reported on a gross basis.

Revenue also includes service revenue, which includes commissions with third-party growers, management fees, and royalties for the use of Company brands and trademarks. Additionally, the Company maintains a commercial cargo business where revenue is earned by leasing a Company vessel, leasing available space within a Company vessel, or providing handling and transportation services of containerized cargo on Company vessels. Net service revenues were less than 10% of total revenue for the years ended December 31, 2020, December 28, 2019, and December 29, 2018.

Dole's incremental costs of obtaining a contract have primarily consisted of sales commissions, and the Company elected the practical expedient to expense these costs for contracts that are less than one year. These costs are included in selling, marketing and general and administrative expenses on the consolidated statements of operations. If these costs relate to contracts that are greater than one year, the incremental costs are capitalized as a contract asset and amortized over the period from which the contract is obtained until the performance obligations are met. Incremental costs of obtaining a contract have not historically been material to Dole, and Dole's contracts are historically less than one year.

The Company treats shipping and handling costs that occur before the customer obtains control of the good as a fulfilment cost rather than a service performance obligation. Further, Dole elects the practical expedient to exclude sales and other taxes imposed by government authorities on revenue-producing transactions from the transaction price.

The period between Dole transferring a promised good or service to a customer and customer payment is expected to be less than one year and, as such, Dole elected the practical expedient to not adjust the promised amount of consideration for the effects of a significant financing component.

Revenue is recorded net of any sales allowances, sales promotions, and sales incentives. Sales allowances are calculated based on historical claims information. Dole offers sales promotions and sales incentives to its customers (resellers) and to its consumers. Sales promotions are temporary price reductions on third-party sales and sales incentives include consumer coupons and discounts, volume and timing rebates, and product placement fees. Estimated sales discounts are recorded in the period in which the related sale is recognized. Volume rebates are recognized as earned by the customer based upon the contractual terms of the arrangement with the customer and, where applicable, Dole's estimate of sales volume over the term of the arrangement. All other sales incentives are estimated using both historical trends and current volumes and assumptions. The Company also enters cooperative advertising arrangements in which Dole refunds a retailer for a portion of the costs incurred to advertise Dole's products. The value of these arrangements is treated as a reduction of revenue, unless the arrangement results in a separate performance obligation for Dole, in which these amounts are recorded in selling, marketing and general and administrative expenses on the consolidated statements of operations. Adjustments to estimates are made periodically as new information becomes available and actual sales volumes become known. Adjustments to these estimates have historically not been significant to Dole. See Note 6 "Trade Receivables and Grower Advances" for additional detail on allowances for sales deductions.

Cost of Sales: Cost of sales primarily consist of costs associated with the production or purchasing of inventory, packaging materials, labor, depreciation, overhead, transportation, and other distribution costs. Cost of sales also includes recurring agricultural costs and shipping and handling costs, which are detailed below.

Agricultural Costs: Plant costs, including seeds, trees, vines, and stems, and preproduction costs, including land preparation, pre-planting, and planting costs, are generally capitalized into inventory and charged to cost of sales when the related crop is harvested and sold, with the exception of pineapples, in which the costs are expensed as incurred. Certain plant and preproduction costs are capitalized to property, plant and equipment, depending on the crop, and charged to cost of sales over the related useful life. All land development costs, including farm and soil improvements, are capitalized to property, plant and equipment. The useful lives for plant, preproduction, and land development costs capitalized to property, plant and equipment are 2 to 25 years, based on historical yields, climate and weather conditions, and likelihood of disease and pest interference. Recurring agricultural costs after the preproduction period, including ongoing pruning, fertilization, watering, and farm labor, are generally capitalized into inventory and charged to cost of sales when the related crop is harvested and sold, with the exception of pineapples and bananas, in which the costs are expensed as incurred.

Shipping and Handling Costs: Amounts billed to third-party customers for shipping and handling are included as a component of revenues. Shipping and handling costs incurred are included as a component of cost of sales and represent fulfillment costs incurred by Dole to ship products from the sourcing locations to the end customer and are not considered separate performance obligations.

Value-Added Taxes: Value-added taxes that are collected from customers and remitted to taxing authorities are excluded from revenues and cost of sales. Receivables related to value-added taxes are included within other receivables, net.

Marketing and Advertising Costs: Marketing and advertising costs, which include media, production, and other promotional costs, are generally expensed in the period in which the marketing or advertising first takes place. Marketing and advertising costs, included in selling, marketing and general and administrative expenses on the consolidated statements of operations, amounted to $12.3 million, $14.4 million and $14.3 million for the years ended December 31, 2020, December 28, 2019 and December 29, 2018, respectively.

Research and Development Costs: Research and development costs are expensed as incurred and are included in cost of sales or selling, marketing and general and administrative expenses on the consolidated statements of operations. Research and development costs amounted to $10.8 million, $9.7 million and $8.8 million for the years ended December 31, 2020, December 28, 2019 and December 29, 2018, respectively.

Income Taxes: Dole accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statement and tax basis of assets and liabilities, using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. A valuation allowance is provided for deferred income tax assets for which it is deemed more likely than not that future taxable income will not be sufficient to realize the related income tax benefits from these assets. Dole establishes additional provisions for income taxes when, despite the belief that tax positions are fully supportable, there remain positions that do not meet the minimum probability threshold, which is a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority. In addition, once the recognition threshold for the tax position is met, only the portion of the tax benefit that is greater than 50% likely to be realized upon settlement with a taxing authority is recorded. The impact of provisions for uncertain tax positions, as well as the related net interest and penalties, are included in income taxes in the consolidated statements of operations. State income taxes and withholding taxes, which would be due upon the repatriation of foreign subsidiary earnings, have not been provided where the undistributed earnings are considered indefinitely invested.

Cash and Cash Equivalents: Cash and cash equivalents consist of cash on hand and highly liquid investments, primarily money market funds and time deposits, with original maturities of three months or less. Cash and cash equivalents also include restricted amounts, which are de minimis and therefore not material to the financial statements.

Short-Term and Long-Term Investments: Short-term investments include the portion of the Rabbi Trust securities portfolio that approximates the short-term liability of the frozen non-qualified Supplemental Executive Retirement Plan ("SERP") defined benefit plan and the total liability of the non-qualified deferred compensation Excess Savings Plan ("ESP"). Long-term investments include the portion of the Rabbi Trust securities portfolio that will be used to fund a portion of the long-term liability of the SERP plan. Securities are recorded at fair value with realized and unrealized holding gains and losses included in earnings. Dole estimates the fair value of its investments using prices provided by its custodian. See Note 16 "Fair Value Measurements" for fair value disclosures.

Trade Receivables: Trade receivables less allowances are recognized at net realizable value, which approximates fair value. Credit risk related to trade receivables is mitigated due to the large number of customers dispersed worldwide. To reduce credit risk, Dole performs periodic credit evaluations of its customers but does not generally require advance payments or collateral. Additionally, Dole periodically estimates expected credit losses for all outstanding trade receivables to determine if a related impairment loss and allowance should be recognized. Dole estimates its allowance for credit losses for trade receivables on a collective pool basis when the Company believes similar risk characteristics exist among customers. For Dole, similar risk characteristics may include geographic region, type of customer, or market conditions, among other factors. Trade receivables that do not share similar risk characteristics are evaluated on a case-by-case basis. Dole estimates expected credit losses based on ongoing customer credit monitoring, macroeconomic indicators, and historical credit loss on customers and geographic regions. One customer, a large nationwide retailer, accounted for approximately 11% and 10% of Dole's revenue during the years ended December 31, 2020 and December 28, 2019, respectively. No other individual customer accounted for greater than 10% of Dole's revenues for the years ended December 31, 2020, December 28, 2019, or December 29, 2018, nor accounted for greater than 10% of Dole's accounts receivable as of December 31, 2020 or December 28, 2019.

Dole adopted ASU 2016-13, *Financial instruments – Credit losses (Topic 326) Measurement of credit losses on financial instruments* ("ASC 326"), and subsequent amendments to the guidance effective December 29, 2019, the first day of the 2020 fiscal year. See Note 3 "New Accounting Pronouncements" and Note 6 "Trade Receivables and Grower Advances" for additional detail on the Company's allowance for credit losses and ASC 326 adoption.

Grower Advances: Dole makes advances to third-party growers for various farming needs. Some of these advances are secured with crop harvests, property or other collateral owned by the growers. Dole monitors these receivables on a regular basis and periodically estimates expected credit losses for all outstanding grower advances to determine if a related impairment loss and allowance should be recognized. These expected credit losses are evaluated on a case-by-case basis and are based on historical credit loss information among other quantitative and qualitative factors. Grower advances are stated at the gross advance amount less allowances for expected credit losses. Grower advances are disaggregated into short-term advances that mature in twelve months or less, which are included within grower advance receivables, net, and long-term advances that are included in other assets, net, within the consolidated balance sheets. See Note 6 "Trade Receivables and Grower Advances" for additional detail on the allowance for credit losses of grower advances and the breakout of short-term and long-term advances.

Other Receivables: Other receivables consists primarily of miscellaneous notes receivable, hedging receivables, and receivables from governmental institutions. These receivables are recorded at net realizable value. Allowances against receivables are established based on specific account data and factors such as Dole's historical losses, current economic conditions, age of receivables, the value of any collateral, and payment status compared to payment terms. Account balances are written off against the allowance if and when management determines the receivable is uncollectible.

Concentration of Credit Risk: Financial instruments that potentially subject Dole to a concentration of credit risk principally consist of cash equivalents, investments, derivative contracts, and grower advances. As discussed above, credit risk related to trade receivables is mitigated through the Company's large customer base and periodic credit valuations. Dole maintains its cash and investments with high quality financial institutions. The counterparties to Dole's derivative contracts, which are discussed in greater detail below, are major financial institutions. Grower advances are principally with farming enterprises and are generally secured by the underlying crop harvests, property, or other collateral owned by the growers.

Inventories: Inventories are valued at the lower of cost or net realizable value. Costs related to fresh fruit and fresh vegetables are determined on the first-in, first-out basis. Specific identification and average cost methods are also used primarily for certain packing materials and operating supplies. In the normal course of business, the Company incurs certain crop growing costs such as land preparation, planting, fertilization, grafting, pruning, and irrigation. Based on the nature of these costs and type of crop production, these costs may be capitalized into inventory. Generally, all recurring direct and indirect costs of growing crops for deciduous fruit, vegetables, citrus, and fresh fruit other than bananas and pineapples are capitalized into inventory. These costs are recognized into cost of sales during each harvest period. See Note 8 "Details of Certain Assets and Liabilities" for additional detail on the disaggregation of inventories by inventory class.

Investments in Unconsolidated Affiliates: Investments in unconsolidated affiliates and joint ventures with ownership of 20% to 50% are recorded using the equity method, provided Dole has the ability to exercise significant influence. All other unconsolidated investments are accounted for using the cost method. At December 31, 2020 and December 28, 2019, substantially all of Dole's investments in unconsolidated affiliates and joint ventures have been accounted for under the equity method. See Note 20 "Investments in Unconsolidated Affiliates" for additional detail.

Dole evaluates its equity and cost method investments for impairment when facts and circumstances indicate that the carrying value of such investments may not be recoverable. Dole reviews several factors to determine whether the loss is other than temporary, such as the length and extent of the fair value decline, the financial condition and near-term prospects of the investee, and whether Dole has the intent to sell or will be required to sell before the investment's anticipated recovery. If a decline in fair value is determined to be other than temporary, an impairment charge is recorded in earnings. Dole did not recognize any impairment charges for investments in unconsolidated affiliates for the years ended December 31, 2020, December 28, 2019 and December 29, 2018.

Property, Plant and Equipment: Property, plant and equipment is stated at cost plus asset retirement obligations, if any, less accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of these assets. Dole reviews long-lived assets to be held and used for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset group may not be recoverable. If an evaluation of recoverability is required, the estimated undiscounted future cash flows directly associated with the asset are compared to the asset's carrying amount. If this comparison indicates that there is an impairment, the amount of the impairment is calculated by comparing the carrying value to discounted expected future cash flows or comparable market values, depending on the nature of the asset group. Routine maintenance and repairs are expensed as incurred. Dole did not recognize any impairment charges for property, plant and equipment for the years ended December 31, 2020, December 28, 2019 and December 29, 2018. See Note 10 "Property, Plant and Equipment" for additional detail on the major classes of property, plant and equipment and the respective useful lives of the asset classes.

Dry-Docking Costs: Dole incurs costs for planned major maintenance activities related to its vessels during regularly scheduled dry dockings that occur approximately every 2 to 5 years, depending on the age of the vessel. Costs incurred during the dry-docking period, such as overhaul costs, are capitalized and amortized to the next overhaul. Costs incurred during the dry-docking period relating to routine repairs and maintenance are expensed as incurred and included in costs of sales.

Goodwill and Intangible Assets: Goodwill represents the excess cost of a business acquisition over the fair value of the net assets acquired, including the amount assigned to identifiable intangible assets. Fair values for goodwill and intangible assets are determined based on discounted cash flows, market multiples, or appraised values, as appropriate. Dole tests goodwill for impairment at the reporting unit level annually on the first day of the fourth quarter of each fiscal year and when there is an indicator of impairment. Dole defines each of its three operating business segments as reporting units for purposes of evaluating goodwill for impairment: Fresh Fruit, Fresh Vegetables, and Diversified.

Dole's indefinite-lived intangible assets, primarily consisting of the DOLE brand trademark and trade name ("Dole brand"), are considered to have an indefinite life because they are expected to generate cash flows indefinitely and, as such, are not amortized. Indefinite-lived intangible assets are reviewed for impairment annually on the first day of the fourth quarter of each fiscal year, or more frequently if certain impairment indicators arise. From time to time, Dole also develops local trade names and other definite-lived intangible assets that are recorded at fair value and amortized on a straight-line basis over 5 to 10 years. These definite-lived intangible assets have not historically been material to Dole.

For the years ended December 31, 2020, December 28, 2019, and December 29, 2018, the Company qualitatively assessed whether it was more likely than not that the respective fair values of each reporting unit were less than their carrying amounts, inclusive of goodwill, and concluded that this condition did not exist. Similarly, the Company evaluated each indefinite-lived intangible asset and concluded that it was not more likely than not that the respective fair values of the indefinite-lived intangible assets were below the carrying amount. As such, Dole did not perform the first step of the two-step goodwill impairment test for any reporting unit or indefinite-lived intangible asset impairment test for any of the Company's indefinite-lived intangible assets for the years ended December 31, 2020, December 28, 2019, and December 29, 2018.

The Company is also monitoring for other long-term impacts of the COVID-19 pandemic, such as the impairment of goodwill, intangibles, or other long-lived assets. As of the end of the year, Dole has not identified indicators of impairment as a result of the pandemic.

See Note 11 "Goodwill and Intangible Assets" for additional detail.

Foreign Currency Exchange: The functional currency of Dole is the U.S. dollar. For subsidiaries with transactions that are denominated in a currency other than the functional currency, the net foreign currency exchange transaction gains or losses resulting from the translation of monetary assets and liabilities to the functional currency are included in determining net income. Net foreign currency exchange gains or losses resulting from the translation of assets and liabilities of foreign subsidiaries whose functional currency is not the U.S. dollar are recorded as a part of the cumulative translation adjustment in members' equity.

Derivative Financial Instruments: Dole also holds derivative instruments to hedge against foreign currency exchange, fuel costs, and interest rates on long-term borrowings. Dole estimates the fair value of its derivatives, including any credit valuation adjustments, using market-based inputs. On December 29, 2019, the first day of the 2020 fiscal year, Dole adopted hedge accounting and designated qualifying cash flow hedges as hedging instruments. For these instruments, all realized gains and losses are included in earnings and unrealized gains and losses are included in accumulated other comprehensive loss. For all other hedges not designated as hedging instruments, all realized and unrealized gains and losses are included in earnings. See Note 15 "Derivative Financial Instruments" for additional detail on derivative instruments and the impact of the adoption of hedge accounting.

Fair Value Hedges: The Company enters fair value hedges to reduce the exposures in fair values of certain assets and liabilities against foreign currency exchange. Dole enters into foreign currency forward contracts to hedge the changes in fair value of intercompany loans denominated in a currency other than the U.S. dollar functional currency.

Cash Flow Hedges: The Company enters cash flow hedges to reduce the exposure to variability in certain expected future cash flows related to foreign currency exchange, fuel costs and interest rates on long-term borrowings. Dole enters into foreign currency exchange forward contracts and option contracts to hedge a portion of its forecasted revenue, cost of sales, and operating expense. Dole incurs significant fuel costs transporting products from the sourcing locations to the end customer (reseller). To mitigate the price uncertainty of future purchases of bunker fuel, Dole enters into bunker fuel swap contracts. Additionally, in order to mitigate interest rate uncertainty on long-term debt, Dole enters into interest rate swap agreements.

Fair Value of Financial Instruments: Dole's financial instruments primarily comprise cash and cash equivalents, short and long-term investments, short-term trade and grower receivables, trade payables, notes receivable and notes payable, as well as long-term grower receivables, finance lease obligations, asset-based loans, term loan facilities, and notes. For short-term instruments, excluding Dole's short-term Rabbi Trust investments that are recorded at fair value, the carrying amount approximates fair value because of the short maturity of these instruments. For the long-term financial instruments, excluding Dole's secured notes, term loans and long-term Rabbi Trust investments, the carrying amount approximates fair value since they bear interest at variable or fixed rates which approximate market. See Note 16 "Fair Value Measurements" for additional detail.

Dole also holds retirement plan assets which are measured at fair value. Dole estimates the fair values of its retirement plan assets based on quoted market prices, dependent on availability. In instances where quoted market prices are not readily available, the fair value of the investment securities is estimated based on pricing models using observable or unobservable inputs.

Leases: Dole leases fixed assets for use in operations where leasing offers advantages of operating flexibility and is less expensive than alternative types of funding. Dole also leases land in countries where land ownership by foreign entities is restricted or where purchasing is not a viable option. Dole adopted ASU 2016-02, *Leases (Topic 842)* (“ASC 842”) and subsequent amendments to the guidance effective December 30, 2018, the first day of the 2019 fiscal year, using the modified retrospective method.

Under ASC 842, Dole’s leases are evaluated at inception or at any subsequent modification and, depending on the lease terms, are classified as either finance or operating leases. For leases with terms greater than one year, the Company recognizes a related asset ("right-of-use asset") and obligation ("lease liability") on the lease commencement date, calculated as the present value of lease payments over the lease term. Right-of-use assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Many of Dole’s leases include rental escalation clauses, renewal options, and/or termination options that are factored into the determination of lease payments when appropriate. Dole’s lease agreements do not contain any residual value guarantees. The majority of Dole’s leases are classified as operating leases. Dole’s principal operating leases are for vessel containers that do not meet finance lease criteria, ports, land, and warehouse facilities. Dole’s finance leases primarily consist of vessel containers and machinery and equipment that meet the finance lease criteria. Dole’s decision to exercise renewal options is primarily dependent on the level of business conducted at the location and the profitability of the renewal.

During fiscal year 2018, Dole accounted for its leases under ASC 840, the previous lease guidance. Dole’s leases were evaluated at inception or at any subsequent modification and, depending on the lease terms, were classified as either capital leases or operating leases. Capital leases were included on the balance sheet similar to the accounting treatment of finance leases under ASC 842, with capital lease assets being included in property, plant & equipment, net, and capital lease liabilities being included within debt, net; however, operating leases were excluded from the balance sheet. For operating leases that included rent escalations, rent holidays or rent concessions, rent expense was recognized on a straight-line basis over the life of the lease, with associated prepaid or deferred rent recognized on the balance sheet. When adopting ASC 842, Dole did not reassess lease classification and therefore operating leases and capital leases under ASC 840 are considered operating leases and finance leases, respectively, under ASC 842.

When available, the rate implicit in the lease is used to discount lease payments to present value; however, most of Dole’s leases do not provide a readily determinable implicit rate. Therefore, the Company’s incremental borrowing rate is used to discount the lease payments based on information available at lease commencement. See Note 14 “Leases” for additional detail.

Guarantees: Dole makes guarantees as part of its normal business activities. These guarantees include guarantees of the indebtedness of some of its key fruit suppliers and other entities integral to Dole’s operations. Dole also issues bank guarantees as required by certain regulatory authorities, suppliers, and other operating agreements, as well as to support the borrowings, leases, and other obligations of its subsidiaries. The majority of Dole’s guarantees relate to guarantees of subsidiary obligations and are scoped out of the initial measurement and recognition accounting requirements related to guarantees.

Workers Compensation and Loss Reserves: Dole self-insures certain losses arising out of workers compensation claims. Dole establishes workers compensation accruals for its self-insured programs based upon reported claims in process and actuarial estimates for losses incurred but not reported. Loss reserves, including incurred but not reported reserves, are estimated using actuarial methods, and ultimate settlements may vary significantly from such estimates due to increased claims frequency or the severity of claims.

Assets Held-for-Sale, Actively Marketed Property: Dole reports a business or assets as held-for-sale when management has approved or received approval to sell the business or assets and is committed to a formal plan, the business or assets are available for immediate sale, the business or assets are being actively marketed, the sale is anticipated to occur during the ensuing year, and the other specified criteria for classification are met. In certain situations when timing of the sale of land is uncertain, Dole classifies such assets as actively marketed property. A business or assets classified as held-for-sale or land classified as actively marketed property are recorded at the lower of their carrying amounts or estimated fair values less cost to sell. If the carrying amounts exceed their estimated fair values, losses are recognized. Depreciation is not recorded on assets classified as held-for-sale or on land improvements associated with actively marketed property. Assets and liabilities related to a business classified as held-for-sale and actively marketed property are segregated in the consolidated balance sheets, and major classes are separately disclosed in the notes to the consolidated financial statements commencing in the period in which the business or assets are classified as held-for-sale or actively marketed. See Note 9 "Assets Held-For-Sale and Actively Marketed Property" for additional detail.

Gain (Loss) on Asset Sales: Gain (loss) on asset sales primarily consists of gains and losses incurred through the disposal of assets held-for-sale and actively marketed property as discussed above. Other gains and losses include disposals of other property in the ordinary course of business and have not historically been significant.

Merger, Transaction and Other Related Costs: Dole records and separately states merger, transaction, and legal costs to reflect non-recurring acquisition and merger-related activities. These costs were not significant for the years ended December 31, 2020, December 28, 2019 and December 29, 2018.

Discontinued Operations: Dole determines whether a disposal of a component or a group of components of Dole is required to be presented as discontinued operations, when the disposal represents a strategic shift that had, or will have, a major effect on Dole's operations and financial results. A component of an entity comprises operations and cash flows that can be clearly distinguished both operationally and for financial reporting purposes. Income or loss related to discontinued operations was not material in the year ended December 31, 2020 and amounted to losses of $2.5 million and $3.9 million for the years ended December 28, 2019 and December 29, 2018, respectively. These losses primarily represent adjustments to tax-related indemnification accruals relating to issues that existed prior to the sale of Dole Asia to ITOCHU Corporation in 2013.

Note Receivable from Affiliate: In circumstances where the terms are not equivalent to those that prevail in an arm's-length transaction, Dole accounts for loans to members as a reduction of members' equity, and these loans are classified separately within the consolidated statement of members' equity within note receivable from affiliate, as a direct reduction to total members' equity. Interest on loans to members is recorded as an increase to additional paid-in capital and an increase to note receivable from affiliate, with payments decreasing note receivable from affiliate. Based on the nature of these equity transactions, cash movements related to these loans are considered financing activities within the consolidated statements of cash flows.

NOTE 3 — NEW ACCOUNTING PRONOUNCEMENTS

New Accounting Pronouncements Adopted

ASU 2016-13 – Financial Instruments – Credit Losses (Topic 326)

In June 2016, the FASB issued ASU 2016-13, *Financial instruments – Credit losses (Topic 326): Measurement of credit losses on financial instruments,* and subsequent amendments to the guidance, including *Codification improvements to Topic 326* in November 2018 (ASU 2018-19) and May 2019 (ASU 2019-04), and *Targeted transition relief* in May 2019 (ASU 2019-05). ASC 326 replaces the incurred loss methodology for measuring credit losses with an expected loss model. The amendment affects the measurement of credit losses of trade receivables and any other financial asset measured at amortized cost. The standard clarifies that receivables arising from operating leases are accounted for using lease guidance and not as financial instruments. The amendments are applied on either a prospective transition or modified-retrospective approach depending on the subtopic.

In addition, the FASB issued ASU 2019-10, *Financial instruments – Credit losses (Topic 326), Derivatives and hedging (Topic 815), and Leases (Topic 842) – Effective dates* and ASU 2020-02, *Financial instruments – Credit losses (Topic 326) and Leases (Topic 842) – amendments to SEC paragraphs pursuant to SEC Staff Accounting Bulletin No. 119 and update to SEC section on effective date related to accounting standards update No. 2016-02, Leases (Topic 842)*. The guidance clarifies the effective dates of accounting amendments, including credit losses as described above and provides SEC Staff Guidance on credit losses measured at amortized cost. All accounting amendments discussed above are effective for public entities in annual periods beginning after December 15, 2019, and interim periods within those fiscal years. Dole adopted this new accounting guidance on a prospective transition approach on December 29, 2019, the first day of Dole's 2020 fiscal year. The adoption of this ASU did not have a material impact to the Company's financial condition, results of operations, cash flows, and related disclosures. See

Note 6 "Trade Receivables and Grower Advances" for additional detail on the Company's allowance for credit losses.

ASU 2017-04 – Simplifying the Test for Goodwill Impairment

In January 2017, the FASB issued ASU 2017-04, *Intangibles – Goodwill and Other (Topic 350) – Simplifying the Test for Goodwill Impairment,* to simplify how an entity is required to test goodwill for impairment by eliminating Step 2 from the goodwill impairment test. Step 2 measures goodwill impairment by comparing the implied fair value of a reporting unit's goodwill with the carrying amount of goodwill. Under the amended guidance, an entity should perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. The elimination of Step 2 from the goodwill impairment test should reduce the cost and complexity of evaluating goodwill for impairment. Amendments should be applied on a prospective basis disclosing the nature of and reason for the change in accounting principle upon transition. Disclosure should be provided in the first annual period and in the interim period in which an entity initially adopts the amendments. The accounting amendment is effective for public entities in annual periods beginning after December 15, 2019 and interim periods within those fiscal years. Dole adopted this new accounting guidance on December 29, 2019, the first day of Dole's 2020 fiscal year and implemented the new goodwill impairment test during Dole's annual goodwill assessment.

ASU 2017-12 – Derivatives and Hedging (Topic 815)

In August 2017, the FASB issued ASU 2017-12, *Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities*. The FASB issued this ASU to amend hedge accounting to enable entities to better portray hedging activities in the financial statements. The accounting guidance also aligns the recognition and presentation of the effects of hedging instruments and hedge items in the financial statements and includes targeted improvements related to the assessment of hedge effectiveness.

In addition, the FASB issued ASU 2019-10, *Financial instruments – Credit losses (Topic 326), Derivatives and hedging (Topic 815), and Leases (Topic 842) – Effective dates*. The guidance clarifies the effective dates of accounting amendments, including derivatives and hedging as described above. The accounting amendments are effective for public entities in annual periods beginning after December 15, 2018, and interim periods within those fiscal years. Dole elected hedge accounting and adopted the new accounting guidance on December 29, 2019, the first day of Dole's 2020 fiscal year. See Note 15 "Derivative Financial Instruments" for additional detail on the impact of hedge accounting and the application of this accounting guidance.

ASU 2018-13 – Fair Value Measurement (Topic 820)

In August 2018, the FASB issued ASU 2018-13, *Fair value measurement (Topic 820) – Disclosure framework – changes to the disclosure requirements for fair value measurement*. This ASU removed certain disclosure requirements related to the fair value hierarchy, modifying existing disclosure requirements related to measurement uncertainty and adding new disclosure requirements, such as disclosing the changes in unrealized gains and losses for the period included in other comprehensive income (loss) for recurring Level 3 fair value measurements held at the end of the reporting period and disclosing the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements. The accounting amendment is effective for public entities in annual periods beginning after December 15, 2019 and interim periods within those fiscal years. Dole adopted this new accounting guidance on December 29, 2019, the first day of Dole's 2020 fiscal year. The adoption of this ASU did not have a material impact on Dole's fair value disclosures.

ASU 2018-14 – Compensation – Retirement Benefits – Defined Benefit Plans

In August 2018, the FASB issued ASU 2018-14, *Compensation – retirement benefits – Defined benefit plans – General (Subtopic 715-20) – Disclosure framework – Changes to the disclosure requirements for defined benefit plans.* The ASU modified the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans. The accounting amendment is effective for public entities in annual periods beginning after December 15, 2020. Earlier application of this amendment is permitted. Dole early adopted this new accounting guidance on December 29, 2019, the first day of Dole's 2020 fiscal year. The adoption of this ASU did not have a material impact on Dole's disclosures. See Note 13 "Employee Benefit Plans" for additional detail.

ASU 2018-16 – Derivatives and Hedging (Topic 815)

In October 2018, the FASB issued ASU 2018-16, *Derivatives and Hedging (Topic 815): Inclusion of the Secured Overnight Financing Rate (SOFR) Overnight Index Swap (OIS) Rate as a Benchmark Interest Rate for Hedge Accounting Purposes*. This ASU expands the list of U.S. benchmark interest rates permitted in the application of hedge accounting. The accounting amendment is effective for public entities in annual periods beginning after December 15, 2018, and interim periods within those fiscal years. Dole elected hedge accounting and adopted the accounting guidance on December 29, 2019, the first day of Dole's 2020 fiscal year. The adoption of this ASU did not have an impact on Dole's financial condition, results of operations, cash flows or related disclosures, as Dole did not designate the Company's interest rate swap hedge for hedge accounting. See Note 15 "Derivative Financial Instruments" for additional detail on the impact of hedge accounting and the application of this accounting guidance.

ASU 2018-17 – Targeted Improvements to Related Party Guidance for Variable Interest Entities (Topic 810)

In October 2018, the FASB issued ASU 2018-17, *Targeted Improvements to Related Party Guidance for Variable Interest Entities*. This ASU provides guidance on whether an entity is required to consolidate a variable interest entity when indirect interests are held through related parties in common control arrangements. The guidance clarifies that indirect interests should be considered on a proportional basis for determining whether fees paid to decision makers and service providers are variable interests to evaluate whether these entities should be consolidated. Dole adopted this accounting guidance on December 29, 2019, the first day of Dole's 2020 fiscal year. The adoption of this ASU did not have a material impact to the Company's financial condition, results of operations, cash flows, and related disclosures, but the Company will continue to consider this ASU in its ongoing consolidation analysis.

ASU 2018-18 – Collaborative Arrangements (Topic 808)

In November 2018, the FASB issued ASU 2018-18, *Collaborative arrangements (Topic 808) – Clarifying the interaction between Topic 808 and Topic 606.* This ASU resolves the diversity in practice concerning the manner in which entities account for transactions based on their assessment of the economics of a collaborative arrangement. Guidance clarifies that certain transactions between collaborative arrangement participants should be accounted for as revenue when the collaborative arrangement participant is a customer and precludes recognizing revenue for consideration received from a collaborative arrangement if the participant is not a customer. The accounting amendment is effective for public entities in annual periods beginning after December 15, 2019, and interim periods within those fiscal years. Dole adopted this new accounting guidance on December 29, 2019, the first day of Dole's 2020 fiscal year. The adoption of this ASU did not have a material impact to the Company's financial condition, results of operations, cash flows, and related disclosures.

New Accounting Pronouncements Not Yet Adopted

ASU 2019-12, Income Taxes (Topic 740)

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*. The ASU introduces new guidance to evaluate whether a step-up in tax basis of goodwill relates to a business combination in which book goodwill was recognized or a separate transaction, and also provides a policy election to not allocate consolidated income taxes when a member of a consolidated tax return is not subject to income tax. The ASU also makes changes to the current guidance for making intraperiod allocations and determining when a deferred tax liability is recognized after an investor in a foreign entity transitions to or from the equity method of accounting, among other changes. The accounting amendment will be effective for public entities in annual periods beginning after December 15, 2020. Dole is assessing the effect of this accounting guidance on its consolidated financial statements and its method and timing of adoption.

ASU 2020-01 Investments – Equity Securities (Topic 321), Investments – Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815)

In January 2020, the FASB issued ASU 2020-01, *Investments – Equity Securities (Topic 321), Investments – Equity Method and Joint Ventures (Topic 323), and Derivatives and Hedging (Topic 815) – Clarifying the Interactions between Topic 321, Topic 323, and Topic 815.* The amendments in this update clarify certain interactions between the guidance to account for certain equity securities under Topic 321, the guidance to account for investments under the equity method of accounting in Topic 323, and the guidance in Topic 815. This update could change how an entity accounts for an equity security under the measurement alternative or a forward contract or purchased option to purchase securities that, upon settlement of the forward contract or exercise of the purchased option, would be accounted for under the equity method of accounting or the fair value option in accordance with Topic 825, Financial Instruments. The accounting amendment will be effective for public entities in annual periods beginning after December 15, 2020, and interim periods within those fiscal years. Dole is assessing the effect of this accounting guidance on its consolidated financial statements and its method and timing of adoption.

ASU 2020-04 – Reference rate reform (Topic 848) – Facilitation of the effects of reference rate reform on financial reporting

In March 2020, the FASB issued ASU 2020-04, *Reference rate reform (Topic 848) – Facilitation of the effects of reference rate reform on financial reporting*. The amendments in this update provide optional expedients and exceptions related to accounting for transactions affected by reference rate reform. The amendments only apply if certain criteria are met. The amendments in this update apply only to contracts and hedging relationships that reference LIBOR or another reference rate expected to be discontinued due to reference rate reform.

In addition, in January 2021, the FASB issued ASU 2021-01, *Amendments to reference rate reform (Topic 848).* The amendments in this update clarify that certain optional expedients and exceptions in Topic 848 for contract modifications and hedge accounting apply to derivative instruments that use an interest rate for margining, discounting, or contract price alignment that is modified as a result of reference rate reform. Amendments in this update also capture the incremental consequences of the scope clarification and tailor the existing guidance to derivative instruments affected by the discounting transition. All amendments discussed above are elective and are effective upon issuance for all entities. Dole is assessing the effect of this accounting guidance on its consolidated financial statements and its method and timing of adoption.

ASU 2020-10 – Codification Improvements

In October 2020, the FASB issued ASU 2020-10, Codification Improvements. The amendments in this update seek to clarify guidance being applied in an inconsistent manner, however amendments are not expected to result in a significant change in practice. The amendments in this update are effective for public entities in annual periods beginning after December 15, 2020. Dole is assessing the effect of this accounting guidance on its consolidated financial statements and its method and timing of adoption.

NOTE 4 — OTHER EXPENSE, NET

Included in other expense, net in Dole's consolidated statements of operations are the following items:

	Year Ended		
	December 31, 2020	December 28, 2019	December 29, 2018
		(In thousands)	
Unrealized gain (loss) on foreign intercompany borrowings	$ (15,218)	$ (7,275)	$ 10,978
Realized (loss) on foreign intercompany borrowings	—	—	(1,929)
Non-cash realized gain (loss) on foreign intercompany borrowings	(4,908)	11,584	—
Unrealized gain (loss) on fair value hedge derivative instruments	5,112	(4,418)	(1,867)
Realized (loss) on fair value hedge derivative instruments	(5,782)	(2,051)	(3,836)
Realized (loss) on non-designated cash flow hedge derivative instruments	(4,470)	—	—
Gain (loss) on investments	2,820	3,059	(672)
Refinancing and other debt related costs	—	—	(5,458)
Non-service components of net periodic pension benefit costs	(7,448)	(4,811)	(5,072)
Other	589	596	515
Other expense, net	$ (29,305)	$ (3,316)	$ (7,341)

NOTE 5 — CHARGES FOR RESTRUCTURING

2018 Restructuring

During the second quarter of 2018, Dole committed to a worldwide restructuring and reorganization. Major initiatives include reducing headcount costs, exiting certain business lines and activities, as well as optimizing marketing spend. In connection with the plan, Dole has relocated certain corporate and administrative functions to North Carolina and Costa Rica, including finance, information technology, legal and executive departments.

Dole incurred $1.3 million of restructuring charges during the year ended December 31, 2020 which are included in selling, marketing and general and administrative expenses on the consolidated statement of operations. Dole incurred $2.2 million and $13.3 million of restructuring charges during the years ended December 28, 2019 and December 29, 2018, respectively. Of the charges incurred during the year ended December 28, 2019, $0.8 million was included in costs of products sold and $1.4 million was included within selling, marketing and general and administrative expenses on the consolidated statement of operations. Of the charges incurred during the year ended December 29, 2018, $6.5 million was included in cost of sales and $6.8 million was included in selling, marketing and general and administrative expenses on the consolidated statement of operations. Dole has incurred cumulative restructuring charges of approximately $16.8 million through the year ended December 31, 2020 related to the 2018 restructuring plan. Of the $16.8 million incurred, $9.4 million relates to cumulative severance charges.

A rollforward of Dole's restructuring liabilities related to the 2018 restructuring, which are classified in accrued liabilities in the consolidated balance sheets, is summarized as follows:

	Severance and Other Employee-Related Costs	Lease Abandonment Costs and Other	Total
		(In thousands)	
Balance as of December 29, 2018	$ 4,676	$ 1,640	$ 6,316
Charges incurred	1,391	856	2,247
Cash payments.	(5,556)	(978)	(6,534)
Non-cash.	—	(1,518)	(1,518)
Balance as of December 28, 2019	511	—	511
Charges incurred...	1,064	240	1,304
Cash payments	(374)	(160)	(534)
Balance as of December 31, 2020	$ 1,201	$ 80	$ 1,281

Dole does not expect to incur further material restructuring costs in connection with this restructuring plan.

2017 Restructuring

In the third quarter of 2017, Dole committed to a restructuring plan for its U.S. berries operations to ensure alignment with its growth objectives. As part of this plan, Dole closed its berry farms in the U.S. and reduced its workforce. Dole will continue to sell berries that will be sourced from Mexico and South America.

Dole incurred no restructuring charges for the year ended December 31, 2020. Dole incurred restructuring charges of approximately $0.3 million and $3.6 million during the years ended December 28, 2019 and December 29, 2018, respectively. All of the charges incurred during the year ended December 28, 2019 were included in selling, marketing and general and administrative expenses and all of the charges incurred during the year ended December 29, 2018 were included in cost of sales on the consolidated statement of operations, respectively. Dole incurred cumulative restructuring costs of $25.8 million through the year ended December 28, 2019 related to the 2017 restructuring plan. Of the $25.8 million incurred, $2.2 million relate to cumulative severance charges.

A rollforward of Dole's restructuring liabilities related to the 2017 restructuring, which are classified in accrued liabilities in the consolidated balance sheets, is summarized as follows:

	Severance and Other Employee-Related Costs	Lease Abandonment Costs and Other	Total
		(In thousands)	
Balance as of December 29, 2018	$ 346	$ 4,412	$ 4,758
Charges incurred (reversed).	(18)	306	288
Net cash (payments).	(269)	(3,079)	(3,348)
Balance as of December 28, 2019	59	1,639	1,698
Charges (reversed)	(7)	—	(7)
Net cash (payments	(52)	(633)	(685)
Balance as of December 31, 2020	$ —	$ 1,006	$ 1,006

Dole does not expect to incur further material restructuring costs in connection with this restructuring plan.

NOTE 6 — TRADE RECEIVABLES AND GROWER ADVANCES

ASC 326 – Credit Losses

The Company adopted ASC 326 on December 29, 2019, the first day of Dole's 2020 fiscal year. The new guidance requires significant changes to how entities measure credit losses, replacing the incurred loss approach with an expected loss model for instruments measured at amortized cost. See below for additional detail on the Company's receivables and allowance for credit losses.

Trade Receivables

Trade receivables as of December 31, 2020 and December 28, 2019 were $382.4 million and $372.4 million, net of allowances of $19.4 million and $20.5 million, respectively. The allowance for trade receivables consists of two components: 1) allowance for credit losses of $18.4 million and $19.5 million as of December 31, 2020 and December 28, 2019, respectively; and 2) allowance for sales deductions of $1.0 million as of December 31, 2020 and December 28, 2019. Allowance for sales deductions are accounted for under the scope of ASC 606, *Revenue Recognition*, and have historically not been material.

As a result of Dole's robust credit monitoring practices, the industry in which it operates, and the nature of its customer base, the credit losses associated with trade receivables have been historically insignificant in comparison to annual net sales. The allowance for credit losses on trade receivables is measured on a collective pool basis when the Company believes similar risk characteristics exist among customers. For Dole, similar risk characteristics may include geographic region, type of customer, or market conditions, among other factors. Trade receivables that do not share similar risk characteristics are evaluated on a case-by-case basis. Dole estimates expected credit losses based on ongoing customer credit monitoring, macroeconomic indicators, and historical credit loss on customers and geographic regions.

A rollforward of the allowance for credit losses for trade receivables was as follows:

	Amount (In thousands)
Balance as of December 28, 2019	$ 19,477
Provision for uncollectible accounts	4,324
Deductions to allowance related to write-offs	(2,938)
Recoveries of amounts previously written off	(3,154)
Reclassifications	671
Balance as of December 31, 2020	$ 18,380

Grower Advances

The Company makes both cash advances and material advances to third-party growers for various production needs on the farms including labor, fertilization, irrigation, pruning, and harvesting costs. Some of these advances are secured with property or other collateral owned by the growers.

Grower advances are categorized as either working capital advances or term advances. Working capital advances are made during a normal growing cycle for operating costs and other subsistence allowances to the farmers. These advances are short-term in nature and are intended to be repaid with the excess cash proceeds from the current crop harvest. Short-term grower loans and advances, whether secured or unsecured, are classified as grower advance receivables, net in the consolidated balance sheets.

Term advances are made to allow the grower to make capital improvements to the land or prepare it for development. These advances are long-term in nature and may or may not bear interest. Accrued interest on these arrangements has not been historically significant to the financial statements. These advances usually do not have defined repayment terms but are payable over the term of the supply agreement with the excess cash proceeds from the crop harvest after payment of any outstanding working capital advances. The term of the supply agreement is generally 5 to 10 years. Term advances are classified as other assets, net in the consolidated balance sheets.

The following table summarizes the short-term and long-term portions of grower advances as of December 31, 2020 and December 28, 2019:

	December 31, 2020		December 28, 2019	
	Short-Term	**Long-Term**	**Short-Term**	**Long-Term**
	(In thousands)			
Gross advances to growers and suppliers................	$ 54,703	$ 6,489	$ 59,701	$ 6,831
Allowance for advances to growers and suppliers (past due)...	(3,395)	(519)	(3,660)	(329)
Net advances to growers and suppliers	$ 51,308	$ 5,970	$ 56,041	$ 6,502

Dole monitors the collectability of grower advances through periodic review of financial information received from growers. The allowance for credit losses for grower advances is monitored by management on a case-by-case basis considering historical credit loss information for the grower, the timing of the growing season and expected yields, the fair value of the collateral, macroeconomic indicators, weather conditions, and other contributing factors.

Dole generally considers an advance to a grower to be past due when the advance is not fully recovered by the excess cash proceeds on the current year crop harvest, or the advance is not repaid by the excess cash proceeds by the end of the supply term agreements. Of the $57.3 million and $62.5 million of net advances to grower and suppliers at December 31, 2020 and December 28, 2019, respectively, $6.2 million and $8.2 million, respectively, was considered past due.

The following table details the advances to growers and suppliers including the related allowance based on their credit risk profile:

	December 31, 2020	December 28, 2019
	(In thousands)	
Allowance for advances to growers and suppliers:		
Gross Secured Advances..	$ 33,717	$ 18,037
Allowances for Secured Advances..	(1,150)	(1,084)
Gross Unsecured Advances	27,475	48,495
Allowances for Unsecured Advances.......................................	(2,764)	(2,905)
Balance, end of the year	$ 57,278	$ 62,543

NOTE 7 — INCOME TAXES

Income tax expense (benefit) from continuing operations was as follows:

	Year Ended		
	December 31, 2020	December 28, 2019	December 29, 2018
		(In thousands)	
Current			
Federal, state and local	$ 4,215	$ 3,547	$ 6,388
Foreign	25,193	23,892	26,398
	29,408	27,439	32,786
Deferred			
Federal, state and local	3,261	(4,254)	16,086
Foreign	(1,023)	(807)	(1,438)
	2,238	(5,061)	14,648
Non-current income tax expense (benefit)			
Federal, state and local	1,172	2,957	(70,380)
Foreign	(9,036)	(1,299)	12,666
	(7,864)	1,658	(57,714)
	$ 23,782	$ 24,036	$ (10,280)

Pretax income (loss) from continuing operations before equity earnings was as follows:

	Year Ended		
	December 31, 2020	December 28, 2019	December 29, 2018
		(In thousands)	
U.S.	$ (33,310)	$ (60,779)	$ (141,923)
Non-U.S	99,548	129,182	123,275
	$ 66,238	$ 68,403	$ (18,648)

Dole's reported income tax expense (benefit) on continuing operations differed from the expense calculated using the U.S. federal statutory tax rate for the following reasons:

	Year Ended		
	December 31, 2020	**December 28, 2019**	**December 29, 2018**
		(In thousands)	
Expense computed at U.S. federal statutory income tax rate of 21%	$ 13,910	$ 14,365	$ (3,916)
Foreign income taxed at different rates	10,525	331	5,622
State and local income tax, net of federal income taxes	3,518	(247)	(192)
Change in valuation allowances	4,201	6,502	7,908
Changes in liabilities for uncertain tax positions, net of tax benefits	(8,373)	1,028	9,854
Transaction, insurance litigation and other related costs	—	280	2,441
Write-offs	—	1,728	—
Mandatory transition tax, net	—	—	(31,945)
Impact of federal tax rate change on deferred taxes	—	—	(14)
Permanent items and other	1	49	(38)
Income tax expense (benefit)	$ 23,782	$ 24,036	$ (10,280)

Deferred tax assets (liabilities) comprised the following:

	December 31, 2020	**December 28, 2019**
	(In thousands)	
Intangibles	$ (59,757)	$ (59,076)
Property, plant and equipment	(54,672)	(58,792)
Investments and other asset basis differences	10,449	9,952
Postretirement benefits	21,858	21,608
Operating accruals	12,949	12,352
Tax credit carryforwards	8,716	11,670
Net operating loss and other carryforwards	64,467	61,961
Valuation allowances	(93,233)	(89,963)
Interest expense disallowance	19,924	23,455
Other, net	9,728	6,417
	$ (59,571)	$ (60,416)

Dole has gross state and foreign net operating loss carryforwards of $806.0 million and $86.9 million, respectively, at December 31, 2020. Dole has recorded deferred tax assets of $42.0 million which has been offset by $0.1 million of liabilities for uncertain tax positions for state net operating loss carryforwards with varying expiration rules, which, if unused, approximately $21.1 million will expire between 2021 and 2030. Dole has recorded deferred tax assets of $22.6 million for foreign net operating loss carryforwards which are subject to varying expiration rules. State tax credit carryforwards of $10.0 million include $9.9 million which will expire between 2021 and 2030, and $0.1 million which can be carried forward indefinitely. Dole has $0.8 million of foreign tax credit carryforwards which, if unused, will expire in 2029.

A valuation allowance has been established to offset a portion of the federal interest expense disallowance, certain state net operating loss carryforwards, certain state tax credits and certain other state deferred tax assets, certain foreign net operating loss carryforwards, and certain other deferred tax assets in foreign jurisdictions. Dole has deemed it more likely than not that future taxable income in the relevant taxing jurisdictions will be insufficient to realize all of the related income tax benefits for these assets. The net increase in valuation allowances in fiscal year 2020 debited to equity related items was $0.1 million.

Total deferred tax assets and deferred tax liabilities were as follows:

	December 31, 2020	December 28, 2019
	(In thousands)	
Deferred tax assets	$ 285,111	$ 266,082
Deferred tax asset valuation allowance	(93,233)	(89,963)
	191,878	176,119
Deferred tax liabilities	(251,449)	(236,535)
Net deferred tax liabilities	(59,571)	(60,416)
Total net non-current deferred tax assets (liabilities) consist of:		
Net non-current deferred tax assets*	15,751	14,651
Net non-current deferred tax liabilities	(75,322)	(75,067)
Total net non-current deferred tax assets (liabilities)	(59,571)	(60,416)
Total net deferred tax liabilities	$ (59,571)	$ (60,416)

* Net non-current deferred tax assets are classified in other assets, net in the consolidated balance sheets.

A reconciliation of the beginning and ending balances of the total amounts of gross unrecognized tax benefits was as follows:

	Year Ended		
	December 31, 2020	December 28, 2019	December 29, 2018
		(In thousands)	
Unrecognized tax benefits - beginning balance	$ 56,571	$ 76,293	$ 65,736
Gross increases - tax positions in current period	829	450	—
Gross increases - tax positions in prior period	27	1,490	21,866
Gross decreases - tax positions in prior period	(1,689)	(2)	(3,035)
Settlements	(3,438)	(19,796)	(4,838)
Lapse of statute of limitations	(4,496)	(1,864)	(3,436)
Unrecognized tax benefits - ending balance	$ 47,804	$ 56,571	$ 76,293

The total for unrecognized tax benefits, including interest and penalties, was $56.5 million, $68.3 million and $87.7 million for the years ended December 31, 2020, December 28, 2019 and December 29, 2018, respectively. If recognized, approximately $54.8 million, net of federal and state tax benefits, would be recorded as a component of income tax expense and accordingly impact the effective tax rate.

Dole recognizes accrued interest and penalties related to its unrecognized tax benefits as a component of income taxes in the consolidated statements of operations. Accrued interest and penalties, before tax benefits, of $8.7 million and $11.7 million at December 31, 2020 and December 28, 2019, respectively, were included as a component of other long-term liabilities in the consolidated balance sheets. At this time, Dole believes that it is reasonably possible that the total amount of unrecognized tax benefits could decrease within the next twelve months by approximately $15.0 million related to taxation of foreign income and transfer pricing issues.

Undistributed Foreign Earnings: Prior to the enactment of the 2017 Tax Cuts and Jobs Act ("Tax Act"), with few exceptions, U.S. federal income and foreign withholding taxes had not been provided on the excess of the amount for financial reporting over the tax basis of investments in Dole's foreign subsidiaries that were essentially permanent in duration. With the enactment of the Tax Act, all post-1986 previously unremitted earnings for which no U.S. deferred tax liability had been accrued have now been subject to U.S. tax. Notwithstanding the U.S. taxation of these amounts, Dole intends to continue to invest most or all of these earnings, as well as the Company's capital in these subsidiaries, indefinitely outside of the U.S. and does not expect to incur any significant, additional taxes related to such amounts. Also, from time to time, Dole may choose to repatriate anticipated future earnings of which some portion may be subject to tax and increase Dole's overall tax expense for that year. As of December 31, 2020, Dole has not made a provision for state or foreign withholding taxes on the excess of the amount for financial reporting over the tax basis of investments in foreign subsidiaries that are indefinitely reinvested.

DFC Holdings, LLC or one or more of its subsidiaries files income tax returns in the U.S. federal jurisdiction, and various states and foreign jurisdictions. With few exceptions, Dole is no longer subject to income tax examinations by tax authorities for years prior to 2014.

Income Tax Audits: Dole believes its tax positions comply with the applicable tax laws and that it has adequately provided for all tax related matters. Matters raised upon audit may involve substantial amounts and could result in material cash payments if resolved unfavorably. Management considers it unlikely that the resolution of these matters will have a material adverse effect on Dole's results of operations.

NOTE 8 — DETAILS OF CERTAIN ASSETS AND LIABILITIES

Inventories

	December 31, 2020	December 28, 2019
	(In thousands)	
Inventories:		
Finished products	$ 88,959	$ 103,772
Raw materials and work in progress	72,193	71,346
Crop growing costs	36,665	30,623
Agricultural and other operating supplies	22,546	25,382
	$ 220,363	$ 231,123

Physical goods that have completed production and are held-for-sale in the ordinary course of business are classified as finished products. Inventories classified as raw materials represent goods that will be consumed in production, such as fresh fruit or vegetables to be modified from their original form and awaiting packaging, as well as items such as consumer packing, labels, and pallets. Goods that are in the course of production are classified as work in progress. Inventories classified as crop growing costs include costs incurred up to the time crops are produced in commercial quantities. In addition, agricultural and other operating supplies that are consumed indirectly in production are also capitalized into inventory, such as ripening agents, fertilizer, and fuel.

Accrued Liabilities

	December 31, 2020	December 28, 2019
	(In thousands)	
Accrued liabilities:		
Environmental and insurance reserves	$ 1,064	$ 2,618
Employee-related costs and benefits	118,127	112,179
Amounts due to growers	117,645	102,067
Sales, marketing and advertising	34,240	30,526
Shipping related costs	73,385	57,670
Materials and supplies	13,644	17,814
Accrued interest	2,599	4,152
Deferred income	1,078	1,192
Liability for unrecognized tax benefits	—	5,532
Other taxes	6,730	8,473
Foreign currency forward contracts	12,048	8,892
Miscellaneous other accrued liabilities	32,017	26,419
	$ 412,577	$ 377,534

Miscellaneous other accrued liabilities primarily include liabilities related to accrued litigation reserves and legal costs and accruals recorded based on timing. See Note 17 "Commitments and Contingencies" for additional detail on the Company's legal activity.

Other Long-Term Liabilities

	December 31, 2020	December 28, 2019
	(In thousands)	
Other long-term liabilities:		
Accrued postretirement and other employee benefits	$ 153,916	$ 157,685
Income taxes payable	45,831	51,223
Liability for unrecognized tax benefits	56,465	62,524
Miscellaneous other long-term liabilities	20,612	18,656
	$ 276,824	$ 290,088

Miscellaneous other long-term liabilities primarily include liabilities related to the Company's interest rate swap hedge and accrued litigation reserves and legal costs. See Note 15 "Derivative Financial Instruments" for additional detail on the Company's interest rate swap and Note 17 "Commitments and Contingencies" for additional detail on the Company's legal activity.

NOTE 9 — ASSETS HELD-FOR-SALE AND ACTIVELY MARKETED PROPERTY

Dole continuously reviews its assets in order to identify those assets that do not meet Dole's future strategic direction or internal economic return criteria. As a result of this review, Dole has identified and is in the process of selling certain assets which are classified as either held-for-sale or actively marketed property. The assets that have been identified are available for sale in their present condition and an active program is underway to sell the properties. Dole is actively marketing these properties at a price that is in excess of book value, but the timing of sale is uncertain.

Assets held-for-sale

During the year ended December 31, 2020, Dole approved and committed to sell real estate in Sweden and two warehouses in North America. Dole transferred assets of $3.5 million and liabilities of $0.1 million to assets and liabilities held-for-sale, respectively, for the Sweden property, and $2.4 million of assets to assets held-for-sale for the North America properties. During the year ended December 31, 2020, Dole completed the sale of these assets in Sweden and North America that were designated as held-for-sale. Total gain on the sale in Sweden was $5.1 million and total gain on the sales in North America was $0.7 million. As of December 31, 2020, assets held-for-sale consist of two additional North America properties approved for sale. There are no liabilities held-for-sale as of December 31, 2020.

During the year ended December 28, 2019, Dole sold the Swedish fresh cut salad business which had assets with a net book value of $39.5 million and liabilities of $14.8 million. Total gain from the sale of the Swedish fresh cut salad business was $17.9 million. Dole concluded that it was not probable that the remaining assets within Sweden and Finland would be sold within the next year and therefore no longer qualified as held-for-sale. As a result, the Company reversed assets with a net book value of $5.8 million and liabilities of $1.0 million back to their respective line items. In addition, during the year ended December 28, 2019, Dole began to actively market the Livingston ranch property associated with the Company's Fresh Vegetables division. As a result, the property was reclassified to assets held-for-sale. The property had assets with a net book value of $7.1 million and no associated liabilities. Dole sold the Livingston ranch property during the year ended December 28, 2019, which resulted in the disposal of all assets held-for-sale. Total gain from the sale of the Livingston ranch was $3.0 million. As of December 28, 2019, there were no assets or liabilities held-for-sale.

During the year ended December 29, 2018, Dole sold the Corporate headquarters building in California and recognized a net gain of $7.3 million. Dole also recognized a net gain of $0.7 million in 2018 related to the resolution of an earn-out payment received from the sale of the Swedish flower business that was sold during 2017 and previously classified as assets held-for-sale.

A rollforward of assets held-for-sale was as follows:

	Amount
	(In thousands)
Balance as of December 29, 2018	$ 45,599
Additions related to the Livingston ranch	7,136
Sale of the fresh cut salad business	(39,469)
Sale of Livingston ranch	(7,136)
Foreign currency translation and other adjustments	(336)
Reclassifications to property, plant and equipment, net	(5,794)
Balance as of December 28, 2019	$ —
Additions related to Sweden property	3,509
Additions related to North America property	2,421
Additions related to other property	255
Sale of Sweden property	(3,509)
Sale of North America property	(2,421)
Balance as of December 31, 2020	$ 255

A rollforward of liabilities held-for-sale in accrued liabilities on the consolidated balance sheets was as follows:

	Amount
	(In thousands)
Balance as of December 29, 2018	$ 15,919
Sales of the fresh cut salad businesses	(14,833)
Foreign currency translation and other adjustments	(65)
Reclassifications to miscellaneous other accrued liabilities	(1,021)
Balance as of December 28, 2019	—
Additions related to Sweden property	75
Sale of Sweden property	(75)
Balance as of December 31, 2020	$ —

The major classes of assets included in assets held-for-sale in the consolidated balance sheets were as follows:

	December 31, 2020
	(In thousands)
Property, plant and equipment, net	$ 255
	$ 255

Actively marketed property

During the year ended December 31, 2020, Dole sold 349 acres of actively marketed Hawaii land with a net book value of $8.8 million and recognized a gain of $6.3 million. The Company also reclassified $3.0 million of actively marketed property to land and land improvements within property, plant and equipment, net, related to land in Latin America with a net book value of $0.2 million and real estate in Latin America of the former fresh cut flowers division with a net book value of $2.8 million, as Dole concluded that it was not probable that the property would be sold within the next year. During the year ended December 28, 2019, Dole sold approximately 3,800 acres of land in Hawaii with a net book value of $5.1 million and recognized a gain of $2.9 million. During the year ended December 29, 2018, Dole sold approximately 4,200 acres of land in Hawaii with a net book value of $26.2 million and recognized a gain of $5.9 million. As of December 31, 2020, actively marketed property consisted of approximately 5,051 acres of Hawaii land, with a net book value of $47.1 million.

A rollforward of actively marketed property was as follows:

	Amount
	(In thousands)
Balance as of December 29, 2018	$ 63,952
Transfer to land and land improvements	(50)
Hawaii land sales	(5,062)
Balance as of December 28, 2019	58,840
Transfer to land and land improvements	(2,963)
Hawaii land sales	(8,796)
Balance as of December 31, 2020	$ 47,081

NOTE 10 — PROPERTY, PLANT AND EQUIPMENT

Major classes of property, plant and equipment were as follows:

	December 31, 2020	December 28, 2019
	(In thousands)	
Land and land improvements	$ 480,291	$ 484,264
Buildings and leasehold improvements	300,832	291,733
Machinery and equipment	379,613	346,922
Computer software	26,588	24,306
Vessels and containers	289,708	290,174
Machinery and equipment and vessel containers under finance leases	64,844	45,666
Construction in progress	164,181	128,507
	1,706,057	1,611,572
Accumulated depreciation	(580,419)	(514,772)
	$ 1,125,638	$ 1,096,800

Depreciation is computed by the straight-line method over the estimated useful lives of the assets as follows:

	Years
Land improvements	2 to 35
Buildings and leasehold improvements*	2 to 50
Machinery and equipment	1 to 35
Computer software	1 to 10
Vessels and containers	5 to 21
Equipment and vessel containers under finance leases	Shorter of useful life or life of lease

*Leasehold improvements are depreciated using the shorter of the useful life or life of the lease.

Depreciation expense on property, plant and equipment totaled $91.4 million, $88.1 million and $89.6 million for the years ended December 31, 2020, December 28, 2019 and December 29, 2018, respectively. Interest expense capitalized into property, plant and equipment was $4.2 million and $0.9 million for the years ended December 31, 2020 and December 28, 2019, respectively.

NOTE 11 — GOODWILL AND INTANGIBLE ASSETS

The balance of goodwill was $329.8 million as of December 31, 2020 and December 28, 2019.

Details of Dole's intangible assets as of December 31, 2020 were as follows:

	Useful Life	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
			(In thousands)	
Dole brand name	$ —	$ 250,000	$ —	$ 250,000
Water rights	—	4,246	—	4,246
Other...	6 years	215	(68)	147
		$ 254,461	$ (68)	$ 254,393

Details of Dole's intangible assets as of December 28, 2019 were as follows:

	Useful Life	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
			In thousands)	
Dole brand name	—	$ 250,000	$ —	$ 250,000
Water rights	—	4,276	—	4,276
Other	6 years	215	(36)	179
		$ 254,491	$ (36)	$ 254,455

A rollforward of intangible assets excluding goodwill for the years ended December 31, 2020 and December 28, 2019 was as follows:

	Amount
	(In thousands)
Balance as of December 29, 2018	$ 254,323
Additions	146
Amortization	(36)
Foreign exchange impact	22
Balance as of December 28, 2019	$ 254,455
Amortization	(32)
Foreign exchange impact	(30)
Balance as of December 31, 2020	$ 254,393

As of December 31, 2020, the estimated amortization expense associated with Dole's intangible assets for each of the next five fiscal years was as follows:

	Amount
	(In thousands)
2021	$ 37
2022	37
2023	37
2024	36
2025	—
Total	$ 147

Dole evaluates goodwill and other indefinite-lived intangible assets for impairment annually during the fourth quarter, or more frequently if an event occurs or circumstances change that would indicate that impairment may exist. There was no impairment of goodwill or intangible assets recorded for the years ended December 31, 2020, December 28, 2019 and December 29, 2018.

NOTE 12 — NOTES PAYABLE AND LONG-TERM DEBT

Notes payable and long-term debt consisted of the following:

	December 31, 2020	December 28, 2019
	(In thousands)	
Secured debt:		
ABL revolving credit facility	$ 15,900	$ 45,800
Term loan	866,875	896,563
Senior secured notes	300,000	300,000
Vessel financing loan facility	67,063	76,313
Other financing arrangements	29,355	33,982
Notes payable and note agreements, at a weighted average interest rate of 9.0% in 2019	—	5,305
Finance lease obligations, at a weighted average interest rate of 5.6% in 2020 (5.8% in 2019)	41,086	31,741
	1,320,279	1,389,704
Unamortized debt discounts and debt issuance costs	(14,223)	(17,947)
	1,306,056	1,371,757
Current maturities, net of unamortized debt discounts and debt issuance costs	(75,504)	(53,958)
Long-term debt, net	$ 1,230,552	$ 1,317,799

Term Loan, ABL Revolving Credit Facility and Senior Secured Notes

On April 6, 2017, Dole entered into a term loan credit agreement (the "term loan") and an asset-based revolving credit agreement (the "ABL revolver") with certain lenders (the term loan and the ABL revolver, together, the "credit facilities"). During March and April 2018, Dole obtained lender consents under each of these named agreements and the 2025 Notes (as defined below) to allow Total Produce to become a permitted debt holder.

The credit facilities included syndicated borrowings under a term loan of $950.0 million, that bears interest, at Dole's option, at either (i) LIBOR plus 2.75% to 3.00%, with a LIBOR floor of 1.00% or (ii) a base rate plus 1.75% to 2.00%, in each case, based on Dole's first lien net leverage ratio. Commencing on September 30, 2017, principal payments of approximately $5.9 million are due annually during the first four years and principal payments of approximately $11.9 million are due annually during the remainder of the term of the facility, with the balance due on the maturity date of April 6, 2024. On April 3, 2018, the term loan interest rate was amended to bear interest at either (i) LIBOR plus 2.75% with a LIBOR floor of 1.00% or (ii) a base rate plus 1.75%. At December 31, 2020 and December 28, 2019, amounts outstanding under the term loan were $866.9 million and $896.6 million, respectively. As discussed in Note 15 “Derivative Financial Instruments”, during 2018, Dole entered into an interest rate swap to fix $300.0 million of the credit facilities’ variable rate debt to fixed rate debt.

The ABL revolver, under which the participating lenders committed to lend up to the lesser of the (i) amount of the borrowing base available thereunder and (ii) $175.0 million (“Total Revolving Commitment”), of which up to $50.0 million may be borrowed by Solvest, Ltd. and Dole Finance International, LLC, wholly owned subsidiaries of Dole. The annual interest rate on amounts drawn under the ABL revolver is, at Dole’s option, either (i) LIBOR plus 1.50% to 2.00% with a LIBOR floor of 0.00%, or (ii) a base rate plus 0.50% to 1.00%, in each case, based upon Dole’s average historical excess availability under the ABL revolver. All amounts outstanding under the ABL revolver are due on April 6, 2022. At December 31, 2020, the borrowing base was $126.7 million, which was the lower of the borrowing base or the Total Revolving Commitment. Dole’s borrowings under the ABL revolver were $15.9 million at December 31, 2020. After taking into account approximately $21.1 million of outstanding letters of credit issued under the ABL revolver, Dole had $89.7 million available for cash borrowings. At December 28, 2019, Dole had $70.3 million available for cash borrowings.

Dole’s borrowings under the credit facilities are secured by substantially all the U.S. assets of Dole and its material domestic subsidiaries. The borrowings of Solvest, Ltd. and Dole Finance International, LLC under the ABL revolver are secured by substantially all the assets of Dole’s material Bermudan subsidiaries.

Additionally, on April 6, 2017, Dole completed the sale and issuance of $300.0 million aggregate principal amount of 7.25% Senior Secured Notes due June 15, 2025 (“2025 Notes”). The 2025 Notes were sold to qualified institutional investors pursuant to Rule 144A under the Securities Act of 1933 (“Securities Act”), and to persons outside the U.S. in compliance with Regulation S under the Securities Act, who are exempt from the registration requirements of the Securities Act. Interest is due semi-annually in arrears on June 15 and December 15 of each year. The 2025 Notes are secured by substantially all U.S. assets of Dole and its material U.S. subsidiaries and is junior to the security interest of the obligations under the credit facilities.

Vessel Financing Loan Facility

On December 11, 2015, Dole entered into secured loan facilities (“vessel facility”) of up to $111.0 million, in the aggregate, to finance a portion of the acquisition costs of three new vessels. The vessel facility consists of three tranches, each tied to a specific vessel, which allowed Dole to borrow up to 70% or $37.0 million of the contract cost of each vessel, collateralized by the completed vessel. Principal and interest payments are due annually in arrears for 48 consecutive installments. The vessel facility bears interest at a rate per annum equal to LIBOR plus 2.00% to 3.25% and will mature on May 18, 2028. At December 31, 2020 and December 28, 2019, Dole’s borrowings under the vessel facility were $67.1 million and $76.3 million, respectively.

On October 30, 2020, Dole entered into two secured loan agreements of $49.1 million, in the aggregate, to finance a portion of the acquisition costs of two new vessels, which are expected to be delivered in 2021. Each agreement is tied to a specific vessel which allows Dole to borrow 60%, or $24.5 million, of the contract cost of each vessel, collateralized by the complete vessel. Principal and interest payments are due semi-annually in arrears for 18 consecutive installments. Each vessel facility bears interest at a rate per annum equal to LIBOR plus 3.25% and will mature nine years from utilization. During the year ended December 31, 2020, Dole incurred $0.6 million in debt issuance costs related to the new vessel financing loan facilities. The loan agreements will be funded during fiscal year 2021. See Note 22 “Subsequent Events” for additional detail on vessel financing.

Other Financing Arrangements

On June 23, 2016, Dole acquired approximately 1,000 gross hectares of farms in Chile for $36.0 million. In connection with the purchase, Dole entered into a secured long-term asset financing arrangement for $28.8 million to finance 80% of the farm purchase. The terms of the financing arrangement include a 5-year loan of $5.7 million due in July 2021, and a 10-year loan of $23.1 million due in June 2026. The 5-year loan bears interest at a rate per annum equal to LIBOR plus 2.60%, and the 10-year loan bears interest at a rate per annum equal to LIBOR plus 3.15%. Principal and interest payments are due semi-annually in arrears. The long-term financing arrangement is collateralized by the farms and related assets. At December 31, 2020 and December 28, 2019, Dole’s borrowings under this arrangement were $17.3 million and $20.2 million, respectively.

On July 1, 2016, Dole acquired approximately 837 gross hectares of pineapple farms in Costa Rica. In connection with the purchase, Dole entered into a secured long-term asset financing arrangement for up to $16.0 million to finance the farm purchase. The term of the financing arrangement includes a 10-year loan of $16.0 million due in July 2026. The 10-year loan bears interest at a rate per annum equal to LIBOR plus 5.00%, adjustable annually, with a floor rate of 5.50% per annum. Interest only payments were due monthly in arrears for the first two years. Effective August 1, 2018, principal and interest payments are due monthly in arrears. The long-term financing arrangement is collateralized by the farms and related assets. At December 31, 2020 and December 28, 2019, Dole's borrowings under this arrangement were $12.1 million and $13.8 million, respectively.

Notes Payable Agreements

As of December 31, 2020, there were no note payable agreements outstanding, and as of December 28, 2019, there were $5.3 million of note payable agreements outstanding, primarily related to a short-term credit facility.

Finance Lease Obligations

At December 31, 2020 and December 28, 2019, Dole's finance lease obligations of $41.1 million and $31.7 million, respectively, primarily relate to machinery and equipment and vessel containers, which continue through 2032. See Note 14 "Leases" for additional detail on finance lease obligations including maturities.

Covenants and Restrictions

Provisions under the term loan and the ABL revolver include limitations on, among other things, indebtedness, investments, liens, loans to subsidiaries, employees and third-parties, the issuance of guarantees and the payment of dividends.

In order for certain payments such as dividends or investments to be made, Dole must satisfy certain payment conditions which include: (i) availability under the ABL shall exceed the greater of (A) $20.0 million and (B) 15% of the Line Cap (as defined in the definitive documentation for the ABL revolver, but which is $126.7 million as of December 31, 2020), and (ii) Dole would be required to comply with a minimum fixed charge coverage ratio of 1:1, unless availability exceeds the greater of (A) $25.0 million and (B) 20% of Line Cap. In addition, if the availability under the ABL revolver were to fall below the greater of (i) $15.0 million and (ii) 10% of the lesser of the Total Revolving Commitment and the Borrowing Base (as defined in the credit agreement), then Dole would be required to comply with a minimum fixed charge coverage ratio covenant. At December 31, 2020 and December 28, 2019, Dole had sufficient availability, and the fixed charge coverage ratio covenant under the ABL revolver was not applicable.

The term loan requires Dole to maintain compliance with a maximum first lien net leverage ratio, which was initially set at 6.00 to 1.00 beginning in the third fiscal year 2017, with step-downs to (i) 5.75 to 1.00 for each fiscal quarter of the 2019 and 2020 fiscal years and (ii) 5.50 to 1.00 for each fiscal year thereafter. At December 31, 2020 and December 28, 2019, Dole was in compliance with all applicable covenants.

A breach of a covenant or other provision in any debt instrument governing Dole's current or future indebtedness could result in a default under that instrument and, due to customary cross-default and cross-acceleration provisions, could result in a default under Dole's other debt instruments. Upon the occurrence of an event of default under the credit facilities or other debt instruments, the lenders or holders of such debt could elect to declare all amounts outstanding to be immediately due and payable and terminate all commitments to extend further credit. If Dole were unable to repay those amounts, the lenders could proceed against the collateral granted to them, if any, to secure the indebtedness. If the lenders under Dole's indebtedness were to accelerate the payment of the indebtedness, Dole cannot give assurance that its assets would be sufficiently liquid to repay in full its outstanding indebtedness on an accelerated basis.

Debt Discounts and Debt Issuance Costs

Debt discounts, debt issuance costs, and all other debt underwriting costs are reflected as a direct reduction to the debt liability to which they relate and are amortized into interest expense over the term of the underlying debt using the effective interest rate method.

The amortization expense related to Dole's deferred debt discounts and debt issuance costs was recorded in the consolidated statements of operations as follows:

	Year Ended		
	December 31, 2020	December 28, 2019	December 29, 2018
	(In thousands)		
Interest expense	$ 3,724	$ 3,825	$ 3,902

Uncommitted Lines of Credit

In addition to amounts available under the revolving credit facility, Dole's subsidiaries have uncommitted lines of credit of approximately $67.1 million at various local banks, of which $64.4 million was available at December 31, 2020. At December 28, 2019, there were uncommitted lines of credit of $42.1 million, of which $39.5 million was available for use. These lines of credit are used primarily for short-term borrowings or bank guarantees. Dole's uncommitted lines of credit extend indefinitely but may be cancelled at any time by Dole or the banks, and, if cancelled, any outstanding amounts would be due on demand.

Maturities of Notes Payable and Long-Term Debt

Stated maturities with respect to notes payable and long-term debt, including finance lease obligations, as of December 31, 2020 were as follows:

	Amount
	(In thousands)
2021	$ 79,976
2022	68,629
2023	65,528
2024	754,605
2025	317,541
Thereafter	34,000
Total	$ 1,320,279

NOTE 13 — EMPLOYEE BENEFIT PLANS

Dole sponsors a number of defined benefit pension plans covering certain employees worldwide. Benefits under these plans are generally based on each employee's eligible compensation and years of service, except for certain plans covering union employees, which are based on negotiated benefits. In addition to pension plans, Dole has other postretirement benefit ("OPRB") plans that provide certain health care and life insurance benefits for eligible retired employees. Covered employees may become eligible for such benefits if they fulfill established requirements upon reaching retirement age.

In the U.S., Dole sponsors one qualified pension plan, which is funded. All of Dole's international pension plans and worldwide OPRB plans are unfunded.

Substantially all U.S. pension benefits were frozen December 31, 2001. There were 144 employees who continue to earn benefits under the terms of collective bargaining agreements at December 31, 2020, as compared to 141 employees at December 28, 2019.

Dole sponsors a non-qualified deferred compensation plan ("ESP") and a non-qualified frozen defined benefit plan ("SERP"), both of which are unfunded. Under the provisions of these two Rabbi Trust plans, Dole is obligated to contribute to the trusts within 30 days after a change of control event, as defined by the plans, to ensure the assets of the trusts are sufficient to meet the ESP obligation and the present value of the projected benefit obligation of the SERP as of the change of control date. The assets held in the Rabbi Trusts are subject to the claims of Dole's general unsecured creditors. As of December 31, 2020, $6.2 million is classified as short-term and included in short-term investments in the consolidated balance sheets, and $25.0 million is classified as long-term and is included in long-term investments in the consolidated balance sheets. As of December 28, 2019, $5.7 million was classified as short-term and included in short-term investments in the consolidated balance sheets, and $24.6 million was classified as long-term and included in long-term investments in the consolidated balance sheets.

Dole uses a December 31 measurement date for all of its plans. For the U.S. pension plan, assets as of November 30 are used and rolled forward to December 31 using agreed actuarial assumptions.

Obligations and Funded Status

The status of Dole's defined benefit pension plans was as follows:

	U.S. Pension Plans		International Pension Plans		OPRB Plans	
	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 31, 2020	Year Ended December 28, 2019
	(In thousands)					
Change in projected benefit obligation:						
Benefit obligation at beginning of the year	$ 265,735	$ 249,101	$ 85,751	$ 85,700	$ 20,418	$ 20,661
Service cost	270	226	2,611	2,906	7	15
Interest cost	6,425	8,774	6,068	6,245	693	908
Foreign currency exchange rate changes	—	—	2,388	(1,081)	—	—
Actuarial (gain) loss	20,234	29,563	8,793	5,238	1,293	1,983
Curtailments, settlements and terminations, net	—	—	(10,697)	(9,764)	—	—
Benefits paid	(21,120)	(21,929)	(2,433)	(3,493)	(3,002)	(3,149)
Benefit obligation at end of the year	$ 271,544	$ 265,735	$ 92,481	$ 85,751	$ 19,409	$ 20,418
Change in plan assets:						
Fair value of plan assets at beginning of the year	$ 218,666	$ 190,236	$ —	$ —	$ —	$ —
Actual return on plan assets	30,137	41,105	—	—	—	—
Company contributions	4,123	9,254	14,567	13,257	3,002	3,149
Benefits paid	(21,120)	(21,929)	(2,433)	(3,493)	(3,002)	(3,149)
Settlements	—	—	(12,134)	(9,764)	—	—
Fair value of plan assets at end of the year	$ 231,806	$ 218,666	$ —	$ —	$ —	$ —
Funded status	$ (39,738)	$ (47,069)	$ (92,481)	$ (85,751)	$ (19,409)	$ (20,418)
Amounts recognized in the Consolidated Balance Sheets:						
Current liabilities	$ (2,317)	$ (2,348)	$ (10,886)	$ (8,440)	$ (2,346)	$ (2,529)
Long-term liabilities	(37,421)	(44,721)	(81,595)	(77,311)	(17,063)	(17,889)
	$ (39,738)	$ (47,069)	$ (92,481)	$ (85,751)	$ (19,409)	$ (20,418)

As of December 31, 2020, there was a net actuarial loss in the benefit obligation for all defined benefit pension plans which was primarily attributable to a decrease in the discount rate, offset by gains due to updating the mortality improvement scale and claims and premiums experience. As of December 28, 2019, there was a net actuarial loss in the benefit obligation for all defined benefit pension plans which was primarily attributable to a decrease in the discount rate and updates to demographics, offset by gains due to updating the mortality improvement scale, mortality assumption, and claims and premiums experience and the removal of the excise tax.

Amounts recognized in accumulated other comprehensive loss were as follows:

	U.S. Pension Plans			International Pension Plans			OPRB Plans		
	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 29, 2018	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 29, 2018	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 29, 2018
	(In thousands)								
Net actuarial loss (gain)	$ 50,709	$ 51,280	$ 51,579	$ 18,390	$ 11,900	$ 8,504	$ 1,449	$ 207	$ (2,147)
Prior service (benefit)	—	—	—	—	—	—	(3,602)	(4,414)	(5,225)
Income taxes	(10,739)	(10,990)	(16,293)	(2,747)	(2,227)	(1,625)	938	1,597	3,295
Total	$ 39,970	$ 40,290	$ 35,286	$ 15,643	$ 9,673	$ 6,879	$ (1,215)	$ (2,610)	$ (4,077)

All of Dole's pension plans and OPRB plans were underfunded at December 31, 2020, having accumulated benefit obligations exceeding the fair value of plan assets. The aggregate projected benefit obligation, accumulated benefit obligation and fair value of plan assets for pension plans and OPRB plans with accumulated benefit obligations in excess of plan assets were as follows:

	December 31, 2020	December 28, 2019
	(In thousands)	
Projected benefit obligation	$ 383,434	$ 371,904
Accumulated benefit obligation	$ 362,454	$ 350,989
Fair value of plan assets	$ 231,806	$ 218,666

Components of Net Periodic Benefit Cost and Other Changes Recognized in Other Comprehensive Income

The components of net periodic benefit cost for Dole's U.S. and international pension plans and OPRB plans were as follows:

	U.S. Pension Plans			International Pension Plans			OPRB Plans		
	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 29, 2018	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 29, 2018	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 29, 2018
					(In thousands)				
Components of net periodic benefit cost:									
Service cost	$ 270	$ 226	$ 264	$ 2,611	$ 2,906	$ 4,283	$ 7	$ 15	$ 23
Interest cost	6,425	8,774	8,295	6,068	6,245	5,502	693	908	993
Expected return on plan assets	(11,795)	(11,963)	(12,373)	—	—	—	—	—	—
Amortization of:									
Net (gain) loss	2,463	720	1,032	949	522	444	50	(372)	128
Prior service (benefit)	—	—	—	—	—	—	(811)	(811)	(811)
Curtailments, settlements and terminations, net	—	—	—	3,394	1,083	211	—	—	—
Other	—	—	—	—	—	1,963	—	—	—
Net periodic benefit costs	$ (2,637)	$ (2,243)	$ (2,782)	$ 13,022	$ 10,756	$ 12,403	$ (61)	$ (260)	$ 333
Other changes recognized in other comprehensive income:									
Net (gain) loss	1,892	421	15,432	6,837	4,155	3,635	1,293	1,982	(2,457)
Amortization of:									
Net gain (loss)	(2,463)	(720)	(1,032)	(949)	(522)	(444)	(50)	372	(128)
Prior service benefit	—	—	—	—	—	—	811	811	811
Foreign currency adjustment and other	—	—	—	602	(237)	(339)	—	—	—
Income taxes expense (benefit)	251	143	(3,093)	(520)	(602)	2	(659)	(672)	431
Total recognized in other comprehensive income	(320)	(156)	11,307	5,970	2,794	2,854	1,395	2,493	(1,343)
Total recognized in net periodic benefit cost and other comprehensive income, net of income taxes	$ (2,957)	$ (2,399)	$ 8,525	$ 18,992	$ 13,550	$ 15,257	$ 1,334	$ 2,233	$ (1,010)

The Company classifies the non-service components of net periodic pension benefit costs within other expense, net in the consolidated statement of operations. See breakout of the costs below:

	Year Ended		
	December 31, 2020	December 28, 2019	December 29, 2018
		(In thousands)	
Non-Service Components of Net Periodic Pension Benefit Costs			
Interest cost	$ 13,186	$ 5,019	$ 13,797
Expected return on plan assets	(11,795)	(11,963)	(12,373)
Amortization of net loss and prior service benefit	2,651	1,242	1,476
Other	3,406	513	2,172
	$ 7,448	$ 4,811	$ 5,072

Assumptions

Weighted average assumptions used to determine benefit obligations were as follows:

	U.S. Pension Plans		International Pension Plans		OPRB Plans	
	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 31, 2020	Year Ended December 28, 2019
Discount rate	2.14%	2.94%	6.32%	6.88%	3.13%	3.96%
Rate of compensation increase	3.00%	3.00%	4.63%	5.10%	—	—

Weighted average assumptions used to determine net periodic benefit cost were as follows:

	U.S. Pension Plans			International Pension Plans			OPRB Plans		
	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 29, 2018	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 29, 2018	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 29, 2018
Discount rate	2.94%	4.11%	3.57%	6.88%	7.25%	6.96%	3.96%	5.05%	4.60%
Rate of compensation increase	3.00%	3.00%	3.00%	5.10%	5.16%	5.23%	—	—	—
Rate of return on plan assets	6.00%	6.00%	6.00%	—	—	—	—	—	—

Dole does not sponsor any cash balance plans or plans with promised interest credit rates. International plan discount rates and assumed rates of increase in future compensation differ from the assumptions used for U.S. plans due to differences in the local economic conditions in the countries in which the international plans are based. No rate of compensation increase is shown for U.S. plans, because benefits under the U.S. plans are frozen except for a group of 144 employees whose benefits are negotiated under collective bargaining agreements, compared to 141 employees in the 2019 fiscal year. The assumption for the rate of compensation increase for these employees reflects the rate negotiated in those bargaining agreements.

The accumulated pension benefit obligation for Dole's U.S. OPRB plan was determined using the following assumed annual rate of increase in the per capita cost of covered health care benefits:

	2021	2020
Health care costs trend rate assumed for next year	7.00%	7.25%
Rate of increase to which the cost of benefits is assumed to decline (the ultimate trend rate)	4.50%	4.50%
Year that the rate reaches the ultimate trend rate	2029	2029

Plan Assets

The following is the target asset mix for Dole's U.S. pension plan, which management believes provides the optimal tradeoff of diversification and long-term asset growth:

	Target Allocation
Fixed income securities	66%
Equity securities	34%
Total	100%

Dole's U.S. pension plan weighted average asset allocations by asset category were as follows:

	Year Ended	
	December 31, 2020	December 28, 2019
Fixed income securities	67%	65%
Equity securities	33%	35%
Total	100%	100%

The plan's asset allocation includes a mix of fixed income investments designed to reduce volatility and equity investments designed to maintain funding ratios and long-term financial health of the plan. The equity investments are diversified across U.S. and international stocks as well as growth, value, and small and large capitalizations.

Dole employs a total return investment approach whereby a mix of fixed income and equity investments is used to maximize the long-term return of plan assets with a prudent level of risk. The objectives of this strategy are to achieve full funding of the accumulated benefit obligation and to achieve investment experience over time that will minimize pension expense volatility and minimize Dole's contributions required to maintain full funding status. Risk tolerance is established through careful consideration of plan liabilities, plan funded status, and corporate financial condition. Investment risk is measured and monitored on an ongoing basis through annual liability measurements, periodic asset/liability studies, and quarterly investment portfolio reviews. See Note 16 "Fair Value Measurements" for additional detail on fair value of employee benefit plan assets.

Dole determines the expected return on pension plan assets based on an expectation of average annual returns over an extended period of years. Dole also considers the weighted-average historical rate of returns on securities with similar characteristics to those in which Dole's pension assets are invested.

Dole applies the "10% corridor" approach to amortize unrecognized actuarial gains (losses) on both its U.S. and international pension and OPRB plans. Under this approach, only actuarial gains (losses) that exceed 10% of the greater of the projected benefit obligation or the market-related value of the plan assets are amortized. The amortization period is based on the average remaining service period of active employees expected to receive benefits under each plan or over the life expectancy of inactive participants where all, or nearly all, participants are inactive. For the year ended December 31, 2020, the average (weighted by benefit obligations) period used to amortize unrecognized actuarial gains (losses) across all pension and OPRB plans was approximately 12.9 years, compared to 13.4 years for the year ended December 28, 2019 and 13.8 years for the year ended December 29, 2018.

Plan Contributions and Estimated Future Benefit Payments

During the year ended December 31, 2020, Dole contributed $1.7 million to its qualified U.S. pension plan. These contributions were made to comply with minimum funding requirements under the Internal Revenue Code. Dole does not expect to make contributions to its U.S. qualified plan in fiscal year 2021 nor any contributions over the following seven years, but Dole intends to make any unforeseen future contributions to the U.S. pension plan that will satisfy the minimum funding requirements. Future contributions to the U.S. pension plan in excess of the minimum funding requirement are voluntary and may change depending on Dole's operating performance or at management's discretion. Dole expects to make $15.5 million of contributions related to its other U.S. and foreign pension and OPRB plans in fiscal year 2021.

The following table presents estimated future benefit payments:

	U.S. Pension Plans	International Pension Plans	OPRB Plans
		(In thousands)	
2021	$ 21,265	$ 10,886	$ 2,346
2022	20,636	7,210	2,250
2023	19,931	6,706	2,155
2024	19,281	6,546	2,016
2025	18,488	6,319	1,845
2026-2030	81,443	39,252	6,315
Total	$ 181,044	$ 76,919	$ 16,927

Defined Contribution Plans

Dole offers defined contribution plans to eligible employees. Such employees may defer a percentage of their annual compensation in accordance with plan guidelines. Some of these plans provide for a company match that is subject to a maximum contribution as defined by the plan. Dole's contributions to its defined contribution plans totaled $7.6 million, $6.9 million and $7.1 million for the years ended December 31, 2020, December 28, 2019 and December 29, 2018, respectively.

Multi-Employer Plans

Dole is also party to various industry-wide collective bargaining agreements that provide pension benefits. Total contributions to multi-employer foreign benefit plans for eligible participants were approximately $1.6 million, $1.2 million and $1.1 million for the years ended December 31, 2020, December 28, 2019 and December 29, 2018 respectively.

The following table presents details for Dole's U.S. multi-employer defined benefit plan:

		Pension Protection Act Zone Status			Contributions			
Pension Plan	EIN/Pension Plan Number	Fiscal 2020	Fiscal 2019	Fiscal 2018	Year Ended December 31, 2020	Year Ended December 28, 2019	Year Ended December 29, 2018	Expiration Collective Bargaining Agreement
						(In thousands)		
Western Conference of Teamsters Pension Plan	91-6145047-001	Not critical	Not critical	Not critical	$ 877	$ 830	$ 813	3/23/2022

Fair Value of Retirement Plan Assets

Dole estimates the fair value of its retirement plan assets based on current quoted market prices. In instances where quoted market prices are not readily available, the fair value of the investments is estimated by the trustee. In obtaining such data from the trustee, Dole has evaluated the methodologies used to develop the estimate of fair value in order to assess whether such valuations are representative of fair value, including net asset value. Fair values for Level 1 investments are determined based on observable market prices. For Level 2 investments, the fair values are determined using observable inputs such as the trading prices for similar securities traded in active markets. For Level 3 investments, fair values are estimated using prices provided by its custodian, which are based on various third-party pricing services or valuation models developed by the underlying fund managers. The Level 3 investments are primarily held by the custodian in a pooled trust for qualifying U.S. based pensions, where the fair value is derived from the individual investment components. Each investment within the pooled trust is individually valued, after considering gains and losses, contributions, and distributions, and the collective value of the pooled trust represents the total fair value. Dole has evaluated the methodologies used by the custodian to develop the estimate of fair value and assessed whether such valuations are representative of fair value, including net asset value. Dole has determined the valuations to be Level 3 inputs, because they are based upon significant unobservable inputs.

The carrying value and estimated fair values of Dole's retirement plan assets are summarized below:

	Fair Value Measurements at December 31, 2020 Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
		(In thousands)		
Cash and cash equivalents	$ 4,430	$ —	$ —	$ 4,430
Corporate debt instruments	—	121,347	—	121,347
U.S. government securities	1,355	—	—	1,355
Non-U.S. government securities	—	3,160	—	3,160
Municipal securities	—	2,074	—	2,074
Interest in registered investment companies	24,891	—	—	24,891
Common collective trusts	—	65,150	102	65,252
Interest in 103-12 investment companies	—	—	9,267	9,267
Other	30	—	—	30
Total	$ 30,706	$ 191,731	$ 9,369	$ 231,806

	Fair Value Measurements at December 28, 2019 Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
		(In thousands)		
Cash and cash equivalents	$ 2,841	$ —	$ —	$ 2,841
Corporate debt instruments	—	115,990	—	115,990
U.S. government securities	284	—	—	284
Non-U.S. government securities	—	3,039	—	3,039
Municipal securities	—	1,942	—	1,942
Interest in registered investment companies	24,584	—	—	24,584
Common collective trusts	—	61,876	104	61,980
Interest in 103-12 investment companies	—	—	8,053	8,053
Other	(47)	—	—	(47)
Total	$ 27,662	$ 182,847	$ 8,157	$ 218,666

The table below sets forth a summary of the transfers and purchases of the plan's Level 3 assets for the years ended December 31, 2020 and December 28, 2019:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)		
	Common Collective Trusts	Interest in 103-12 Investment Companies	Total
		(In thousands)	
Balance as of December 29, 2018	$ 140	$ 6,616	$ 6,756
Net realized and unrealized (losses)gains	(8)	1,462	1,454
Net purchases, issuances and settlements	(28)	(25)	(53)
Balance as of December 28, 2019	104	8,053	8,157
Net realized and unrealized (losses) gains	(2)	1,242	1,240
Net purchases, issuances and settlements	—	(28)	(28)
Balance as of December 31, 2020	$ 102	$ 9,267	$ 9,369

NOTE 14 — LEASES

The Company adopted ASC 842 on December 30, 2018, the first day of Dole's 2019 fiscal year. The new guidance requires leases with durations greater than one year to be recognized on the balance sheet. Dole adopted the guidance using the modified retrospective approach and therefore did not restate prior-year financials under the new standard, and those amounts are not presented below.

The Company elected the package of practical expedients under which Dole did not reassess prior conclusions about initial direct costs, lease classification, and lease identification under the new standard. In addition, Dole elected the land easements practical expedient and will continue applying its previous policy on accounting for land easements that existed as of, or expired before, the date of adoption. Dole also elected the short-term lease recognition exemption which allowed the Company to exclude leases with terms less than one year from recognition under the new standard. Finally, Dole elected the policy to combine lease and non-lease components for all asset categories.

The majority of Dole's leases are classified as operating leases for vessel containers, ports, land and warehouse facilities. Finance leases are primarily for vessel containers and machinery and equipment that meet the finance lease criteria. The lease term consists of the non-cancellable period of the lease, and the periods covered by options to extend or terminate the lease when it is reasonably certain that the Company will exercise such options. Dole's lease agreements do not contain any residual value guarantees.

Under ASC 842, right-of-use assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Right-of-use assets and liabilities are recognized at the lease commencement date based on the estimated present value of lease payments over the lease term. When available, Dole uses the rate implicit in the lease to discount lease payments to present value; however, most of the Company's leases do not provide a readily determinable implicit rate. Therefore, Dole must estimate the incremental borrowing rate to discount the lease payments based on information available at lease commencement.

Lease Position

The following tables present the lease-related assets and liabilities recorded in the consolidated balance sheets as of December 31, 2020 and December 28, 2019:

	Lease-related Assets at December 31, 2020		Lease-related Assets at December 28, 2019	
	(In thousands)		(In thousands)	
	Operating lease right-of-use assets	Property, plant & equipment, net	Operating lease right-of-use assets	Property, plant & equipment, net
Operating leases	$ 232,067	$ —	$ 263,073	$ —
Finance leases	—	37,355	—	29,874
	$ 232,067	$ 37,355	$ 263,073	$ 29,874

	Lease-related Liabilities at December 31, 2020			
	(In thousands)			
	Current maturities of operating leases	Operating leases, less current maturities	Notes payable and current portion of long-term debt, net	Long-term debt, net
Operating leases	$ 53,250	$ 175,970	$ —	$ —
Finance leases	—	—	14,424	26,662
	$ 53,250	$ 175,970	$ 14,424	$ 26,662

	Lease-related Liabilities at December 28, 2019			
	(In thousands)			
	Current maturities of operating leases	Operating leases, less current maturities	Notes payable and current portion of long-term debt, net	Long-term debt, net
Operating leases	$ 62,952	$ 198,638	$ —	$ —
Finance leases	—	—	8,959	22,782
	$ 62,952	$ 198,638	$ 8,959	$ 22,782

Lease Terms and Discount Rates

The weighted-average remaining lease term and discount rate for the Company's lease profile was as follows:

Weighted-average remaining lease term

	Years
Operating leases	7.6
Finance leases	5.8

Weighted-average discount rate

	Percentage
Operating leases	7.6%
Finance leases	5.6%

Lease Costs

The following table presents certain information related to the lease costs for finance and operating leases for the years ended December 31, 2020 and December 28, 2019:

	Year Ended December 31, 2020	Year Ended December 28, 2019
	(In thousands)	
Finance lease costs:		
Amortization of lease assets	$ 12,633	$ 8,511
Interest on lease liabilities	2,187	2,359
Operating lease costs	68,018	80,138
Short-term lease costs	8,511	11,708
Variable lease costs	20,099	15,153
Sublease income	(10,859)	(18,000)
Total lease costs	$ 100,589	$ 99,869

Supplementary Cash Flow Data

The following represents the disaggregation of certain cash flow supplementary data by finance and operating lease classifications:

	Year Ended December 31, 2020	Year Ended December 28, 2019
	(In thousands)	
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows for finance leases	$ 1,987	$ 2,427
Operating cash flows for operating leases.	71,895	81,320
Financing cash flows for finance leases	12,022	6,001
Right-of-use assets obtained in exchange for finance lease liabilities		
Additions	20,365	17,355
Modifications and terminations.	(1,187)	(776)
Right-of-use assets obtained in exchange for operating lease liabilities		
Additions	30,853	27,512
Modifications and terminations	$ 6,043	$ (31,579)

The following table reconciles the undiscounted cash flows for each of the first five years and total remaining years to the finance lease liabilities and operating lease liabilities recorded on the balance sheet as of December 31, 2020:

	Finance Leases	**Operating Leases**
	(In thousands)	
2021	$ 16,442	$ 64,773
2022	8,301	46,336
2023	4,805	41,689
2024	4,498	34,141
2025	3,678	28,775
Thereafter	10,238	85,613
Total lease payments	$ 47,962	$ 301,327
Less: present value discount	(6,876)	(72,107)
	$ 41,086	$ 229,220

NOTE 15 — DERIVATIVE FINANCIAL INSTRUMENTS

Dole is exposed to foreign currency exchange rate fluctuations, bunker fuel price fluctuations and interest rate changes in the normal course of its business. As part of the risk management strategy, Dole uses derivative instruments to hedge some of these exposures. Dole's objective is to offset gains and losses resulting from these exposures with losses and gains on the derivative contracts used to hedge them, thereby reducing volatility of earnings. Dole does not hold or issue derivative financial instruments for trading or speculative purposes. The types of derivative instruments utilized by Dole are described below:

Foreign currency hedges: Dole enters into foreign currency exchange forward and option contracts to hedge some of the exposures to changes in foreign currency exchange rates. Dole enters into fair value hedges for intercompany borrowing transactions, and cash flow hedges for its forecasted revenue, cost of sales, and operating expense exposure.

Interest rate swap: As discussed in Note 12 "Notes Payable and Long-Term Debt", during November 2018, Dole entered into an interest rate swap with a highly rated counterparty that effectively converted $300.0 million of variable-rate debt to a fixed-rate basis. The interest rate swap fixed the interest rate at 6.52%. The paying rate under the interest rate swap is fixed at 2.92%, and the receiving rate is variable based on the one-month LIBOR benchmark rate, which was 0.15% as of December 31, 2020.

Bunker fuel contracts: Dole incurs significant fuel costs from shipping products from the sourcing locations to the end consumer markets and providing the service of arranging air or land transportation for products of third-party entities. As a result, Dole is exposed to commodity and fuel cost risks and enters into bunker fuel contracts to hedge the risk on fuel prices.

Hedge Accounting Election

Dole elected hedge accounting on December 29, 2019, the first day of Dole's 2020 fiscal year in accordance with ASC 815 "Derivatives and Hedging" ("ASC 815"). The Company performed an analysis of the hedging portfolio and evaluated the following criteria for hedge accounting:

1. Hedged risk is eligible
2. Hedged item or transaction is eligible
3. Hedging instrument is eligible
4. Hedging relationship is highly effective
5. Designation and documentation requirements are met

Based on the hedging analysis, Dole designated certain foreign currency cash flow hedges for hedge accounting and, starting on December 29, 2019, recorded the changes in fair value of these instruments in accumulated other comprehensive loss. Previously, the changes in fair value of these instruments were recorded in cost of sales.

The changes in fair value in foreign currency fair value hedges and non-designated cash flow hedges, bunker fuel hedges, and the interest rate swap continue to be recorded in earnings.

Derivatives Designated as Hedging Instruments

As discussed above, Dole elected hedge accounting for qualifying foreign currency cash flow hedges that reduce the Company's exposure to variability in cash flows in Dole's foreign denominated revenue, cost of sales, and operating expense. Because of the high degree of effectiveness between the hedging instrument and the underlying exposure being hedged, fluctuations in the value of the foreign currency instruments are generally offset by changes in the cash flows being hedged. Hedge effectiveness is assessed at inception and annually. All changes in fair value of these instruments are included within accumulated other comprehensive loss and reclassified into earnings when the hedge is settled.

Notional Amounts of Derivative Instruments

Dole had the following derivative instruments outstanding as of December 31, 2020:

	Notional Amount
Foreign currency forward contracts:	
Euro	€261.4 million
US Dollar	$0.4 million
Swedish Krona	8.3 million kr
Chilean Peso	CLP 6.0 billion
South African Rand	R 101.3 million
Interest rate swap contract	$300.0 million
Bunker fuel hedges	54.2 thousand metric tons

The above foreign currency forward contract notional amounts are comprised of several individual hedge contracts valued on an individual ***contract*** basis but combined by currency for purpose of disclosure.

Quantitative Disclosures

Derivatives are presented ***gross*** in the consolidated balance sheets. The following table presents the balance sheet location and fair value of the derivative instruments:

	Fair Value Measurements at December 31, 2020		
	Accrued Liabilities	Other Long-term Liabilities	Other Receivables
		(In thousands)	
Foreign currency forward contracts:			
Cash flow hedges	$ (12,048)	$ —	$ 873
Non-designated cash flow hedges	—	—	937
Interest rate swap contracts	—	(10,519)	—
Bunker fuel hedges	—	—	4,672
	$ (12,048)	$ (10,519)	$ 6,482

	Fair Value Measurements at December 28, 2019		
	Accrued Liabilities	Other Long-term Liabilities	Other Receivables
		(In thousands)	
Foreign currency forward contracts:			
Fair value hedges	$ (5,112)	$ —	$ —
Non-designated cash flow hedges	(3,780)	—	1,324
Interest rate swap contracts	—	(9,347)	—
	$ (8,892)	$ (9,347)	$ 1,324

The following represents Dole's realized and unrealized derivative gains (losses) and respective location in the financial statements for all derivative instruments for the years ended December 31, 2020, December 28, 2019 and December 29, 2018:

	Year Ended December 31, 2020			
	Gains (Losses) deferred in Accumulated Other Comprehensive Loss	**Other Income (Expense), Net**	**Cost of Sales**	**Interest Expense**
		(In thousands)		
Realized gains (losses):				
Cash Flow Hedges	$ —	$ —	$ (8,312)	—
Fair Value Hedges	—	(5,782)	130	—
Non-Designated Cash Flow Hedges	—	(4,470)	(217)	—
Bunker fuel hedges	—	—	1,894	—
Total realized (losses)	$ —	$ (10,252)	$ (6,505)	—
Unrealized gains (losses):				
Cash Flow Hedges	(11,175)	—	3,032	—
Fair Value Hedges	—	5,112	—	—
Non-Designated Cash Flow Hedges	—	—	447	—
Bunker fuel hedges	—	—	3,338	—
Interest rate swap contracts	—	—	—	(1,172)
Total unrealized gains (losses)	$ (11,175)	$ 5,112	$ 6,817	$ (1,172)

	Year Ended December 28, 2019			
	Gains (Losses) deferred in Accumulated Other Comprehensive Loss	**Other Income (Expense), Net**	**Cost of Sales**	**Interest Expense**
		(In thousands)		
Realized gains (losses):				
Fair Value Hedges	$ —	$ (2,051)	$ —	$ —
Non-Designated Cash Flow Hedges	—	—	14,724	—
Bunker fuel hedges	—	—	(503)	—
Total realized gains (losses)	$ —	$ (2,051)	$ 14,221	$ —
Unrealized gains (losses):				
Fair Value Hedges	—	(4,418)	—	—
Non-Designated Cash Flow Hedges	—	—	(9,563)	—
Bunker fuel hedges	—	—	2,138	—
Interest rate swap contracts	—	—	—	(4,854)
Total unrealized (losses)	$ —	$ (4,418)	$ (7,425)	$ (4,854)

	Year Ended December 29, 2018			
	Gains (Losses) deferred in AOCI	Other Income (Expense), Net	Cost of Sales	Interest Expense
	(In thousands)			
Realized gains (losses):				
Fair Value Hedges	$ —	$ (3,837)	$ —	$ —
Non-Designated Cash Flow Hedges	—	—	1,772	—
Bunker fuel hedges	—	—	245	—
Total realized gains (losses)	$ —	$ (3,837)	$ 2,017	$ —
Unrealized gains (losses):				
Fair Value Hedges	—	(1,866)	—	–
Non-Designated Cash Flow Hedges	—	—	10,245	—
Bunker fuel hedges	—	—	(2,383)	—
Interest rate swap contracts	—	—	—	(4,492)
Total unrealized (losses)	$ —	$ (1,866)	$ 7,862	$ (4,492)

Amounts reclassified out of accumulated other comprehensive loss and into earnings were losses of $3.0 million for the year ended December 31, 2020.

NOTE 16 — FAIR VALUE MEASUREMENTS

The inputs used to measure fair value are based on a hierarchy that prioritizes observable and unobservable inputs used in valuation techniques. These levels, in order of highest to lowest priority, are described below:

Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2: Observable prices that are based on inputs not quoted on active markets but corroborated by market data.

Level 3: Unobservable inputs that are not corroborated by market data.

Fair Value of Assets and Liabilities measured at Fair Value on a Recurring Basis

		Fair Value Measurements at December 31, 2020 Using			
	Balance Sheet Classification	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
		(In thousands)			
Foreign currency forward contracts	Other receivables, net	—	$ 1,810	$ —	$ 1,810
	Accrued liabilities	—	(12,048)	—	(12,048)
		—	(10,238)	—	(10,238)
Bunker fuel hedges	Other receivables, net	—	4,672	—	4,672
Interest rate swap contract	Other long-term liabilities	—	(10,519)	—	(10,519)
Rabbi Trust investments	Short-term and Long-term investments	—	—	31,294	31,294

	Balance Sheet Classification	Fair Value Measurements at December 31, 2020 Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Total		$ —	$ (16,085)	$ 31,294	$ 15,209

	Balance Sheet Classification	Fair Value Measurements at December 28, 2019 Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observabl e Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
			(In thousands)		
Foreign currency forward contracts	Other receivables, net	$ —	$ 1,324	$ —	$ 1,324
	Accrued liabilities	—	(8,892)	—	(8,892)
		$ —	$ (7,568)	$ —	$ (7,568)
Interest rate swap contract	Other long-term liabilities	—	(9,347)	—	(9,347)
Rabbi Trust investments	Short-term and Long-term investments	—	—	30,278	30,278
Total		$ —	$ (16,915)	$ 30,278	$ 13,363

The table below sets forth a summary of changes in the fair value of the Level 3 Rabbi Trust investments for the years ended December 31, 2020 and December 28, 2019:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)
	(In thousands)
Balance as of December 29, 2018	$ 27,845
Net realized and unrealized gains recognized in earnings*	3,059
Plan contributions	2,167
Plan distributions	(2,793)
Balance as of December 28, 2019	$ 30,278
Net realized and unrealized gains recognized in earnings**	2,820
Plan contributions	1,218
Plan distributions	(3,022)
Balance as of December 31, 2020	$ 31,294

*Net amount comprised realized gains of $0.6 million and unrealized gains of $2.5 million recorded in other expense, net in the consolidated statements of operations.

**Net amount comprised realized gains of $1.9 million and unrealized gains of $0.9 million recorded in other expense, net in the consolidated statements of operations.

For Dole, the assets and liabilities that are required to be recorded at fair value on a recurring basis are derivative instruments and Rabbi Trust investments. The fair values of Dole's derivative instruments are determined using Level 2 inputs, which are defined as "significant other observable inputs." The fair values of the foreign currency forward contracts, the interest rate swap, and bunker fuel hedges were estimated using internal discounted cash flow calculations based upon forward foreign currency exchange rates, bunker fuel futures, interest rate yield curves or quotes obtained from brokers for contracts with similar terms, less any credit valuation adjustments based on Dole's own credit risk as well as an evaluation of our counterparties' credit risk.

Dole sponsors a non-qualified deferred ESP compensation plan and a frozen non-qualified SERP defined benefit plan for executives. The plans are funded through investments in Rabbi Trusts. Securities are recorded at fair value with realized and unrealized holding gains or losses included in earnings. At December 31, 2020, securities totaled $31.2 million, of which $6.2 million was classified as short-term and included in short-term investments and $25.0 million was classified as long-term and included in long-term investments in the consolidated balance sheets. At December 28, 2019, securities totaled $30.3 million, of which $5.7 million was classified as short-term investments and $24.6 million was classified as long-term investments in the consolidated balance sheets. Dole estimates the fair values of its Rabbi Trust investments using prices provided by its custodian, which are based on various third-party pricing services or valuation models developed by the underlying fund managers. The Rabbi Trust investments are held by the custodian in various master trust units ("MTUs"), where the fair value is derived from the individual investment components. Each investment within the MTU is individually valued, after considering gains and losses, contributions, and distributions, and the collective value of the MTU represents the total fair value. Dole has evaluated the methodologies used by the custodian to develop the estimate of fair value and assessed whether such valuations are representative of fair value, including net asset value. Dole has determined the valuations to be Level 3 inputs because they are based upon significant unobservable inputs.

Fair Value of Assets and Liabilities measured at Fair Value on a Nonrecurring Basis

Certain assets and liabilities, including long-lived assets, goodwill, property plant and equipment, and cost and equity investments are measured at fair value on a nonrecurring basis using Level 3 inputs, which would primarily include the use of a discounted cash flow valuation approach.

Fair Value of Financial Instruments

In estimating the Company's fair value disclosures for financial instruments, Dole used the following methods and assumptions:

Cash and cash equivalents: The carrying value reported in the consolidated balance sheets for these items approximates fair value due to the liquid nature and are classified as Level 1.

Short-term trade and grower receivables: The carrying value reported in the consolidated balance sheets for these items is net of allowances and are classified as Level 2.

Trade payables: The carrying value reported in the consolidated balance sheets for these items approximates fair value and are classified as Level 2.

Notes receivable and notes payable: The carrying value reported in the consolidated balance sheets for these items approximates fair value and are classified as Level 2.

Long-term grower receivables: The carrying value reported in the consolidated balance sheets for these items is net of allowances and are classified as Level 2.

Finance and operating leases: The carrying value of finance lease obligations reported in the consolidated balance sheets approximates fair value based on current interest rates, which contain an element of default risk. The fair value of finance lease obligations is estimated using Level 2 inputs based on quoted prices for those or similar instruments. For operating leases, Dole uses the rate implicit in the lease to discount leases payments to present value, when available. However, most of the leases do not provide a readily determinable implicit rate. Therefore, the Company's incremental borrowing rate is used to discount the lease payments based on information available at lease commencement. See Note 14 "Leases" for additional information.

Fair Value of Debt

Dole estimates the fair value of its senior secured notes and the term loan based on the bid side of current quoted market prices.

The carrying values, net of debt discounts and debt issuance costs, and gross estimated fair values of Dole's debt based on Level 2 inputs in the fair value hierarchy are summarized below:

	December 31, 2020		December 28, 2019	
	Carrying Values	Estimated Fair Values	Carrying Values	Estimated Fair Values
	(In thousands)			
Senior secured notes	$ 295,061	$ 306,312	$ 293,933	$ 290,574
Term loan.....................................	$ 862,149	$ 864,708	$ 889,639	$ 895,442

See Note 12 "Notes Payable and Long-Term Debt" for additional detail on long-term debt instruments.

Credit Risk

The counterparties to the foreign currency exchange contracts consist of a number of major international financial institutions. Dole has established counterparty guidelines and regularly monitors its positions and the financial strength of these institutions. While counterparties to hedging contracts expose Dole to credit-related losses in the event of a counterparty's non-performance, the risk would be limited to the unrealized gains on such affected contracts. Dole does not anticipate any such losses.

NOTE 17 — COMMITMENTS AND CONTINGENCIES

Commitments

Dole issues letters of credit through its ABL revolver and, in addition, separately through major banking institutions. Dole also provides surety bonds issued by insurance companies and guarantees directly to regulatory authorities. These letters of credit, bank guarantees, and surety bonds are required by certain regulatory authorities, suppliers and other operating agreements. As of December 31, 2020 and December 28, 2019, total letters of credit, bank guarantees and surety bonds outstanding under these arrangements were $68.3 million and $89.6 million, respectively.

During the year ended December 31, 2020, a third-party supplier suffered a fire at one of its facilities. In order to ensure continued supplies, Dole provided a guarantee for $4.0 million of obligations of the third-party supplier. The guarantee has terms of less than a year and would require payment from Dole in the event of default. Dole is entitled to offset any current or future payable balances to the third-party with any payments made under the guarantee. As of December 31, 2020, Dole believes the risk of default by the third-party to be improbable and the resulting liability for the guarantee to not be material to Dole's overall financial position or results of operations.

During the year ended December 29, 2018, Dole entered into executive retention arrangements with certain key executives, under which a total of $14.2 million of payments will be made over a three-year period beginning in 2019. $4.8 million was paid in the year ended December 28, 2019. During the year ended December 31, 2020, payments totaling $5.0 million were made to executives in accordance with these retention agreements. The remaining $4.4 million will be paid in 2021. In the event of termination of employment without cause, the remaining payments due will be accelerated.

In order to secure sufficient product to meet demand and to supplement Dole's own production, the Company has historically entered into non-cancelable agreements with independent growers, primarily in Latin America and North America, to purchase substantially all of their production subject to market demand and product quality. Prices under these agreements are generally tied to prevailing market rates and contract terms generally range from one to six years. At December 31, 2020, aggregate future payments under such purchase commitments (based on December 31, 2020 pricing and volumes), were as follows:

	Amount
	(In thousands)
2021	$ 396,753
2022	$ 161,295
2023	$ 79,764
2024	$ 37,276
2025	$ 34,090
Thereafter	$ 272,722
Total	$ 981,900

In order to ensure a steady supply of packing and agrochemical supplies and to maximize volume incentive rebates, Dole historically has entered into contracts for the purchase of supplies. Prices under these agreements are generally tied to prevailing market rates. Purchases under these contracts in the years ended December 31, 2020, December 28, 2019 and December 29, 2018 were approximately $155.8 million, $184.8 million and $181.1 million, respectively.

Under these contracts, Dole was committed at December 31, 2020 to purchase packing and agrochemical supplies, assuming current pricing levels, in fiscal year 2021 in the amount of $175.0 million. No purchase commitments for agrochemicals and supplies extend beyond fiscal year 2021.

Dole has numerous collective bargaining agreements with various unions covering approximately 33% of Dole's workforce. Of these unionized employees, 68% are covered under a collective bargaining agreement that will expire within one year, and the remaining 32% are covered under collective bargaining agreements expiring beyond the upcoming year. These agreements are subject to periodic negotiation and renewal. Failure to renew any of these collective bargaining agreements may result in a strike or work stoppage; however, management does not expect that the outcome of these negotiations and renewals will have a material adverse impact on Dole's financial condition or results of operations.

On November 30, 2018, Dole executed two separate shipbuilding contracts to construct refrigerated container vessels with a contractual price of $40.9 million per vessel ($81.8 million in total). Under the terms of each of the contracts, progress payments will be made as construction milestones are achieved. The first vessel is due to be delivered during the first quarter of 2021, and the second vessel is due to be delivered during the second quarter of 2021. Progress payments began in 2019, with $12.3 million in cash payments occurring during the year ended December 28, 2019 and $20.4 million occurring during the year ended December 31, 2020, with remaining payments in 2021. See Note 22 "Subsequent Events" for additional detail on the 2021 payments.

Contingencies

Dole is involved from time to time in claims and legal actions incidental to its operations, both as plaintiff and defendant. Dole has established what management currently believes to be adequate reserves for pending legal matters. These reserves are established as part of an ongoing worldwide assessment of claims and legal actions that takes into consideration such items as changes in the pending case load (including resolved and new matters), opinions of legal counsel, individual developments in court proceedings, changes in the law, changes in business focus, changes in the litigation environment, changes in opponent strategy and tactics, new developments as a result of ongoing discovery, and past experience in defending and settling similar claims. In the opinion of management, after consultation with legal counsel, the claims or actions to which Dole is a party are not expected to have a material adverse effect, individually or in the aggregate, on Dole's financial position or results of operations.

DBCP Cases: Dole is involved in lawsuits pending in the United States and in foreign countries alleging injury as a result of exposure to the agricultural chemical DBCP (1,2-dibromo-3-chloropropane). Currently there are approximately one hundred and eighty lawsuits in various stages of proceedings alleging injury or seeking enforcement of Nicaragua judgments. In addition, there are sixty-five labor cases pending in Costa Rica under that country's national insurance program.

Settlements have been reached that, when fully implemented, will significantly reduce DBCP litigation in Nicaragua and the Philippines. Currently, claimed damages in DBCP cases worldwide total approximately $17.8 billion, with lawsuits in Nicaragua representing almost all of this amount. Twenty-four of the cases in Nicaragua have resulted in judgments, although many of these are being eliminated as part of the current settlements. Dole believes that none of the Nicaraguan judgments that are left will be enforceable against any Dole entity in the U.S. or in any other country.

As to all the DBCP matters, Dole has denied liability and asserted substantial defenses. Dole believes there is no reliable scientific basis for alleged injuries from the agricultural field application of DBCP. Nevertheless, Dole is working to resolve all DBCP litigation and claims. Although no assurance can be given concerning the outcome of the DBCP cases, in the opinion of management, after consultation with legal counsel and based on past experience defending and settling DBCP claims, neither the pending lawsuits and claims nor their resolution are expected to have a material adverse effect on Dole's financial position or results of operations because the probable loss is not material.

Former Shell Site: Beginning in 2009, Shell Oil Company and Dole were sued in several cases filed in Los Angeles Superior Court by the City of Carson and persons claiming to be current or former residents in the area of a housing development built in the 1960s by a predecessor of what is now a Dole subsidiary, Barclay Hollander Corporation ("BHC"), on land that had been owned and used by Shell as a crude oil storage facility for forty years prior to the housing development. The homeowner and City of Carson complaints have been settled and the litigation has been dismissed.

On May 6, 2013, Shell filed a complaint against Dole (which was later voluntarily dismissed), BHC, and Lomita Development Company ("Lomita"), seeking indemnity for the costs associated with the lawsuits discussed above (approximately $90.0 million plus attorney fees) and the cleanup discussed below (approximately $310.0 million). In addition to equitable indemnity, Shell claimed that an early entry side agreement between Shell and an entity related to BHC contractually requires BHC to indemnify Shell for anything related to the property. On March 15, 2017, however, the Court ruled that neither BHC nor Lomita is an obligor under the contract. On November 7, 2017, the Court rejected Shell's alter ego and successorship claims related to the contract. BHC subsequently filed a motion to dismiss Shell's remaining equitable causes of action as premature due to the outstanding appeal of the Cleanup and Abatement Order ("CAO"). On February 8, 2018, the Court granted BHC's motion and dismissed the case. Shell subsequently appealed the dismissal. The appellate court upheld the dismissal of Shell's contract claims and remanded Shell's equitable claims given that BHC's challenge of the CAO had become final. The case has been assigned to a new trial court and will move forward under that court's schedule.

The California Regional Water Quality Control Board ("Water Board") is supervising the cleanup on the former Shell site. On March 11, 2011, the Water Board issued a CAO naming Shell as the Discharger and a Responsible Party, and ordering Shell to assess, monitor, and cleanup and abate the effects of contaminants discharged to soil and groundwater at the site. On April 30, 2015, the CAO was amended to also name BHC as a discharger. BHC appealed this CAO revision to the California State Water Resources Control Board, which appeal was denied by operation of law when the Board took no action. On September 30, 2015, BHC filed a writ petition in the Superior Court challenging the CAO on several grounds. A trial was held on March 24, 2017, after which the Court denied BHC's petition. BHC appealed, but the appellate court upheld the trial court's decision. BHC filed a petition for review with the California Supreme Court but that petition was denied. In the opinion of management, after consultation with legal counsel, the claims or actions related to the former Shell site are not expected to have a material adverse effect, individually or in the aggregate, on Dole's financial position or results of operations because management believes the risk of loss is remote.

Federal Securities Litigation: Mr. Murdock and the Company are seeking recovery from the Company's insurers under the Company's directors and officers' insurance policies for the settlement of litigation stemming from Mr. Murdock's 2013 purchase of the Company. The insurers have denied coverage and filed a lawsuit against Mr. Murdock, DFC Holdings, Inc., Michael Carter, and the Company seeking a declaration of no coverage in Delaware state court. The defendants have entered into settlement agreements with five of the six insurers involved in the litigation. The final insurer, RSUI Indemnity Company, dismissed its remaining defenses against coverage but maintained its right to appeal other coverage defenses on which the court had already ruled. All parties have appealed various aspects of the trial court's decisions, and the matter is awaiting a ruling by the Delaware Supreme Court. Due to the fact that the claim for the portion of the litigation settled by Mr. Murdock was filed first, the insurers' settlement payments were made to Mr. Murdock, and the Company has not received or accounted for any of the insurance proceeds. As part of the agreement with Total Produce, Mr. Murdock is funding all ongoing litigation and will receive any recovery.

Springfield, Ohio Packaged Salads Recall: In late January 2016, Dole was advised by the U.S. Food and Drug Administration ("FDA") and the Centers for Disease Control and Prevention ("CDC") that they suspected a multi-state outbreak of listeria monocytogenes was linked to packaged salads produced at Dole Fresh Vegetables, Inc.'s Springfield, Ohio facility. Dole responded by immediately ceasing all production activities at the Springfield facility and issuing a voluntary withdrawal followed by a recall of packaged salads produced there. The Springfield facility resumed production after extensive testing and a root cause investigation and analysis. Dole and its insurance carriers have resolved all related personal injury claims. On April 29, 2016, Dole was served with a subpoena from the United States Department of Justice ("DOJ") seeking information for its investigation of the listeria outbreak at Dole's Springfield facility. Dole has cooperated with all DOJ requests related to its investigation. In the opinion of management, after consultation with legal counsel, the claims or actions related to the packaged salads recall are not expected to have a material adverse effect, individually or in the aggregate, on Dole's financial position or results of operations because the probable loss is not material.

NOTE 18 — RELATED PARTY TRANSACTIONS

Mr. Murdock owns, *inter alia,* Castle and Cooke, Inc. ("Castle"), a transportation equipment leasing company and a hotel. In the years ended December 31, 2020, December 28, 2019 and December 29, 2018, Dole paid Mr. Murdock's companies an aggregate of approximately \$4.3 million, \$5.0 million and \$4.4 million, respectively, primarily for the rental of truck chassis and generator sets. Castle purchased \$0.2 million, \$0.9 million and \$0.6 million of products from Dole during the years ended December 31, 2020, December 28, 2019 and December 29, 2018, respectively.

During the fourth quarter of 2008, Dole and North Carolina State University executed a twenty-year sublease agreement pursuant to which Dole's research center leases 11,000 gross square feet of office and laboratory space in Kannapolis, North Carolina. Castle is the owner of the property. The rent expense paid to North Carolina State University was \$0.7 million for the years ended December 31, 2020, December 28, 2019 and December 29, 2018.

On May 20, 2016, Dole entered into a lease agreement with an entity owned by Mr. Murdock to lease 6,799 square feet of a building located in Kannapolis, North Carolina. The lease commenced on October 1, 2016, for a term of five years, with an option to extend for an additional five years. The rent expense paid to an affiliate was \$0.3 million for the years ended December 31, 2020, December 28, 2019 and December 29, 2018, respectively.

In the second and third quarter of 2018, Dole loaned \$10.0 million ("Affiliate Note 1") and \$15.0 million ("Affiliate Note 2"), respectively, to entities owned by Mr. Murdock in the form of interest-bearing notes. At December 29, 2018, Dole had a receivable of \$25.5 million due from affiliates related to these notes and accrued interest, which were included in the consolidated statements of members' equity. On December 31, 2018, Affiliate Note 1 was canceled, and Affiliate Note 2 was amended into a new agreement with a principal amount of \$25.0 million due July 30, 2020. Contemporaneously with the new agreement, the affiliate of Mr. Murdock paid \$20.5 million on the outstanding note receivable with \$20.0 million applied to principal and \$0.5 million applied to accrued interest. The affiliate of Mr. Murdock can re-borrow up to the principal amount of the note at any time up to the maturity date of the respective note. On September 9, 2019, the affiliate of Mr. Murdock re-borrowed \$20.0 million. On June 30, 2020, the note was amended and restated to extend the maturity date to December 31, 2020. On December 30, 2020, the note was amended and restated again to extend the maturity date to January 31, 2021. In conjunction with these two extensions, accrued interest of \$0.9 million and \$0.8 million, respectively, was paid to Dole upon execution. As of December 31, 2020, Dole had a note outstanding to an entity owned by Mr. Murdock, including accrued interest, of \$25.0 million, with a planned maturity date of January 31, 2021. See Note 22 "Subsequent Events" for additional detail on the extension of the note outstanding to an affiliate of Mr. Murdock.

Dole entered into an agreement with Castle & Cooke Aviation Services, Inc. where the Company utilizes private aircraft services and hangar space owned by Castle. The expense paid was approximately \$0.4 million for the year ended December 31, 2020 and \$0.5 million for the years ended December 28, 2019 and December 29, 2018, respectively.

Dole had a number of other transactions with other entities owned by Mr. Murdock, on an arm's length basis, none of which, individually or in the aggregate, were material. Excluding the interest-bearing notes discussed above, Dole has less than $0.1 million due from Castle at December 31, 2020 and $0.5 million at December 28, 2019.

Dole made purchases from affiliates of Total Produce of approximately $8.9 million, $4.6 million, and $0.2 million for the years ended December 31, 2020, December 28, 2019, and December 29, 2018, respectively. These transactions were primarily for the purchase of produce. Dole had sales of products to affiliates of Total Produce of approximately $49.0 million, $21.6 million, and $4.3 million for the years ended December 31, 2020, December 28, 2019, and December 29, 2018, respectively. Dole made purchases from affiliates of Total Produce. Dole had net outstanding accounts receivable of $1.4 million from Total Produce at December 31, 2020 and $1.6 million at December 28, 2019.

NOTE 19 — MEMBERS' EQUITY

Membership Units

On July 31, 2018, the Company amended and restated the limited liability company agreement. Prior to the July 31, 2018 amended and restated limited liability agreement, the Company had two classes of membership units outstanding, which consisted of Common Units and Preferred Units. During 2014 and 2015, the Preferred Unit holder contributed $100.0 million to the Company in exchange for the Preferred Units. Prior to July 31, 2018, the sole Manager of the Company was Mr. Murdock.

In connection with the July 31, 2018 amended and restated limited liability agreement, the membership units were all converted to Class A and Class B units. Additionally, the Company would be managed by a Board of Managers of which three Managers were appointed by Mr. Murdock and three Managers were appointed by Total Produce. The chairperson of the Board of Managers is Mr. Murdock. At December 31, 2020 and December 28, 2019, Dole had no Preferred Units outstanding.

Allocation of Profits and Losses

Under the amended and restated limited liability agreement, net profits and losses are allocated to the Class A and the Class B capital accounts on a pro-rata basis, after giving effect to certain capital account adjustments attributable to the capital contributions and distributions made by and to each Member.

Indemnifiable Losses

Indemnifiable losses under the amended and restated limited liability agreement are losses for which the Class A Members must provide indemnification to the Class B Member either because the Class B Member suffered such loss directly or because it suffered such loss indirectly because of its ownership interest in Dole (in which case, the indemnifiable amount is the total loss multiplied by 0.45). Indemnification is triggered by losses that are suffered because of a breach by the Class A Members of a representation, warranty, covenant, or agreement contained in the Securities Purchase Agreement dated February 1, 2018 entered into among the Members, and by losses arising from the following specific items over and above certain specified amounts applicable to certain categories:

- the contamination at issue in the litigation related to Barclay Hollander Corporation's involvement in the development of a residential community in Carson, CA;
- the historic use of the pesticide DBCP;
- certain specified employment class action litigation;
- the listeria outbreak in 2015 and 2016 linked to the Springfield, OH salad plant;
- underpayment of tax imposed under Section 951 of the Internal Revenue Code;
- tax payable arising from certain specified tax audits; and
- claims for indemnification made by Itochu Corporation.

Indemnified losses are also subject to the following limitations:

- the obligation to provide indemnification is not triggered until $3.0 million in indemnifiable losses, in the aggregate, are incurred, and indemnification is only owed for losses in excess of that $3.0 million amount;
- a loss is not indemnifiable unless the total loss arising from the same set of facts is more than $25.0 thousand;
- losses arising from the breach of certain representations and warranties are capped at $50.0 million; and

- indemnifiable losses in total are capped at $100.0 million.

Distributions

Dole paid no preferred returns during both the years ended December 31, 2020 and December 28, 2019.

Under the amended and restated limited liability agreement, distributions are distributed to the Members in the following order and priority:

- First, to the Class B Member, until the Class B Member has received an aggregate amount equity to the sum of (i) the aggregate value of any indemnifiable losses that remain unpaid as of the date of such distribution, plus (ii) an amount equal to 4% per annum on such unpaid indemnifiable losses, accruing on a daily basis from the date such indemnifiable losses first became due;
- Second, if such distributions relates to a Sale Transaction, as defined in the amended and restated limited liability agreement, requested in writing by the DHM Trust, the Class B Member is to receive an aggregate amount equal to the sum of (i) $300.0 million, plus (ii) all amounts previously paid by the Class B Member in respect of the Second Tranche Units, plus (iii) an amount equal to four percent per annum, accruing on a daily basis from July 31, 2018 through the date of such Sale Transaction and compounding quarterly, on each payment by the Class B member of the amounts set forth in (i) and (ii) above;
- Third, if such distributions relates to a Sale Transaction, as defined, requested in writing by the DHM Trust, to the Class A Members until the Class A Members have received an aggregate amount equity to the sum of (i) $300.0 million, plus (ii) all amounts previously paid by Total Produce in respect of Second Tranche Units, plus (iii) an amount equal to four percent per annum, accruing on a daily basis from July 31, 2018 and compounded quarterly, on each amount set forth in (i) and (ii) above;
- Then, to the Members ratably based on the number of Units held by each Member immediately prior to such distribution.

Dole Food Company, Inc.'s ability to declare and pay dividends to the Company is subject to limitations contained in its senior secured credit facilities and note indenture. At both December 31, 2020 and December 28, 2019, under such limitations, Dole had $50.0 million available to declare or pay a dividend. At December 29, 2018, under such limitations, Dole could not declare or pay dividends.

Accumulated Other Comprehensive Loss

Dole's accumulated other comprehensive loss principally consists of unrealized foreign currency translation gains and losses, unrealized derivative gains and losses, and pension and postretirement obligation adjustments. A rollforward of the changes in accumulated other comprehensive loss, disaggregated by component, is as follows:

	Changes in Accumulated Other Comprehensive Loss by Component			
	Changes in Fair Value of Cash Flow Hedges	**Pension & Other Postretirement Benefit Adjustment**	**Foreign Currency Translation Adjustment**	**Total**
	(In thousands)			
Balance at December 29, 2018	$ —	$ (38,088)	$ (54,579)	$ (92,667)
Other comprehensive (loss) before reclassifications	—	(6,321)	(8,265)	(14,586)
Amounts reclassified from accumulated other comprehensive loss	—	(4,075)	—	(4,075)
Income tax benefit	—	1,131	—	1,131
Net current period other comprehensive (loss)	—	(9,265)	(8,265)	(17,530)
Balance at December 28, 2019	$ —	$ (47,353)	$ (62,844)	$ (110,197)
Other comprehensive income (loss) before reclassifications	(14,222)	(10,624)	25,575	729
Amounts reclassified from accumulated other comprehensive loss	3,047	2,651	—	5,698
Income tax benefit	2,758	928	—	3,686
Net current period other comprehensive income (loss)	(8,417)	(7,045)	25,575	10,113
Balance at December 31, 2020	$ (8,417)	$ (54,398)	$ (37,269)	$ (100,084)

For the year ended December 31, 2020, amounts reclassified out of accumulated other comprehensive loss for the fair value of cash flow hedges include the reclassification of losses from cash flow hedges of $3.0 million, which were reclassified to cost of sales on the consolidated statements of operations. Amounts reclassified out of accumulated other comprehensive loss for pension and other postretirement benefits include the amortization of net actuarial losses of $2.7 million, which were reclassified to other expense, net, on the consolidated statements of operations.

For the year ended December 28, 2019, amounts reclassified out of accumulated other comprehensive loss for pension and other postretirement benefits include the reclassification of stranded tax effects of $4.1 million, which were reclassified to accumulated deficit, and the amortization of net actuarial losses of $0.1 million, which were reclassified to other expense, net, on the consolidated statements of operations.

NOTE 20 — INVESTMENTS IN UNCONSOLIDATED AFFILIATES

As of December 31, 2020, Dole's investments in unconsolidated affiliates were $25.6 million, of which $25.0 million represented equity method investments and $0.6 million represented cost method investments. As of December 28, 2019, Dole's investments in unconsolidated affiliates were $22.7 million, of which $22.2 million represented equity method investments and $0.5 million represented cost method investments. Dole's consolidated net income includes the proportionate share of the net income or loss of Dole's equity method investments in affiliates. When Dole records the proportionate share of net income, it increases earnings from equity method investments in Dole's consolidated statements of operations and the carrying value in that investment in the consolidated balance sheets. Conversely, when Dole records the proportionate share of a net loss, it decreases earnings from equity method investments in Dole's consolidated statements of operations and the carrying value in that investment in the consolidated balance sheets. Cash dividends received from cost method investments are recorded in other expense, net. Significant equity method and cost method investees as of December 31, 2020 and December 28, 2019 were as follows:

	Significant Equity and Cost Method Investees			
	Ownership Interest	Accounting Method	December 31, 2020	December 28, 2019
			(In thousands)	
Bananera Tepeyac, S.A	50%	Equity	$ 18,418	$ 17,425
Sky View Cooling of Yuma	49%	Equity	1,314	1,429
Dole Nat, Co. Sa	42%	Equity	882	—
Trilex	40%	Equity	2,994	3,038
Reciplast	33%	Equity	371	294
Morgan Creek Holdings	26%	Equity	1,000	—
Alamances de Deposito	16%	Cost	155	155
L.A. Agribusiness	8%	Cost	208	208
Other	—	Cost/Equity	246	192
Total			$ 25,588	$ 22,741

Dole's transactions with its equity method investments primarily pertain to the purchase and sale of bananas and plantains, as well as purchases of supplies such as plastics and packaging materials. During the year ended December 31, 2020, purchases from Dole's equity method investees were approximately $40.6 million, and sales to Dole's equity method investees were approximately $12.4 million. During the year ended December 28, 2019, purchases from Dole's equity method investees were approximately $51.7 million, and sales to Dole's equity method investees were approximately $9.3 million. During the year ended December 29, 2018, purchases from Dole's equity method investees were approximately $53.7 million, and sales to Dole's equity method investees were approximately $2.5 million. At December 31, 2020, outstanding receivables from Dole's equity method investees were approximately $9.4 million and payables to Dole's equity method investees were approximately $1.3 million. At December 28, 2019, outstanding receivables from Dole's equity method investees were approximately $7.8 million and payables to Dole's equity method investees were approximately $9.7 million.

NOTE 21 — TOTAL PRODUCE PLC TRANSACTION

Under the terms of the Agreement, Total Produce has two call options to acquire additional ownership in the Parent. The first call option allows Total Produce to acquire up to an additional 6% of the Parent's equity for $12.0 million.

The second call option allows Total Produce to purchase the remaining equity of the Parent. The specified purchase price of the Parent's remaining equity under the second call option is based on a pre-defined formula but is not to exceed $450.0 million (the "Cap") or be less than $250.0 million and cannot be exercised until two years from the date of the close of the Transaction and can only be exercised once the first call option has been exercised. If the second call option has not been exercised prior to the sixth anniversary of the close of the Transaction, then from and after the sixth anniversary of the close of the Transaction, the Cap shall increase by an amount equal to four percent (4%) per annum, accruing on a daily basis from the sixth anniversary of the close of the Transaction. After the fifth anniversary of the close of the Transaction, if the second call option has not been exercised, Mr. Murdock has the right to effectuate the sale of the Parent to a third party. Until the second call option is exercised, control of the Parent will be shared equally between Mr. Murdock and Total Produce.

See Note 22 "Subsequent Events" below for additional detail on the IPO Agreement between Dole, Total Produce, and Mr. Murdock.

NOTE 22 — SUBSEQUENT EVENTS

Dole evaluated subsequent events through March 10, 2021, the date that Dole's December 31, 2020 consolidated financial statements were originally issued, and April 28, 2021, the date on which the December 31, 2020 financial statements were reissued.

IPO Agreement

Under the terms of the IPO Agreement, the following two transactions will take place: (i) shares in Total Produce will be exchanged for shares in Dole plc through a scheme of arrangement at a fixed exchange ratio, and (ii) DFC Holdings, LLC will merge with a subsidiary of Dole plc via a reverse triangular merger. These transactions will result in Total Produce shareholders receiving 82.5% and Mr. Murdock receiving 17.5% of the shares in Dole plc outstanding immediately prior to the IPO. Concurrent with these transactions, Dole plc will seek an IPO on a major U.S. stock exchange yet to be determined with the intent of raising equity capital between $500.0 and $700.0 million.

The IPO Agreement conditions completion of the IPO Transaction on the IPO achieving a price per Dole plc share such that the 17.5% of Dole plc shares to be held by Mr. Murdock immediately prior to the IPO have an aggregate value of at least $215.0 million (the "Valuation Floor"), and on Mr. Murdock achieving net proceeds of at least $50.0 million in the sale of shares on a secondary basis in conjunction with the Dole plc IPO (the "Minimum Secondary"). The Valuation Floor and Minimum Secondary provisions can be waived by Total Produce and Mr. Murdock by mutual consent at any time prior to completion.

Upon signing the IPO Agreement, the $25.0 million note issued to an affiliate of Mr. Murdock was extended to November 15, 2021, with interest accruing and owed at maturity. The IPO Agreement includes a provision that upon closing of the IPO Transaction, the amount due under the $25.0 million note issued to an affiliate of Mr. Murdock will be cancelled as a result of the way the IPO is structured.

The IPO Transaction is expected to close in the second quarter or third quarter 2021, subject to regulatory and other required approvals and conditions.

Other Subsequent Events

On January 14, 2021, Dole drew $24.5 million and on April 7, 2021, Dole drew $24.5 million related to the Company's new vessel financing loan facilities. The funds were used to finance the January 15, 2021 and April 7, 2021 final progress payments of the Company's two new vessels, and the funds moved directly from the bank to the shipbuilder. Refer to Note 12 "Notes Payable and Long-Term Debt" and Note 17 "Commitments and Contingencies" for additional detail.

On January 29, 2021, Dole received net proceeds of $9.9 million in insurance recoveries related to the November 2020 hurricanes in Honduras.

During the first quarter of 2021, the Company became aware of certain claims related to alleged violations of employment law and accrued $15.0 million based upon the Company's best estimate of the amount needed to resolve those claims.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The following unaudited pro forma condensed consolidated financial information is presented to illustrate the estimated effects of: (i) the Transaction based on the historical financial position and results of operations of Total Produce and DFC Holdings and (ii) the application of the net proceeds of the IPO (the "**IPO Transaction**") and (iii) the consummation of debt financing in connection with the Transaction and IPO Transaction (the "Debt Issuance" and, together with the Transaction and IPO Transaction, the "**Pro Forma Transactions**"). It is presented as follows:

- The unaudited pro forma condensed consolidated statement of operations for the year ended December 31, 2020 was prepared based on (i) the historical audited consolidated statement of operations of Total Produce for the fiscal year ended December 31, 2020 and (ii) the historical audited consolidated income statement of DFC Holdings, for the fiscal year ended December 31, 2020.

- The unaudited pro forma condensed consolidated balance sheet for the year ended December 31, 2020 was prepared based on (i) the historical audited consolidated balance sheet of Total Produce for the fiscal year ended December 31, 2020 and (ii) the historical audited consolidated balance sheet of DFC Holdings, for the fiscal year ended December 31, 2020.

The Transaction will be accounted for under the acquisition method of accounting in accordance with Accounting Standards Codification Topic 805, "Business Combinations" ("ASC 805"), with Total Produce deemed to be the acquirer for financial accounting purposes.

Assumptions underlying the pro forma adjustments related to the Pro Forma Transactions are described in the accompanying notes, which should be read in conjunction with the unaudited pro forma condensed consolidated financial information. The unaudited pro forma condensed consolidated statement of operations and unaudited pro forma condensed consolidated balance sheet data for the year ended December 31, 2020 gives effect to the Pro Forma Transactions as if they had occurred on January 1, 2020.

The unaudited pro forma condensed consolidated financial information has been prepared by the Company for illustrative and informational purposes only in accordance with Regulation S-X Article 11, "Pro Forma Financial Information", as amended by the final rule, "Amendments to Financial Disclosures About Acquired and Disposed Businesses", as adopted by the SEC on May 21, 2020. Dole plc elected to voluntarily comply with the amended rules in advance of the mandatory compliance date. The unaudited pro forma condensed consolidated financial information has been prepared for illustrative purposes only and is not necessarily indicative of what the combined company's condensed consolidated results of operations actually would have been had the Pro Forma Transactions been completed as of the dates indicated. In addition, the unaudited pro forma condensed consolidated financial information does not purport to project the future operating results of the combined company. The unaudited condensed consolidated pro forma financial information does not include adjustments to reflect any potential revenue synergies or cost savings that may be achievable in connection with the Pro Forma Transactions.

The acquisition method of accounting requires the total purchase price to be allocated to the assets acquired and liabilities assumed based on their estimated fair values as of the acquisition date. The excess of the purchase price over the amount assigned to tangible and intangible assets acquired and liabilities assumed is recognised as goodwill. Management's estimates of fair values of tangible and intangible assets acquired and liabilities assumed is based in part on historical third-party valuations. The preliminary allocation of the purchase price reflected in this unaudited pro forma condensed consolidated financial information is based upon a historical third-party valuation, and the Company's estimates and assumptions are subject to change. Therefore, upon additional analysis, it is possible that the fair values of assets acquired and liabilities assumed could differ from those presented in the unaudited pro forma condensed consolidated financial information and such differences could be material.

The unaudited pro forma condensed consolidated financial information reflects adjustments that Total Produce believes are necessary to present Dole plc's unaudited pro forma condensed consolidated financial information following the closing of the Pro Forma Transactions as of and for the periods indicated. The adjustments are based on currently available information and assumptions that Total Produce believes are, under the circumstances and given the information available at this time, reasonable, directly attributable to the Transactions, and reflective of adjustments necessary to report Dole plc's balance sheet and statements of operations as if the Pro Forma Transactions were completed as of January 1, 2020. In addition, the unaudited pro forma condensed consolidated financial information will differ from the final purchase accounting for a number of reasons, including the fact that the estimates of fair values of assets acquired and liabilities assumed are preliminary and subject to change when the formal valuation and other analyses are finalised. Upon completion of the valuation analysis, there may be additional increases or decreases to the recorded book values of DFC Holdings' assets and liabilities, including, but not limited to trademarks and property, plant, equipment. The differences between the preliminary estimates and the final purchase accounting could have a material impact on the accompanying unaudited pro forma condensed consolidated financial information. The preliminary estimates associated with purchase accounting are expected to be finalised within the measurement period provided by ASC 805.

Unaudited Pro Forma Condensed Consolidated Statement of Operations
for year ended December 31, 2020
(Dollars in millions)

	Dole Food Company Historical	Total Produce Historical	Transaction Accounting Adjustments: Trans-action		IPO Transaction		Debt Trans-action		December 31, 2020 Dole plc
Consolidated Statement of Operations									
Revenue	$ 4,672	$ 4,346	$ (58)	**A**	$ —		$ —		$ 8,960
Cost of sales	(4,311)	(4,012)	60	**B**	—		—		(8,263)
Gross profit	361	334	2		—		—		697
Selling, marketing and general and administrative expenses	(190)	(266)	(4)	**C**	(29)	**I, J**	—		(489)
Operating income	171	68	(2)		(29)		—		208
Other (expense) / income, net	(29)	(1)	15	**F**	—		—		(15)
Interest income	3	3	—		—		—		6
Interest expense	(78)	(11)	—		—		17	**G**	(72)
Income (loss) from continuing operations before income taxes and income from investments accounted for under the equity method	67	59	13		(29)		17		127
Income tax expense	(24)	(18)	—	**E**	9	**H**	(5)	**H**	(38)
Equity in net earnings of investments accounted for under the equity method	2	30	(15)	**F**	—		—		17
Net income	45	71	(2)		(20)		12		106
Net income attributable to noncontrolling interests	(2)	(19)	—		—		—		(21)
Net income attributable to Dole plc	$43	$52	$(2)		$(20)		$12		$85

See accompanying "Notes to Unaudited Pro Forma Condensed Consolidated Financial Information."

Unaudited Pro Forma Condensed Consolidated Balance Sheet
as of December 31, 2020
(Dollars in millions)

			Transaction Accounting Adjustments						
	Dole Food Company Historical	**Total Produce Historical**	**Trans-action**		**IPO Trans-action**		**Debt Trans-action**		**December 31, 2020 Dole plc**
Consolidated Balance Sheet Data									
Cash and cash equivalents	$ 67	$ 160	-		$ 534	**O**	$(561)	**P**	$ 200
Trade, grower and other receivables	518	409	(3)	**L**	-		-		924
Inventories	220	142	2	**K**	-		-		364
Prepaid expenses and other assets	50	20	-		-		-		70
Total current assets	855	731	(1)		534		(561)		1,558
Property, plant and equipment, net	1,126	220	(32)	**K**	-		-		1,314
Investments in non-consolidated entities	26	459	(342)	**K, M**	-		-		143
Goodwill & intangible assets	584	300	246	**K, R**	-		-		1,130
Other long-term assets	365	177	(5)	**K**	-		-		537
Total assets	2,956	1,887	(134)		534		(561)		4,682
Accounts payable	253	624	(98)	**K, L**	-		-		779
Accrued liabilities	413	-	79	**K**	-		-		492
Current portion of long-term debt	76	32	-		-		56	**P**	164
Other current liabilities	66	35	15	**K**	-		-		116
Total current liabilities	808	691	(4)		-		56		1,551
Long-term debt	1,231	315	14	**K**	-		(592)	**P**	968
Other long-term liabilities	528	193	(20)	**K, N**	-		-		701
Total liabilities	2,567	1,199	(10)		-		(536)		3,220
Ordinary shares	-	5	-		(5)	**O**	-		-
Retained Earnings (Deficit)	(365)	461	380		(29)		(25)	**Q**	422
Additional paid-in-capital	845	198	(604)		568	**O**	-		1,007
Redeemable noncontrolling interests	-	30	-		-		-		30
Accumulated other comprehensive income	(100)	(127)	100		-		-		(127)
Noncontrolling interests	9	121	-		-		-		130
Total Equity	389	688	(124)		534		(25)		1,462
Total Liabilities and Equity	$ 2,956	$ 1,887	$ (134)		$534		$(561)		$ 4,682

See accompanying "Notes to Unaudited Pro Forma Condensed Consolidated Financial Information."

Notes to Unaudited Pro Forma Condensed Consolidated Financial Information
(Dollars in thousands, except per share data)

1. Basis of Presentation

The unaudited pro forma condensed consolidated financial information presented herein has been prepared using the Total Produce's and DFC Holdings' historical financial statements, and giving pro forma effect to the Pro Forma Transactions described herein in accordance with Article 11 of Regulation S-X with the early application of SEC Final Rule Release No. 33-10786, "Amendments to Financial Disclosures About Acquired and Disposed Businesses".

This unaudited pro forma condensed consolidated financial information should be read in conjunction with the financial statements of Total Produce and DFC Holdings as noted below:

- Total Produce's historical audited consolidated financial statements, and related notes thereto, for the years ended December 31, 2020, December 31, 2019 and December 31, 2018, included in this Scheme Circular; and

- DFC Holdings' historical audited consolidated financial statements, and related notes thereto, as of December 31, 2020 and December 28, 2019, included in this Scheme Circular.

2. Preliminary Purchase Price Allocation

The estimated consideration paid on the acquisition of DFC Holdings consisted of the estimated fair value of $355 million for Total Produce's initial 45% stake in DFC Holdings, 11.8 million ordinary shares in Dole plc as part of the Transaction and deemed satisfaction of the capital amount of $25 million due under a promissory note issued by the C&C Shareholders to DFC Holdings. The C&C Parties shareholding in Dole plc is an estimated figure based on the assumptions explained in Part 9 (*Description of Certain Indebtedness, Expected Ownership and Implied Valuation*) of this Scheme Circular but before taking account of the shares with a net value of US$50 million to be sold by the C&C Parties in the secondary sale at the time of the IPO.

	Consideration
Value of share consideration	$ 215
Deemed satisfaction of capital amount due under a promissory note	25
Estimated fair value of initial consideration for 45% interest	355
Total consideration for 100%	$ 595

For purposes of the unaudited pro forma condensed consolidated financial information, the Company has preliminarily allocated the purchase price related to the Transaction to the acquired net tangible and intangible assets based on their estimated fair values as of the projected date of the Transaction. As such, the assets acquired and liabilities assumed, including intangible assets, presented in the table below are provisional and will be finalized in a later period once the fair value procedures are completed. There can be no assurance that the final determination will not result in material changes from these preliminary amounts.

The following table summarises the preliminary purchase price allocation for DFC Holdings' historical assets and liabilities:

		December 31, 2020
Assets:		
Cash and cash equivalents	$	67
Current assets		787
Property, plant and equipment		1,094
Operating lease right-of-use assets		232
Investments in non-consolidated entities		24
Intangible assets		278
Other assets		128
Total assets acquired		2,610
Liabilities:		
Funding debt		1,321
Current liabilities, less current portion of debt		675
Other liabilities		562
Total liabilities assumed		2,558
Net assets acquired		52
Non-controlling interest acquired		9
Total consideration paid		595
Goodwill	$	552

The excess of purchase consideration over net assets assumed is reflected as goodwill, which represents the strategic value assigned to DFC Holdings, including expected benefits from synergies resulting from the acquisition, as well as the knowledge and experience of the workforce in place. In accordance with applicable accounting standards, goodwill is not amortized and will be tested for impairment at least annually, or more frequently, if certain indicators are present.

Amounts preliminarily allocated to intangible assets and goodwill may change significantly, and amortisation methods and useful lives may differ from the assumptions that have been used in this unaudited pro forma condensed consolidated financial information, any of which could result in a material change in operating expenses.

3. Transaction Accounting Adjustments to Unaudited Pro Forma Condensed Consolidated Statements of Operations

The Transaction Accounting Adjustments are based on preliminary estimates and assumptions that are subject to change.

Transaction Accounting Adjustments related to Reclassification

Certain balances and transactions presented in the historical financial statements of DFC Holdings included within the unaudited pro forma condensed consolidated statements of operations have been reclassified within the Transaction column to conform to the presentation of the financial statements of Total Produce. The reclassifications are not material.

Transaction Accounting Adjustments related to the Transaction

The following adjustments have been reflected in the unaudited pro forma condensed consolidated statements of operations and are related to the Transaction. The Transaction is reflected within the unaudited pro forma condensed consolidated statements of operations as if the acquisition had occurred on January 1, 2020. Therefore, the Transaction Accounting Adjustments below are related to the year ended December 31, 2020 unless otherwise noted:

(a) Reflects estimated revenue of $57.9 million for the year-ended December 31, 2020 associated with sales of products between DFC Holdings and Total Produce that should be eliminated in consolidation as a result of the Transaction.

(b) Reflects estimated cost of sales of $57.9 million for the year-ended December 31, 2020 associated with sales of products between DFC Holdings and Total Produce that should be eliminated in consolidation as a result of the Transaction, reduction in depreciation of $4.0 million as part of Note D below offset by the impact of the estimated Fair Value uplift on inventory of $2.3 million:

	Year ended 31 December 2020
Elimination of intercompany purchases	$(58)
Depreciation reduction as a result of fair value estimate	(4)D
Impact of fair value uplift on inventory	2
Transaction accounting adjustments to cost of sales	**$(60)**

(c) Reflects impact of fair value uplift on assets disposed of during financial period ($4.9 million) offset by reduction in depreciation of $1.3 million as part of Note D below

	Year ended 31 December 2020
Depreciation reduction as a result of fair value estimate	$(1)D
Impact of fair value uplift on assets disposed of during the period	5
Transaction accounting adjustments to selling, marketing and general and administrative costs	**$4**

(d) Reflects the adjustment of $5.2 million for the year ended December 31, 2020, to lower depreciation expense related to the lower estimated basis of the acquired property, plant & equipment. The estimated fair value and useful life calculations are preliminary and subject to change after the Company finalises its review of the specific types, nature, age, condition and location of the Company's property, plant & equipment. The following table summarises the changes in the estimated depreciation expense, which is recorded in cost of sales and SMG&A within the unaudited pro forma condensed consolidated statements of operations:

	Year ended 31 December 2020
Estimated DFC Holdings depreciation expense based on lower basis of the acquired property, plant & equipment	$111
Reversal of DFC Holdings depreciation expense	(116)
Transaction accounting adjustments to depreciation expense	**$(5)**

(e) Reflects the tax-effect of the Transaction Accounting Adjustments related to the Transaction before income taxes at respective statutory income tax rates applied on a jurisdictional basis and other adjustments that are more likely than not to be realized from positive evidence introduced from the Transaction Accounting Adjustments related to the Transaction before income taxes. The effective tax rate in future years is expected to vary from these respective statutory income tax rates applied on a jurisdictional basis.

Transaction Accounting Adjustments related to IPO and Debt transactions

The following adjustments have been reflected in the unaudited pro forma condensed consolidated statements of operations and are related to the IPO and Debt transactions:

(f) Reflects the adjustments related to Total Produce's investment in DFC Holdings:

(i) adjustment of Total Produce's original investment in DFC Holdings to its current fair market value.

(ii) reversal of Total Produce's share of DFC Holdings' earnings, net of tax

i. adjustment of Total Produce's original investment in DFC Holdings to its current fair market value	**Year ended 31 December 2020**
Estimated fair value of Total Produce's 45% investment in DFC Holdings	355
Carrying value of Total Produce's 45% investment in DFC Holdings	(340)
Fair value adjustment to Total Produce's 45% investment in DFC Holdings recognised in other (expense)/income	15

ii. reversal of Total Produce's share of DFC Holdings' earnings, net of tax	**Year ended 31 December 2020**
Total Produce's share of DFC Holdings' earnings, net of tax	(22)
Deferred tax recognised on the change in Total Produce's temporary taxable basis difference on its investment in DFC Holdings	7
Transaction accounting adjustments to income from equity method investments	(15)

(g) Reflects the decrease in interest expense of $17.2 million for the year ended December 31, 2020, including the related accretion of original issue discount ($14.2 million), early redemption fees on senior secured notes ($5.5 million), and amortisation of deferred financing costs ($5.0 million) as a result of the issuance of new debt in conjunction with the Debt Issuance.

		Amount:
Interest on extinguished debt	$	(89)
One-time expense - Extinguishment of old debt issuance costs		14
One-time expense - Early repayment fee on senior secured bonds		6
Amortisation of new debt issuance costs		5
Interest on new debt issuance		47
Transaction accounting adjustments to interest expense	**$**	**(17)**

(h) Reflects the tax-effect of the Transaction Accounting Adjustments related to the IPO and Debt Transactions before income taxes at respective statutory income tax rates applied on a jurisdictional basis. The effective tax rate in future years is expected to vary from these respective statutory income tax rates applied on a jurisdictional basis.

(i) Represents incremental public company costs of $10 million arising from the IPO transaction.

(j) Represents one time public company costs of $19 million, including accounting expenses, audit and tax fees, investment bankers fees and other professional services specifically related to merger and acquisition activities and not directly and incrementally attributable to the IPO or debt transactions.

4. Transaction Accounting Adjustments to Unaudited Pro Forma Condensed Consolidated Balance Sheet

The Transaction Accounting Adjustments to the unaudited pro forma condensed consolidated balance sheet are based on preliminary estimates and assumptions that are subject to change. The following Transaction Accounting Adjustments have been reflected in the unaudited pro forma condensed consolidated balance sheet as of December 31, 2020

(k) Reflects management's estimates of the fair values of tangible and intangible assets acquired and liabilities assumed is based in part on historic third-party valuations. A summary of the fair value adjustments are noted below

	Amount
Current assets	$(1)
PPE, net	(32)
Investments in non-consolidated entities	(2)
Intangible assets	24
Other assets	(5)
Funding debt	14
Current liabilities, less current portion of debt	(2)
Other liabilities	(20)

(l) Reflects elimination of trade receivables and payables of $3.4M between Total Produce and DFC Holdings

(m) Reflects the elimination of Total Produce's $340.5 million balance of its existing investment in DFC Holdings.

(n) The Company is subject to U.S. federal, state and local income taxes in each jurisdiction it operates and will file respective income tax returns for such jurisdictions. This adjustment reflects the derecognition of deferred liabilities of $19.7 million in connection with the IPO Transaction assuming the highest enacted statutory income tax rates by jurisdiction.

(o) The unaudited pro forma condensed consolidated balance sheet reflects assumes a primary capital raise of $600 million, net of underwriting discounts and commissions as follows:

	Amount
Gross offering proceeds	$600 million
Underwriting discounts and commissions and estimated offering expenses	$66 million
Net proceeds	**$534 million**

This assumed capital raise is dependent on the assumptions explained in Part 9 (Description of Certain Indebtedness, Expected Ownership and Implied Valuation) of this Scheme Circular.

(p) Represents the repayment of outstanding debt with the net proceeds from the IPO Transaction, less unamortised debt issuance costs of $33 million.

		Amount
Net offering proceeds	$	534
Early repayment fee on senior secured bonds		(6)
Debt issuance costs		(33)
Repayment of outstanding debt	**$**	**495**

(q) Represents retained earnings impact of debt transaction as described below:

		Amount:
One-time expense - Extinguishment of old debt issuance costs		14
One-time expense - Early repayment fee on senior secured bonds		6
Amortisation of new debt issuance costs		5
Retained earnings impact of debt transaction	**$**	**25**

(r) Represents elimination of existing DFC Holdings goodwill of $330 million and new goodwill of $552 million as a result of the preliminary purchase price allocation.

5. Pro forma earnings per share

The unaudited pro forma weighted average number of basic and diluted shares outstanding for the year ended December 31, 2020 is calculated as follows:

		December 31, 2020
Net income attributable to ordinary stockholders	$	85
Weighted-average shares used in computing net income per share		___
Net income per share attributable to ordinary stockholders	$	___

The unaudited pro forma weighted average number of basic shares outstanding is calculated by adding the number of Company shares expected to be issued to the stockholders of Dole plc after giving effect to the IPO Transaction.

6. Supplemental schedules

Pro-Forma Impact on Adjusted EBITDA, Adjusted Revenue and Net Debt

The table below presents the impact of the pro forma adjustments presented above on Adjusted EBITDA which is a supplemental measure of financial performance that is not required by, or presented in accordance with, GAAP. Refer to Management's Discussion and Analysis of Financial Condition and Results of Operations of Total Produce and DFC Holdings for additional information.

	Dole Food Company Historical	Total Produce Historical	Eliminate TP's Share of Dole Food Company's EBITDA	Pre-Transaction costs EBTDA	Transaction Accounting Adjustments	December 31, 2020 Dole plc
Adjusted EBITDA	248	249	(114)	383	(12)	371

Reconciliation from revenue to adjusted revenue

		Year ended December 31, 2020
Revenue	$	8,960
Share of revenue of equity accounted investments after elimination of proportionate share of transactions between Group subsidiaries and these equity accounted investments		705
Adjusted revenue	**$**	**9,665**

Net debt reconciliation

	As at December 31, 2020
Current portion of long-term debt	$ 164
Long-term debt	968
Total debt	**1,132**
Total cash	(200)
Net debt	**$ 932**

Part 7

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read together with our "*Unaudited Pro Forma Condensed Consolidated Financial Information*," and the other financial information and related notes included in Part 6 (*Financial Information*) and elsewhere in this Scheme Circular. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from the forward-looking statements included herein. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed in the section entitled "*Risk Factors*" and elsewhere in this Scheme Circular.

In this Part 7 (*Management's Discussion and Analysis of Financial Condition and Results of Operations*) as well as in Part 8 (*Business of the Enlarged Group)* and Part 9 *(Description of Certain Indebtedness, Expected Ownership and Implied Valuation*), the words "Company," "we," "us," and "our" refer (i) after giving effect to the Transaction, to Dole plc and its consolidated subsidiaries, which will include Total Produce and Dole Food Company, (ii) for periods from and after 30 July 2018, when Total Produce acquired a 45% equity interest in DFC Holdings, and up to the completion of the Transaction, to Total Produce, its consolidated subsidiaries and Dole Food Company, which operated as a part of an operating segment of Total Produce, and (iii) for periods prior to 30 July 2018, to Total Produce and its consolidated subsidiaries

Overview

We are the premier global leader in fresh produce. We offer over 300 products grown and sourced both locally and globally from approximately 80 countries in various regions, which are distributed and marketed in 30 countries, across retail, wholesale, foodservice and ecommerce channels. Our most significant products hold leading positions in their respective categories and territories. By way of example, we are one of the world's largest producers of fresh bananas and pineapples, and a leader in value added and fresh packed vegetables in North America and other growth categories across the wider fresh produce product range worldwide.

Our business philosophy is to be local at heart but global by nature. Our business model is centred around creating a vertically integrated business including own production and sourcing capabilities as well as control of the supply chain and distribution. Our global production, sourcing and logistics capabilities, coupled with on-the-ground local expertise, presence, and distribution network, allow us to market a diverse and differentiated set of global products within the local territories we serve. Additionally, our owned acreage combined with a multi-continental sourcing model provide us with operating flexibility and product availability throughout the year. Within many territories in Europe we operate a partnership model with our grocery retail customers, offering holistic fresh produce category management solutions and in some cases managing entire categories within their stores.

On Completion, Dole plc will be the result of the combination of Dole Food Company and Total Produce, two complementary and culturally aligned organizations each with more than 130 years of history in the fresh produce industry. Going forward, Dole plc will be organized by the following divisions: Fresh Fruit, Fresh Vegetables, Diversified Produce (EMEA) and Diversified Produce (Americas & ROW). We believe this organizational structure will allow us to continue serving our existing customers with the exceptional quality that they have come to associate with the brands we market, and drive significant growth and cost benefits through the realization of synergies across the enlarged business.

We believe that the quality of our assets and people empower a robust, market-oriented business model. Our management team, with significant experience in the fresh produce sector, will lead our workers and employees, who are some of the most experienced and accomplished professionals in the fresh produce sector.

Key Factors and Trends Affecting Our Results of Operations

Our results of operations are affected by numerous factors, including the balance between the supply of and demand for our products and competition from other fresh produce companies. Our results of operations are also dependent on our ability to supply a consistent volume and quality of fresh produce to the markets we serve. Set forth below are key factors that may have a significant impact on our results of operations in the future and have impacted Total Produce's and Dole Food Company's historical results of operations.

Price Fluctuations and Supply / Demand Management

Matching marketplace demand with supply from local and global producers is a core competency for our business. Fresh produce supply and demand management is complicated by the inherent perishability and relatively short shelf-life of the products we sell and the influence of environmental factors beyond our immediate control. Unexpected weather events, for example, can stimulate demand. A warm spell can drive strawberry sales. Conversely, a cold snap can disrupt production and limit yields and supply. Adverse weather may also impact our supply chains, preventing us from procuring supplies necessary to the running of our operations and delivering our products to our customers. Outsized weather events and natural disasters (e.g., hurricanes in Honduras, unseasonable rainfall in Chile) may prolong or worsen such impacts. Prices and margins fluctuate accordingly. Supply planning traverses seasons and continents and is often conducted months in advance of sale limiting our capacity to adjust volumes, though by virtue of the flexibility inherent across our operations, we are accomplished at managing contingencies. Long-term contracts with key customers can also mitigate risk.

Foreign Currency Fluctuations

Each of Total Produce and Dole Food Company are exposed to purchases and sales transactions in several local currencies, primarily the Euro. See further discussion below under Critical Accounting Policies and Estimates and the notes to the consolidated financial statements.

Volatility in Commodity Costs

Our business is heavily dependent on raw materials and other inputs, such as fuel, containerboard, fertilizers, plastic resins and other commodity costs used in the growing, packaging, manufacturing and distribution of our products. Changes in the costs of raw materials and other inputs have historically impacted and are expected to continue impacting our profitability. Increases in commodity costs have in the past resulted in, and may in the future result in, price increases in our portfolio of products to mitigate the impact of such increased costs.

Competitor Activity

By virtue of the geographic, product and sectoral diversity evident across our group, our operations are affected by the activities of a wide variety of competitors from across the retail, wholesale and foodservice sectors. Impact can be region or sector specific, affecting individual business units or it can influence the wider marketplace, typically lowering prices and margins in general or in some instances resulting in reduced volumes arising from the loss of key categories or customers.

Regulatory Restrictions, Restrictions on Free Trade and Tariffs

International regulatory restrictions, the application of tariffs and restrictions on free trade by nations or trading blocs can influence the performance of group operations. This can take the form of outright bans on the imports of products. An example includes the ban on European fresh fruits and vegetables by the Russian Federation in 2014, regulatory restrictions which preclude the importation of products grown outside of strict specifications or taxes applied to disincentive importation from third countries. Exposure will typically reflect the profile of any given business unit's produce sales and customer base.

Income Taxes

Each of Total Produce and Dole Food Company account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. See further discussion below under Critical Accounting Policies and Estimates and the notes to the consolidated financial statements included elsewhere in this registration statement for additional details about our income taxes.

Impact of COVID-19 Pandemic

On 11 March 2020, the World Health Organization declared COVID-19 a pandemic after the global spread of a novel strain of coronavirus, and recommended containment and mitigation measures worldwide. Since the outbreak of COVID-19 all parts of our business have remained open and have continued to work tirelessly to safely supply fresh produce to our customers. It is due to the efforts of our people that we have been able to support frontline workers and help feed consumers. The health and safety of all colleagues across the business is at the forefront of our thinking with the introduction of safe working practices. We have participated in helping local communities including supplying food packages to frontline healthcare workers, providing fruit to those in need, loaning vehicles to transport meals to the homeless and donating fresh produce to local food banks.

The COVID-19 pandemic has negatively impacted the global economy, disrupted global supply chains and created significant volatility and disruption of financial markets. The COVID-19 pandemic has had an impact on our results of operations during fiscal year 2020 as discussed further below. Government imposed mandatory closures and restrictions across various of our key global markets have resulted in volatile supply and demand conditions. This led reduced level of activity in the foodservice sector but was offset by robust retail and wholesale demand. Across the Group, our businesses modified sales strategies to further increase retail focus and source more produce to meet increased retail demand. There was an increase in demand for staple items, bananas, potatoes, vegetables and produce with a high vitamin C content (citrus and kiwi fruit) with reduced demand for melons and pineapples due to lower food service activity. Within the European and International divisions, there were additional operating costs relating to COVID-19 such as employee personal protective equipment and costs of additional shifts in warehouses to comply with physical distancing. These additional costs were offset by reductions in other costs such as travel expenses. Within the Dole Food Company division certain one-off costs associated with COVID-19 such as costs of double shifts, protective equipment and additional transport were incurred.

The Company's liquidity position as a result of the COVID-19 pandemic was not materially impacted. There was a positive working capital inflow primarily from the impact of a change in customer mix on receivables days and continued tight working capital management. In addition, there were initiatives and actions taken by the Company to protect its business and mitigate cash outflows due to COVID-19 with a deferral of some non-essential capital expenditure and curtailment of discretionary costs.

The government-imposed restrictions aimed at mitigating the spread of the virus across our key global markets and the related volatility in supply and demand conditions are expected to continue and will have an impact on our future operating results. Health agencies worldwide began to approve vaccines for combating the COVID-19 virus in early 2021. While administration of the vaccines has begun, mass distribution in many locations is unlikely to occur until late 2021 as local governments have prioritized initial distribution to certain healthcare and essential workers as well as those more susceptible to the effects of the virus. While we expect the impacts of COVID-19 to continue to have an effect on our business, the extent of the impact will depend on future developments, including the duration of the pandemic and related government restrictions, all of which are uncertain and cannot be predicted.

For more information, see "—Results of Operations" and "—Liquidity and Capital Resources" below, as well as "Risk Factors—Risks Related to Our Business and Industry—Public health outbreaks, epidemics or pandemics, including the global COVID-19 pandemic, have disrupted and may continue to disrupt, our business and could materially affect our business, financial condition and results of operations."

Description of Segments

Total Produce

Total Produce to date has four primary reportable segments: Eurozone, Non-Eurozone, International and the results of its 45% investment in DFC Holdings is also treated as a reportable segment.

Non-Eurozone. The Non-Eurozone reportable segment includes our UK, Swedish, Danish, Czech, and Eastern European businesses, all of which also market a complete portfolio of local and global produce through retail, wholesale and in some instances foodservice channels, predominantly in Scandinavia, the United Kingdom and Eastern Europe.

Eurozone. The Eurozone reportable segment includes our Irish, Dutch, Spanish, French, Italian and Brazilian businesses, each of which sell a variety of imported and local fresh fruits and vegetables through retail, wholesale and in some instances foodservice channels across the European marketplace. The Brazilian business is included in the Eurozone as it is a subsidiary of our Dutch businesses and a supplier to our operations in the Eurozone.

International. The International reportable segment includes our U.S., Canadian, Chilean and Indian businesses, all of which market globally and locally sourced fresh produce.

Dole Food Company. The Group's 45% share of the results of Dole Food Company are included as a separate operating segment. A description of the profile of Dole Food Company follows.

Dole Food Company

Dole Food Company to date has three primary reportable segments: Fresh Fruit, Fresh Vegetables and Diversified, in addition to a corporate reporting segment.

Fresh Fruit. The Fresh Fruit reportable segment sells bananas and pineapples which are sourced from local growers or Dole Food Company-owned or leased farms primarily located in Latin America, and sold throughout North America, Europe, Latin America and the Middle East.

Fresh Vegetables. The Fresh Vegetables reportable segment sells value added and fresh packed vegetables and salads and has a line of fresh-packed products that includes produce like iceberg, romaine and leaf lettuces, celery, and value-added salad and meal kits. These products are sourced from North America and substantially all the sales are generated in North America.

Diversified. The Diversified reportable segment sells fresh berries, deciduous fruit, and other fresh fruit whose growing and selling cycles are different than those of the Dole Food Company's bananas and pineapples, which are reported in the Company's Fresh Fruit business segment. These products are sourced from North America, Latin America and South Africa and sold throughout North America, Europe, Latin America, the Middle East and Africa (primarily in South Africa).

Dole plc

Following Completion, Dole plc is expected to have four primary reportable segments: Fresh Fruit, Fresh Vegetables, Diversified Produce (EMEA) and Diversified Produce (Americas & ROW). These segments will be managed separately due to differences in geography, products, production processes, distribution channels and customer bases, in addition due to historical integration of businesses prior to the Transaction.

Fresh Fruit. The Fresh Fruit reportable segment will sell bananas, pineapples which are sourced from local growers or Dole plc-owned and leased farms primarily located in Latin America, and sold throughout North America, Europe, Latin America and the Middle East.

Fresh Vegetables. The Fresh Vegetables reportable segment will sell value added and fresh packed vegetables and salads and has a line of fresh-packed products that includes produce like iceberg, romaine and leaf lettuces, celery, and value-added salad and meal kits. These products are sourced from North America and substantially all the sales are generated in North America.

Diversified Produce (EMEA). The Diversified Produce (EMEA) reportable segment will include Dole plc's Irish, Dutch, Spanish, French, Italian, UK, Swedish, Danish, Eastern European and Brazilian businesses, each of which sell a variety of imported and local fresh fruits and vegetables through retail, wholesale and in some instances foodservice channels across the European marketplace.

Diversified Produce (Americas & ROW). The Diversified Produce (Americas & ROW) segment will include Dole plc's U.S., Canadian, Chilean and Indian businesses, all of which market globally and locally sourced fresh produce.

Total Produce Results of Operations

Selected results of operations for the fiscal years ended 31 December 2020, 31 December 2019 and 31 December 2018 were as follows:

	Year Ended		
	31 December 2020	31 December 2019	31 December 2018
	(in millions, other than per share amounts)		
Revenue	$ 4,345.9	$ 4,166.8	$ 4,392.6
Cost of Sales	(4,012.3,)	(3,864.3)	(4,067.2)
Gross profit	333.6	302.5	325.4
Selling, general and administrative expenses	(264.9)	(252.7)	(256.2)
Impairment loss of goodwill	—	—	(9.8)
Impairment loss of property, plant and equipment	(1.2)	—	—
(Loss)/Gain on disposal of farming investment	—	(0.7)	17.4
Restructuring expense	—	(1.3)	(5.8)
Foreign currency gain from share placing	—	—	14.8
Operating income	67.5	47.8	85.7
Interest income	2.6	3.1	4.4
Interest expense	(10.5)	(12.0)	(13.8)
Other (expense)/income, net	(0.5)	3.9	1.1
Income (loss) before income taxes and income from investments accounted for under the equity method	59.1	42.8	77.3
Income tax expense	(18.1)	(10.3)	(19.9)
Equity in net earnings of investments accounted for under the equity method	30.3	36.9	0.4
Net income	71.3	69.4	57.8
Less net income attributable to noncontrolling interests	(18.8)	(14.3)	(21.2)
Net income attributable to Total Produce plc.	52.5	55.1	36.6
Net income per ordinary share attributable to Total Produce plc.— Basic (in USD cents per share)	13.51	14.17	9.59
Net income per ordinary share attributable to Total Produce plc.— Diluted (in USD cents per share)	13.49	14.14	9.56

Total Produce Fiscal Year 2020 Compared to Fiscal Year 2019

Revenue

Revenues for the year ended 31 December 2020 increased 4.3%, or $179.1 million, to $4,345.9 million from $4,166.8 million for the year ended 31 December 2019 due to robust demand from retailers and wholesalers offsetting reduced levels of activity in the food service sector due to COVID-19. Our businesses modified sales strategies to further increase retail focus and to source more produce to meet increased retail demand. There was an increase in demand for the staple items, bananas, potatoes, vegetables and produce with high vitamin C content (citrus and kiwi fruit) with reduced demand for pineapples and melons due to lower foodservice activity. The Group also benefited from the incremental impact of bolt-on acquisitions. These bolt-on acquisitions are primarily in the Eurozone segments and contributed $80 million to revenues, net of the impact of the disposal of a small business in the Non-Eurozone segment. Currency had a positive impact of $25 million on the translation of the results of foreign currency denominated operations to the U.S. dollar in the year primarily due to the weakening of the U.S. dollar against Euro. On a like-for like basis excluding the impact of acquisitions, divestments and currency translation, revenues were circa $74.0 million (1.8%) ahead of prior year with average price increases offsetting a modest volume decrease.

Cost of Sales

Cost of sales for the year ended 31 December 2020 increased 3.8%, or $148.0 million, to $4,012.3 million compared to $3,864.3 million for the year ended 31 December 2019. This increase was due to higher cost of procuring fruit, the impact of bolt-on acquisitions in the year and the impact on the translation of the overall results of foreign currency denominated operations to U.S. dollar in the year primarily due to the weakening of the U.S. dollar against the Euro.

Gross Profit

Gross profit for the year ended 31 December 2020 increased 10.3%, or $31.1 million, to $333.6 million compared to $302.5 million for the year ended 31 December 2019. Gross profit percentage for the year ended 31 December 2020 increased 40 basis points to 7.7% from 7.3% for the year ended 31 December 2019 primarily due to increased margins in the Eurozone and Scandinavia offset in part by lower gross margins in the United Kingdom.

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the year ended 31 December 2020 increased 4.8%, or $12.2 million, to $264.9 million compared to $252.7 million for the year ended 31 December 2019. This increase was primarily attributable to increases in bad debt charges, wages and salaries, and legal and professional fees. Currency movements in 2020 led to an increase in SG&A on the translation of the overall results of foreign currency denominated operations to the U.S. dollar primarily due to the weakening of the U.S. dollar against the Euro with the impact from bolt-on acquisitions also contributing to the increase. This was offset by a decrease in travel and entertainment costs due to worldwide restrictions on travel from March 2020 onwards due to COVID-19.

Impairment of Property, Plant and Equipment

For the year ended 31 December 2020, Total Produce recognized a non-cash impairment charge of $1.2 million relating to two properties in the United Kingdom where fair value was deemed to be below historic cost. There were no impairments of property, plant and equipment in for the year ended 31 December 2019.

Gain/(loss) on Disposal of Farming Investment

Total Produce recorded a loss of $0.7 million for the year ended 31 December 2019, in connection with a 2018 disposal by a subsidiary of the Group of an interest in a farming entity for consideration of shares in an equity investment which was realized over a period of two to three years and could vary depending on certain circumstances. The loss represents the fair value loss on the remaining investments at 31 December 2019 less gains on investments sold in the year net of associated costs. The Group recorded no gains or losses on these transactions for the year ended 31 December 2020.

Restructuring Costs

There were no material restructuring charges for the fiscal year ended 31 December 2020 and $1.3 million of restructuring costs were incurred for the fiscal year ended 31 December 2019. In 2019, restructuring costs included $0.4 million of restructuring programs in the Eurozone and Non- Eurozone Segment and $0.9 million associated with the disposal and termination of two small businesses in the Non-Eurozone Segment.

Operating Income.

Operating income for the year ended 31 December 2020 increased 41.2%, or $19.7 million, to $67.5 million compared to $47.8 million for the year ended 31 December 2019 with an increase in gross profit across most businesses. Also included within the 2019 operating income were one-off costs relating to the loss on disposal of a farming investment ($0.7 million) and restructuring expenses ($1.3 million) which did not re-occur in 2020. Currency also had a positive impact on the translation of the overall results of foreign currency denominated operations to the U.S. dollar in the year primarily due to the weakening of the U.S. dollar.

Interest Income.

Interest income for the fiscal year ended 31 December 2020 decreased by $0.5 million to $2.6 million compared to $3.1 million for the fiscal year ended 31 December 2019. This was primarily due to lower interest income on grower loans due to a decrease in average loans and advances to growers in 2020.

Interest Expenses

Interest expense for the fiscal year ended 31 December 2020 decreased $1.5 million to $10.5 million compared to $12.0 million for the fiscal year ended 31 December 2019. This was primarily due to the fall in U.S. LIBOR rates and lower average net debt in the fiscal year ended 31 December 2020.

Other (Expense)/Income, Net.

Other expenses, net for the year ended 31 December 2020, were $0.5 million which compared to other income, net of $3.9 million for the year ended 31 December 2019. The net movement of $4.4 million was primarily due to other components of net periodic benefit cost increasing by $1.8 million, a net increase of $0.7 million in movements in contingent consideration and a net increase of $0.7 million in unrealized movements on derivative instruments for the year ended 31 December 2020.

Income Tax Expense.

Income tax provision increased to $18.1 million for the year ended 31 December 2020 compared to $10.3 million for the year ended 31 December 2019. The increase in the provision for income is primarily due to overall increased earnings, a higher proportion of earnings in certain higher tax jurisdictions, the increase in the valuation allowance recognized against certain deferred tax assets and an increase in non-deductible expenses. This is partially offset by increased non-taxable income and the impact of adjustments in respect of the prior years.

Equity in Net Earnings of investments Accounted for Under the Equity Method.

Equity in net earnings of investments accounted for under the equity method decreased to $30.3 million for the year ended 31 December 2020 compared to $36.9 million for the year ended 31 December 2019.

The Group’s 45% share of the net earnings of Dole Food Company for the year ended 31 December 2020 decreased to $21.9 million from $24.9 million for the year ended 31 December 2019. Gross profits in Dole Food Company increased in 2020 but this was more than offset by the Group’s $4.9 million share of the net charge with Dole Food Company relating to non-recurring COVID-19 costs and higher depreciation charges in the year.

Included in net earnings of investments accounted for under the equity method for the year ended 31 December 2020 is a deferred tax charge of $6.7 million recognized on the Group’s temporary taxable basis difference on its investment in Dole Food Company. The corresponding charge was $1.0 million for year ended 31 December 2019.

The Group’s share of the net earnings of other equity accounted affiliates for the year ended 31 December 2020 increased to $15.1 million compared to $13.0 million for the year ended 31 December 2019.

Net Income

Net income for the year ended 31 December 2020 increased 2.7% or $1.9 million compared to $69.4 million for the year ended 31 December 2019. The change was due to the increase in operating income partially offset by the increase in other expenses, the increase in the income tax provision and the decrease in equity in net earnings of investments accounted for under the equity method as noted above.

Net Income Attributable to Noncontrolling Interests

Net income to controlling interests increased to $18.8 million for the fiscal year ended 31 December 2020 from $14.3 million for the fiscal year ended 31 December 2019 due to an increase in earnings in certain non-wholly owned subsidiaries in Europe and North America.

Diluted EPS

Diluted earnings per share decreased 4.6% to $13.49 cent per share for year ended 31 December 2020 compared to $14.14 cent per share for the year ended 31 December 2019 due to the increase in the net income attributable to noncontrolling interests.

Total Produce Fiscal Year 2019 Compared to Fiscal Year 2018

Revenue

Revenues for the year ended 31 December 2019 decreased 5.1%, or $225.8 million, to $4,166.8 million compared to $4,392.6 million for the year ended 31 December 2018. Currency had a negative impact of $177 million on the translation of the results of foreign currency denominated operations to U.S. dollar primarily due to the strengthening of the U.S. dollar against the Euro, Sterling and Swedish Krona. The Group also benefited from bolt-on acquisitions, These bolt-on acquisitions primarily in the Eurozone segments contributed $36 million to revenues, net of the impact of the disposal of a small business in the Non-Eurozone segment. On a like for like basis, excluding the impact of acquisitions, divestments and currency translation, revenues were €85 million 1.9% lower than 2018 with a small decrease in volume, which was partially offset by price increases due to conditions in certain territories in the Eurozone where fresh produce was particularly competitive partially offset by good trading in the International division and good pricing in some key categories. Strong trading in the International division was offset in part by the poor weather in California from April to June, which led to less optimal growing conditions and weaker trading in the strawberry-growing operations. The uncertainty surrounding international trade led to a small reduction of exported goods from the US to India and China due to higher tariffs.

Cost of Sales

Cost of sales for the year ended 31 December 2019 decreased 5.0%, or $202.9 million, to $3,864.3 million compared to $4,067.2 million for the year ended 31 December 2018. This decrease was primarily due to the strengthening of the U.S. dollar in 2019 which led to lower costs on translation of the results of foreign currency denominated operations to U.S. dollar and a decrease in volumes. This was offset in part by the incremental impact of bolt-on acquisitions.

Gross Profit

Gross profit decreased 7.0%, or $22.9 million, for the year ended 31 December 2019 to $302.5 million compared to $325.4 million for the year ended 31 December 2018. Gross profit percentage for the year ended 31 December 2019 decreased 10 basis points to 7.3% from 7.4% for the year ended 31 December 2018 in large part due to decrease in margins in Holland due to competitive market conditions in the salad sector and lower margins in Scandinavia.

Selling, General and Administrative Expenses

Selling, general and administrative expenses decreased by 1.4%, or $3.5 million, for the year ended 31 December 2019 to $252.7 million compared to $256.2 million for the year ended 31 December 2018. During the year there were increases due to the incremental effect of bolt on-acquisitions and increases in IT, legal and professional fees. These were offset by the impact of the strengthening of the US Dollar on translation of costs of foreign currency denominated operations to the U.S. dollar primarily due to the strengthening of the U.S. dollar against the Euro, Sterling and Swedish Krona.

Impairment Loss of Goodwill

There were no goodwill impairments for the year ended 31 December 2019. For the year ended 31 December 2018, Total Produce recognized a non-cash impairment charge of $9.8 million relating to a business in the Netherlands which experienced a difficult trading environment resulting in a slower recovery than had been previously anticipated.

Gain/(loss) on Disposal of Farming Investment

In 2018, a subsidiary of Total Produce disposed of an interest in a farming entity for consideration of shares in an equity investment which was to be realized over a period of two to three years and could vary depending on certain circumstances. The exceptional gain of $17.4 million for the fiscal year ended 31 December 2018 represented the gain on the disposal of the investments that were received at that date, the fair value movements on the investment held in escrow at 31 December 2018 and net of all associated costs.

The loss of $0.7 million for the fiscal year ended 31 December 2019 represents the fair value loss on the remaining investments at 31 December 2019 less gains on investments sold in the year net of associated costs.

Restructuring Costs

Total Produce recorded restructuring costs of $1.3 million for the fiscal year ended 31 December 2019. This included costs of $0.4 million on restructuring programs in the Eurozone and Non-Eurozone segments and $0.9 million associated with the disposal and termination of two small businesses in the Non-Eurozone segment.

For the year ended 31 December 2018, Total Produce recognized restructuring costs of $5.8 million. This included costs of $2.6 million of restructuring in the Eurozone segment (primarily in Holland) and $3.2 million on closure of two businesses in the Non-Eurozone segment.

Foreign Currency Gain From Share Placing

In February 2018, the Group issued 63 million new ordinary shares raising proceeds of €141 million (net of associated costs) to finance the initial 45% equity investment in DFC Holdings. The net proceeds from this issuance were used, via an intercompany loan, to purchase U.S. dollars in February 2018. The strengthening of the U.S. dollar from the date of purchase of the U.S. dollars to when the intercompany loan was converted to equity in August 2018, following the completion of the acquisition of Dole Food Company, resulted in a foreign currency gain of €12.5 million ($ 14.8 million). There were no such exchange rate gains or losses for the fiscal year ended 31 December 2019.

Operating Income

Operating income decreased 44.2%, or $37.9 million, to $47.8 million for the year ended 31 December 2019 compared to $85.7 million for the year ended 31 December 2018. This is partially due to a number of one-off gains and charges included with operating income in 2018 which as noted above did not re-occur in 2019. These included charge for impairment of goodwill of $9.8 million, a gain on disposal of farming business $17.4 million, a restructuring expense of $5.8 million and a foreign currency gain from share placing of $14.8 million. Together these had a net impact of increasing operating income for the year ended 31 December 2018 by $16.6 million. For the year ended 31 December 2019 there were one-off expenses recognized of $2.0 million consisting of a restructuring expense of $1.3 million and a loss on disposal of a farming investment of $0.7 million.

Operating income also decreased due to competitive conditions in certain parts of the Eurozone. Trading conditions were challenging, particularly in the Netherlands in the vegetable and salad categories where there is strong competition. Trading was satisfactory in southern Europe but lower compared to a particularly strong year in 2018. This was partially offset by good trading in the International segment helped by good margins in some key categories. Currency had a negative impact on operating income on translation of the results of foreign currency denominated operations to U.S. dollar primarily due to the strengthening of the U.S. dollar against the Euro, Sterling and Swedish Krona.

Interest Income

Interest income decreased by $1.3 million for the fiscal year ended 31 December 2019 to $3.1 million compared to $4.4 million for the fiscal year ended 31 December 2018. The increase in interest income was primarily driven by one-off interest income in 2018 on the proceeds of the share placing in the period to 30 June 2018 before the proceeds were used in the acquisition of a 45% stake in DFC Holdings.

Interest Expenses

Interest expense decreased $1.8 million for the fiscal year ended 31 December 2019 to $12.0 million compared to $13.8 million for the fiscal year ended 31 December 2018. The decrease in interest expense in 2019 is primarily due to one-off financing costs associated with the acquisition of a 45% stake in DFC Holdings in 2018 of $2.2 million and a lower cost of funding in 2019 partially offset by the impact of a higher average net debt in the year due to the acquisition of Dole Food Company.

Other (Expense)/Income, Net

Other income, net increased by $2.8 million for the year ended 31 December 2019 to $3.9 million compared to $1.1 million for the year ended 31 December 2018. This was primarily due to acquisition related costs being $4.0 million higher in 2018 due to the initial acquisition of a 45% interest in Dole Food Company and other components of net periodic benefit cost decreasing by $0.4 million offset by a $2.3 million decrease in fair value gains on contingent consideration.

Income Tax Expense

Income tax provision decreased to $10.3 million for the year ended 31 December 2019 compared to $19.9 million for the year ended 31 December 2018. The decrease in the provision for income taxes is primarily due to reduced earnings, an increase in non-deductible expenses and the tax effect of fair value adjustments in 2018 not recurring in 2019. This is partially offset by reduced non-taxable income and other items.

Equity in Net Earnings of Investments Accounted for Under the Equity Method.

Equity in net earnings of investments accounted for under the equity method increased to $36.9 million for the year ended 31 December 2019 compared to $0.4 million for the year ended 31 December 2018.

The Group's 45% share of the net earnings in Dole Food Company increased to $24.9 million from a loss of $11.8 million for the year ended 31 December 2018. The increase in the equity in net earnings of Dole Food Company is primarily due to the full year effect of Dole Food Company for the year ended 28 December 2019. The 2018 year reflects the results of Dole Food Company for the five-month period from 1 August 2018 to 29 December 2018 and as Dole Food Company's overall business is seasonal with the greater share of profits earned in first half of the year, the contribution of Dole Food Company to the Group's result for the five-month period was a loss. In 2019, the improvement of the Dole Food Company Fresh Vegetable division also contributed to the increase.

Included in net earnings of investments accounted for under the equity method for the year ended 31 December 2019 is a deferred tax charge of $1.0 million recognized on the Group's temporary taxable basis difference on its investment in DFC Holdings. There was no charge for the year ended 31 December 2018.

Net earnings of other equity accounted affiliates for the year ended 31 December 2019 increased to $13.0 million from $12.4 million for the year ended 31 December 2018.

Net Income

Net income increased 20.1%, or $11.6 million, to income of $69.4 million for the year ended 31 December 2019 compared to $57.8 million for the year ended 31 December 2018. This increase was due to the increase in the net earnings of investments accounted for under the equity method, a reduction in income taxes expense. This was partially offset by the decrease in operating income noted above.

Net Income Attributable to Noncontrolling Interests

Net income attributable to controlling interests decreased to $14.3 million for the fiscal year ended 31 December 2019 from $21.2 million for the fiscal year ended 31 December 2018 due to the decrease in earnings in certain non-wholly owned subsidiaries in Europe.

Diluted EPS

Diluted earnings per share increased 48.0% to $14.14 cent for the year ended 31 December 2019 compared to $9.56 cent per share for the year ended 31 December 2018 due to the increase in net income and the reduction in income attributable to noncontrolling interests.

Total Produce Non-GAAP Financial Measures

Adjusted Revenue

Adjusted Revenue is defined as revenue adjusted to include the Group's share of revenue from investments accounted for under the equity method (includes the Group's 45% share of Revenue in Dole Food Company). Management uses Adjusted Revenue when evaluating performance of Total Produce because of the significance of investments accounted for under the equity method to the Group.

	Year ended 31 December 2020	Year ended 31 December 2019	Year ended 31 December 2018
	(U.S. dollars in thousands)		
Revenue	$4,345,939	$4,166,799	$4,392,593
Adjustments			
Share of revenue of investments accounted for under the equity method(a)	2,779,874	2,708,054	1,550,655
Adjusted Revenue	$7,125,813	$6,874,853	$5,943,248

(a) This includes Group share of revenue in equity accounted affiliates (includes Group's 45% share of revenue in Dole Food Company) and is stated after elimination of proportionate share of transactions between Group subsidiaries and investments accounted for under the equity method.

EBIT and Adjusted EBITDA

Total Produce's management uses EBIT and Adjusted EBITDA because it is a measure commonly used by financial analysts in evaluating the performance of companies in our industry. The adjustments in calculating Adjusted EBITDA have been made because management excludes these amounts when evaluating performance because it eliminates the effects of (i) considerable amounts of non-cash depreciation and amortization and (ii) items not within the control of the Company's operations managers. EBIT or Adjusted EBITDA is not calculated or presented in accordance with U.S. GAAP, and is not a substitute for net income, income from continuing operations, cash flows from operating activities or any other measure prescribed by U.S. GAAP. Further, EBIT or Adjusted EBITDA as used herein is not necessarily comparable to similarly titled measures of other companies.

EBIT is calculated from net income by adding net interest expense and income tax expense.

Adjusted EBITDA is calculated from EBIT by: (1) adding depreciation charges; (2) adding intangible asset amortization charges; (3) adding litigation and transaction related costs; (4) adding or subtracting fair value movements on contingent consideration; (5) adding impairment charges on goodwill, intangible assets and property, plant and equipment; (6) adding net unrealized loss or subtracting the net unrealized gain on derivative instruments; (7) adding the net unrealized loss or subtracting the net unrealized gain on foreign denominated intercompany borrowings; (8) adding the net realized loss or subtracting the net realized gain on noncash settled foreign denominated intercompany borrowings; (9) adding restructuring charges or onerous contract costs; (10) adding the loss or subtracting the gain on asset sales for assets held-for-sale and actively marketed property; (11) adding financing charges and other debt related costs; (12) deducting the gain or adding the loss on the sale of equity investments or other business interests and (13) adding the foreign currency gains relating to proceeds from share placings. It also includes the Group share of these items within equity method investments and the following items specific to its equity method investment in DFC Holdings (A) deducting costs of discontinued operations; (B) adding vegetable recalls and related costs and (C) adding costs that are directly related to the COVID-19 pandemic, and are as follows:
(i) incremental to charges incurred prior to the outbreak, including incremental costs related to personal protective equipment and transportation, and direct costs due to lower production capacity from a plant shutdown; (ii) not expected to recur once the crisis has subsided and operations return to normal, and (iii) clearly separable from normal operations.

The following is a reconciliation of EBIT and Adjusted EBITDA to net income, which is the most directly comparable U.S. GAAP financial measure:

Reconciliation of Net Income to EBIT and Adjusted EBITDA

	Year ended 31 December 2020	Year ended 31 December 2019	Year ended 31 December 2018
		(in thousands)	
Net Income	$ **71,252**	$ **69,387**	$ **57,838**
Adjustments			
Income tax expense	18,130	10,312	19,854
Interest expense, net	7,919	8,965	9,465
EBIT	97,301	88,664	87,157
Depreciation	24,634	22,900	21,908
Amortisation of acquisition related intangible assets	11,548	11,509	12,115
Litigation and transaction related costs	396	198	4,197
Net unrealised loss/(gain) on derivative financial instruments	633	13	(428)
Fair value movements on contingent consideration	519	(228)	(2,551)
Goodwill impairment	—	—	9,811
Impairment of property, plant and equipment	1,210	—	—
Loss/(gain) on disposal of farming investment	—	749	(17,355)
Restructuring charges	—	1,280	5,764
Foreign currency gain from share placing	—	—	(14,771)
Items in earnings for equity method investments			
Group share of depreciation	45,135	40,601	19,553
Group share of income tax expense	22,329	16,531	2,760
Group share of interest expense, net	34,631	37,808	18,022
Group share of other items*	10,602	7,604	5,561
Adjusted EBITDA	$248,938	$227,629	$151,743

* Included in other items is the Group's share of items within equity method investments. These include amortization of acquisition related intangible assets, net gain/loss on assets sales/ impairments, net unrealized gain/loss on derivative financial instruments, net gain/loss on foreign currency denominated intercompany borrowings, restructuring charges and onerous costs, costs associated with industry wide product recalls, transaction costs, COVID-19 costs and costs of discontinued operations.

Segment Results of Operations

Management evaluates segment performance based on Adjusted Revenue and Adjusted EBITDA which are both Non-GAAP Measures. See previous pages for reconciliation of these non-GAAP Measures to the most appropriate comparable GAAP measures.

In the first quarter of 2021, the Group changed the measure of profitability it uses to assess segment performance and allocate resources from Adjusted EBITA to Adjusted EBITDA.

	Year ended		
	31 December 2020	31 December 2019	31 December 2018
Adjusted Revenue by segment:		(in millions)	
Europe - Non-Eurozone	$1,706.8	$1,655.5	$1,745.2
Europe - Eurozone	1,920.9	1,856.3	2,063.0
International	1,475.3	1,420.7	1,385.0
Dole Food Company	2,098.5	2,012.6	815.7
Intersegment	(75.7)	(70.2)	(65.7)
Total	**$7,125.8**	**$6,874.9**	**$5,943.2**
Adjusted EBITDA by segment:			
Europe - Non-Eurozone	$ 60.6	$ 57.8	$ 62.8
Europe - Eurozone	43.5	31.4	42.8
International	30.7	25.5	25.3
Dole Food Company	114.1	112.9	20.9
Total	**$ 248.9**	**$ 227.6**	**$ 151.8**

Total Produce Fiscal Year 2020 Compared to Fiscal Year 2019

Europe - Non-Eurozone - This segment includes the Group's businesses in the Czech Republic, Poland, Scandinavia and the United Kingdom.

Adjusted Revenue increased by 3.1%, or $51.3 million to $1,706.8 million from $1,655.5 million for the fiscal year ended 31 December 2019 helped by the incremental impact of bolt-on acquisitions. Currency translation had a positive impact on adjusted revenue on translation to the U.S. dollar due to the weakening of the U.S. dollar against Sterling and Swedish Krona. On a like-for-like basis excluding acquisitions, divestments and current translation adjusted revenue was circa 1% behind prior year with volume decreases offset in part by average price increases. Volume decreases are due to reduced demand in the food service sector in Scandinavia, the United Kingdom and the Czech Republic as a result of restrictions imposed due to COVID-19. This was offset by robust demand from retail, as well as an element of organic growth.

Adjusted EBITDA increased 4.8%, or $2.8 million, to $60.6 million from $57.8 million for the fiscal year ended 31 December 2019. Currency translation had a positive impact on Adjusted EBITDA on translation to the U.S. dollar due to the weakening of the U.S. dollar against Sterling and Swedish Krona. Robust demand from retailers helped offset lower foodservice activity in Denmark, the United Kingdom and Czech Republic.

Europe - Eurozone - This segment includes the Group's businesses in France, Ireland, Italy, the Netherlands, Brazil and Spain. The Brazilian business is included in the Eurozone as it is a subsidiary of our Dutch businesses and a supplier to our operations in the Eurozone.

Adjusted Revenue increased by 3.5%, or $64.6 million, to $1,920.9 million from $1,856.3 million for the fiscal year ended 31 December 2019. Currency translation had a positive impact on adjusted revenue on translation to the U.S. dollar due to the weakening of the U.S. dollar by 1.9% against the Euro. Excluding the effect of acquisitions and divestments, adjusted revenue on a like-for-like basis was circa 1% ahead of prior year with average price increases offsetting a decrease in volumes.

Throughout the Eurozone, robust retail and wholesale demand offset lower demand from the food service sector. The Group's Dutch horticultural business remained challenged with reduced sales but this was offset by increased sales of imported citrus, mango, avocado and ginger.

Adjusted EBITDA increased 38.5%, or $12.1 million to $43.5 million from $31.4 million for the fiscal year ended 31 December 2019. There was resilient performance across all divisions particularly Spain and an overall improved result in Holland. The Dutch horticultural businesses remained challenged with disappointing performance in vegetables offset by good results in the second half of the year from sales of local berries and deciduous product. The Group recorded strong performance particularly in the second half of the year in its import business helped by solid results in its mango, citrus, ginger and avocado lines.

International - This segment includes the Group's businesses in North America, South America and India.

Adjusted Revenue increased by 3.8%, or $54.6 million, to $1,475.3 million from $1,420.7 million for the fiscal year ended 31 December 2019. Adjusted revenue also benefited from the increase in the shareholding in a joint venture which is now treated as a subsidiary. On a like-for-like basis excluding the effects of currency and acquisitions, revenue increased circa 3% due to average price increases with volumes marginally behind the prior year. The International division is largely retail focused. There was an increase in demand for staple items of potatoes, vegetables, citrus as well as kiwifruit. The impact of COVID-19 in the first half of the year saw a reduced demand for more expensive product and produce with a shorter shelf life. Revenue strengthened in the second half of the year particularly with stronger pricing in certain product lines and good volumes from new product sources.

Adjusted EBITDA increased 20.4%, or $5.2 million, to $30.7 million from $25.5 million for the fiscal year ended 31 December 2019 due to improved margins, lower operating costs (primarily travel related) and the benefit of a joint venture becoming a subsidiary. As noted earlier there was an increase in demand and margins of the staple items of potatoes and vegetables and products with a high vitamin C content (citrus and kiwifruit) since the COVID-19 pandemic outbreak. The segment also benefitted from stronger pricing in second half of the year and from volumes from new product sources.

***Dole Food Company* -** This segment includes Total Produce's 45% share of the results of Dole Food Company which is treated as an equity accounted investment.

Trading in Dole Food Company was good in the context of a challenging global environment due to COVID-19 and is benchmarked against a strong comparative year in the Fresh Vegetable division for some produce categories.

Total Produce's 45% share of Revenue of Dole Food Company increased by 4.3%, or $85.9 million to $2,098.5 million for the fiscal year ended 31 December 2020 from $2,012.6 million for the fiscal year ended 31 December 2019.

Total Produce's 45% share of Fresh Fruit revenues for the fiscal year ended 31 December 2020 increased 2.5%, or $31.1 million. Fresh Fruit revenues increased primarily due to higher sales volumes of bananas sold in North America and Latin America, and higher volumes and prices of other fruit sold in Europe, including citrus, kiwis, cherries, and apples. Revenue also increased due to favourable foreign currency movements, primarily related to the Euro. These increases were partially offset by lower overall pricing on bananas sold in North America, Europe, and Latin America.

Total Produce's 45% share of Fresh Vegetables revenues increased 6.9%, or $37.0 million for the fiscal year ended 31 December 2020. Fresh Vegetables revenues increased primarily due to favourable volumes and pricing of value-added products, partially offset by lower pricing of fresh-packed products, primarily celery, which experienced exceptionally high prices during the prior year.

Diversified revenues increased 0.8%, or $2.2 million for the fiscal year ended 31 December 2020. Diversified revenues increased primarily due to higher volumes and prices of citrus products in South Africa, coupled with increased volumes of strawberries, blueberries, and raspberries in North America. These increases were partially offset by lower sales volumes of grapes related to fewer growers and drought weather conditions, and lower sales volumes of apples, and unfavourable foreign currency movements.

Adjusted EBITDA increased by 1.1%, or $1.2 million, to $114.1 million from $112.9 million for the fiscal year ended 31 December 2020 primarily due to stronger results in the Fresh Fruit segment with higher volumes and lower fuel and distribution costs. Results in Fresh Vegetable segment were also ahead of prior year due to favourable volume and pricing of value-added products and recent cost savings initiatives in packaging and distribution. This was partially offset by the lower pricing on fresh packed products, primarily celery due to the exceptionally high prices in 2019. The Diversified segment performed satisfactorily in the year with increased volumes and pricing on South African citrus and increased volumes of strawberries, blueberries and raspberries partially offset by lower volumes of grapes and apples. Corporate costs increased in 2020 primarily due to realized losses related to hedging activities.

Total Produce Fiscal Year 2019 Compared to Fiscal Year 2018

Europe - Non-Eurozone **-** This segment includes the Group's businesses in the Czech Republic, Poland, Scandinavia and the United Kingdom. The Brazilian business is included in the Eurozone as it is a subsidiary of our Dutch businesses and a supplier to our operations in the Eurozone.

Adjusted Revenue decreased by 5.1%, or $89.7 million, to $1,655.5 million from $1,745.2 for the fiscal year ended 31 December 2018. This was in particular to the strengthening of the U.S. dollar against Swedish Krona and Sterling in 2019 which leads to lower revenues on translation to U.S. dollar. Revenue also decreased as a result of the cessation of a small distribution business in the second half of 2018, offset in part by the incremental contribution of bolt-on acquisitions. On a like-for-like basis excluding divestments, acquisitions and disposals, revenue decreased by circa 2.0% with a small decrease in volumes offset in part by marginal average price increases.

Adjusted EBITDA decreased 8.0%, or $5.0 million, to $57.8 million from $62.8 million for the fiscal year ended 31 December 2018 due to impact of stronger U.S. dollar on translation of the results of foreign currency denominated operations and reduced earnings in some joint ventures and associates.

Europe - Eurozone **-** This segment includes the Group's businesses in France, Ireland, Italy, the Netherlands and Spain.

Adjusted Revenue decreased by 10.0%, or $206.7 million, to $1,856.3 million from $2,063.0 million for the fiscal year ended 31 December 2018. This was in particular to the strengthening of the U.S. dollar by 5.2% against Euro in 2019 which leads to lower revenues on translation to U.S. dollar. Trading conditions were challenging, particularly in the Netherlands in the vegetable and salad categories where there is strong competition. Trading was satisfactory in Southern Europe but behind a particularly strong comparative year in 2018. Excluding the effect of acquisitions and divestments, revenue on a like-for-like basis was circa 5% behind prior year due to volume decreases partially offset by marginal price increases.

Adjusted EBITDA decreased 26.6%, or $11.4 million, to $31.4 million from $42.8 million for the fiscal year ended 31 December 2019. Trading conditions were challenging, particularly in the Netherlands in the vegetable and salad categories where there is strong competition. Trading was satisfactory in Southern Europe but behind a particularly strong comparative year in 2018.

International **-** This segment includes the Group's businesses in North America, South America and India.

Adjusted Revenue increased by 2.6%, or $35.7 million to $1,420.7 million from $1,385.0 million for the fiscal year ended 31 December 2018, due to higher average pricing with volumes similar to the prior year. Domestic U.S. volumes marginally increased in the year offset by a small drop in U.S. export volumes to India and China due to increased tariffs.

Adjusted EBITDA increased 0.8%, or $0.2 million, to $25.5 million from $25.3 million for the fiscal year ended 31 December 2018 with a particularly good performance in the second half of the year with favourable trading conditions, pricing and margins in many product categories. This was partially offset by the effect of the poor weather in California in April to June which led to weakness in the results of a strawberry growing operation.

Dole Food Company **-** This segment includes the Group's 45% share of the results of Dole Food Company which is treated as an equity accounted investment. As noted earlier, the fiscal year ended 31 December 2019 is the first full year to reflect the acquisition of a 45% stake in DFC Holdings with the comparative 2018 year reflecting the results of Dole Food Company for five months from 1 August 2018 to 29 December 2018.

Total Produce's 45% share of Adjusted Revenue of Dole Food Company increased was $2,012.6 million for the full year 2019 compared to $815.7 million for the five-month period in 2018.

Total Produce's 45% share of Adjusted EBITDA of Dole Food Company was $112.9 million for the full year 2019 compared to $20.9 million for the five-month period in 2018. The result reflects the fact that earnings are weighted towards the first half of the year and the impact of industry wide safety notices in the second half of 2018, not directly linked to Dole Food Company that affected results in the Fresh Vegetable segment.

Dole Food Company Results of Operations

Selected results of operations for the fiscal years ended 31 December 2020, 28 December 2019 and 29 December 2018 were as follows:

	Year ended		
	31 December 2020	28 December 2019	29 December 2018
		(in thousands)	
Revenue, net	$ 4,671,999	$ 4,515,955	$ 4,566,808
Cost of sales	(4,311,275)	(4,174,298)	(4,270,198)
Gross profit	360,724	341,657	296,610
Selling, marketing and general and administrative expenses	(200,582)	(208,884)	(239,313)
Transaction, transaction and other related costs	(661)	(24)	(1,645)
Gain on asset sales	11,181	23,366	13,766
Operating income	170,662	156,115	69,418
Other expense, net	(29,305)	(3,316)	(7,341)
Interest income	3,131	4,784	4,377
Interest expense	(78,250)	(89,180)	(85,102)
Income (loss) from continuing operations before income taxes and equity earnings	66,238	68,403	(18,648)
Income tax (expense) benefit	(23,782)	(24,036)	10,280
Earnings (loss) from equity method investments	2,149	(532)	(1,263)
Income (loss) from continuing operations, net of income taxes	44,605	43,835	(9,631)
Loss from discontinued operations, net of income taxes	(43)	(2,500)	(3,935)
Net income (loss)	44,562	41,335	(13,566)
Less: Net income attributable to noncontrolling interests	(1,854)	(1,971)	(1,832)
Net income (loss) attributable to Dole Food Company	$ 42,708	$ 39,364	$ (15,398)

* In addition, revenues for the fiscal year ended December 31, 2020 included 369 days, as compared to 364 days for the fiscal year ended December 28, 2019

Dole Food Company Fiscal Year 2020 Compared to Fiscal Year 2019

Revenue, net

Revenue for the fiscal year ended 31 December 2020 increased 3%, or $156.0 million, to $4.67 billion from $4.52 billion for the fiscal year ended 28 December 2019, primarily due to the Fresh Fruit and Fresh Vegetable segments. Fresh Fruit revenues increased 3%, or $68.7 million, primarily due to higher sales volumes of bananas sold in North America and Latin America, higher volumes and prices of other fruit sold in Europe, including citrus, kiwis, cherries, and apples, and favourable foreign currency movements of $15.4 million, primarily related to the Euro. Fresh Vegetables revenues increased 7%, or $82.4 million, primarily due to favourable volumes and pricing of value-added products.

Cost of Sales

Cost of sales for the fiscal year ended 31 December 2020 increased 3%, or $137.0 million, to $4.31 billion from $4.17 billion for the fiscal year ended 28 December 2019, primarily due to the Fresh Fruit and Fresh Vegetables segments. All business segments incurred higher operating costs due to COVID-19. Fresh Fruit cost of sales increased 2%, or $48.3 million, primarily due to higher volumes of bananas in North America and Latin America, and higher volumes of other fruit sold in Europe, including citrus, kiwis, cherries, and apples, coupled with unfavourable foreign currency movements of $4.9 million, primarily related to the Euro. Fresh Vegetables cost of sales increased 8%, or $88.3 million, primarily due to higher volumes and product mix on value-added products.

Selling, Marketing and General and Administrative Expenses

Selling, marketing and general and administrative expenses for the fiscal year ended 31 December 2020 decreased 4%, or $8.3 million, to $200.6 million from $208.9 million for the fiscal year ended 28 December 2019. SMG&A expenses decreased primarily due to improvements at Fresh Vegetables due to lower marketing and travel spend.

Transaction, Litigation Settlement and Other Related Costs, Net

Transaction, litigation settlement and other related costs, net were $0.7 million for the fiscal year ended 31 December 2020 and were not material for the fiscal year ended 28 December 2019. The change was primarily due to costs incurred related to the Transaction.

Gain on Asset Sales

The gain on asset sales was $11.2 million for the fiscal year ended 31 December 2020, primarily due to the sale of real estate in Sweden and land in Hawaii. The gain on asset sales for the fiscal year ended 28 December 2019 was $23.4 million and was primarily due to the sale of the Saba fresh cut salad business.

Operating Income

For the fiscal year ended 31 December 2020, operating income increased 9%, or $14.6 million, to $170.7 million from $156.1 million for the fiscal year ended 28 December 2019. The increase in operating income was primarily driven by a higher gross profit and lower SMG&A expense, partially offset by a decrease in gain on asset sales.

Other Expense, Net

For the fiscal year ended 31 December 2020, other expense, net was $29.3 million, compared to $3.3 million for the fiscal year ended 28 December 2019. The change in other expense, net was primarily attributable to an increase in losses on foreign intercompany borrowings of $24.4 million primarily due to loans denominated in the Euro and Swedish Krona, an increase in realized losses related to derivative instruments of $8.2 million, and an increase in non-service components of net periodic pension benefit costs of $2.6 million. These changes were partially offset by an increase in unrealized gains related to derivative instruments of $9.5 million.

See Note 4 "Other Expense, Net" to each of the consolidated financial statements of Total Produce and DFC Holdings, respectively, included herein for additional detail on the components of other expense, net.

Interest Income

Interest income for the fiscal year ended 31 December 2020 decreased to $3.1 million, compared to $4.8 million for the fiscal year ended 28 December 2019. Interest income decreased primarily due to lower interest income on grower advance loans due to lower loan balances year-over-year.

Interest Expense

Interest expense for the fiscal year ended 31 December 2020 decreased to $78.3 million, compared to $89.2 million for the fiscal year ended 28 December 2019. Interest expense decreased primarily due to lower interest rates and a lower impact from the unrealized loss on the interest rate swap.

Income Taxes

The Company recorded income tax expense of $23.8 million on $66.2 million of income from continuing operations for the fiscal year ended 31 December 2020, reflecting a 35.9% effective tax rate for the year. Income tax expense was $24.0 million on $68.4 million of income from continuing operations for the fiscal year ended 28 December 2019, reflecting a 35.1% effective tax rate.

Dole Food Company's effective tax rate varies significantly from period to period due to the level, mix, and seasonality of earnings generated in our various U.S. and foreign jurisdictions. For the fiscal year ended 31 December 2020, the Company's income tax expense differs from the U.S. federal statutory rate applied to pre-tax income primarily due to the Global Intangible Low-Taxed Income ("**GILTI**") and Sec. 163(j) interest expense limitation provisions of the Tax Act, a decrease in liabilities for uncertain tax positions, offset by operations in foreign jurisdictions that are taxed at different rates than the U.S. federal statutory rate. For the fiscal year ended 28 December 2019, Dole Food Company's income tax expense differs from the U.S. federal statutory rate applied to pre-tax income primarily due to GILTI and Section 163(j) interest expense limitation provisions of the Tax Act, as well as non-deductible transaction costs, and an increase in liabilities for uncertain tax positions, offset by operations in foreign jurisdictions that are taxed at different rates than the U.S. federal statutory rate.

Prior to the enactment of the Tax Act, with few exceptions, U.S. federal income and foreign withholding taxes had not been provided on the excess of the amount for financial reporting over the tax basis of investments in Dole Food Company's foreign subsidiaries that were essentially permanent in duration. With the enactment of the Tax Act, all post-1986 previously unremitted earnings for which no U.S. deferred tax liability had been accrued have now been subject to U.S. tax. Notwithstanding the U.S. taxation of these amounts, Dole Food Company intends to continue to invest most or all of these earnings, as well as capital in these subsidiaries, indefinitely outside of the U.S. and does not expect to incur any significant additional taxes related to such amounts. Also, from time to time, Dole Food Company may choose to repatriate anticipated future earnings of which some portion may be subject to tax and increase Dole Food Company's overall tax expense for that year.

See Note 7 "Income Taxes" to each of the consolidated financial statements of Total Produce and DFC Holdings, respectively, included herein for additional information.

Earnings (Loss) from Equity Method Investments

Earnings (loss) from equity method investments for the fiscal year ended 31 December 2020 increased to $2.1 million, compared to a loss of $0.5 million for the fiscal year ended 28 December 2019, primarily due to higher earnings at Bananera Tepeyac, S.A and Dole Nat Co. S.A equity method investments.

Discontinued Operations

Discontinued operations were not material for the fiscal year ended 31 December 2020, compared to a loss of $2.5 million for the fiscal year ended 28 December 2019. These losses primarily represent adjustments to tax-related indemnification accruals relating to issues that existed prior to the sale of Dole Asia to ITOCHU Corporation in 2013.

Dole Food Company Fiscal Year 2019 Compared to Fiscal Year 2018

Revenue, net

Revenue for the fiscal year ended 28 December 2019 decreased 1%, or $50.9 million, to $4.52 billion from $4.57 billion for the fiscal year ended 29 December 2018. Fresh Fruit revenues decreased 4%, or $99.9 million, primarily due to the sale of the Saba fresh cut salad business in Sweden and Finland impacting revenue by $76.0 million, as well as unfavourable foreign currency exchange movements that primarily impacted Euro and Swedish krona denominated revenues. The decrease in revenue was partially offset by increases in Fresh Vegetables revenues of 6%, or $66.8 million, primarily due to higher pricing of fresh-packed products, primarily celery, and higher pricing and volume of value-added products.

Cost of Sales

Cost of sales for the fiscal year ended 28 December 2019 decreased 2%, or $95.9 million, to $4.17 billion from $4.27 billion for the fiscal year ended 29 December 2018. The decrease in cost of sales was driven primarily by overall decreases in Fresh Fruit costs of products sold of 4%, or $108.5 million, primarily due to the sale of the Saba fresh cut salad business in Sweden and Finland and lower volume of bananas and pineapples in North America. This decrease was coupled with overall lower volumes in the Diversified business segment and favourable foreign currency exchange movements. These decreases were offset slightly by an increase in Fresh Vegetables cost of sales of 1%, or $11.9 million, which increased primarily due to higher costs on a per box basis for fresh-packed products and value-added products.

Selling, Marketing and General and Administrative Expenses

Selling, marketing and general and administrative expenses for the fiscal year ended 28 December 2019 decreased 13%, or $30.4 million, to $208.9 million from $239.3 million for the fiscal year ended 29 December 2018.

SMG&A expenses decreased primarily due to lower Total Produce acquisition costs and a decrease in restructuring costs.

Transaction, Litigation Settlement and Other Related Costs, Net

Transaction, litigation settlement and other related costs, net, were not material for the fiscal year ended 28 December 2019, and were $1.6 million for the fiscal year ended 29 December 2018.

Gain on Asset Sales

The gain on asset sales for the fiscal year ended 28 December 2019 was $23.4 million and was primarily due to the sale of the Saba fresh cut salad business. The gain on asset sales for the fiscal year ended 29 December 2018 was $13.8 million and was primarily due to the sale of the Corporate headquarters building, as well as land in Hawaii.

Operating Income

For the fiscal year ended 28 December 2019, operating income increased 125%, or $86.7 million, to $156.1 million from $69.4 million for the fiscal year ended 29 December 2018. The increase in operating income was primarily driven by a higher gross profit, lower SMG&A expense, and an increase in gain on asset sales.

Other Expense, Net

For the fiscal year ended 28 December 2019, other expense, net was $3.3 million, compared to $7.3 million for the fiscal year ended 29 December 2018. The change in other expense, net was primarily attributable to a decrease of net gains on foreign currency denominated intercompany borrowings and an increase in net losses on derivative instruments, offset by an increase in investment gains in the Rabbi Trust investments for executive benefit plans. In addition, the change was attributable to refinancing and other debt related costs in the 2018 fiscal year which were not applicable in the 2019 fiscal year.

See Note 4 "Other Expense, Net" to each of the consolidated financial statements of Total Produce and DFC Holdings, respectively, included herein for additional detail on the components of other expense, net.

Interest Income

Interest income for the fiscal year ended 28 December 2019 increased to $4.8 million, compared to $4.4 million for the fiscal year ended 29 December 2018. Interest income increased primarily due to higher interest income on grower advance loans due to higher loan balances year-over-year.

Interest Expense

Interest expense for the fiscal year ended 28 December 2019 increased to $89.2 million, compared to $85.1 million for the fiscal year ended 29 December 2018. Interest expense increased primarily due to higher interest rates on the term loan and slight increases in the unrealized loss on the interest rate swap.

Income Taxes

Income tax expense was $24.0 million on $68.4 million of income from continuing operations for the fiscal year ended 28 December 2019, reflecting a 35.1% effective tax rate. For the fiscal year ended 29 December 2018, the Company recorded an income tax benefit of $10.3 million on a loss from continuing operations of $18.6 million, reflecting a 55.1% effective tax rate for the year. Income tax expense increased $34.3 million in fiscal year 2019 compared to fiscal year 2018 primarily due to the absence of reductions to the provisional amounts of $32.0 million recorded for the impact of the 2017 Tax Cuts and Jobs Act ("**Tax Act**") enacted 22 December 2017.

Dole Food Company's effective tax rate varies significantly from period to period due to the level, mix, and seasonality of earnings generated in our various U.S. and foreign jurisdictions. For the fiscal year ended 28 December 2019, Dole Food Company's income tax expense differs from the U.S. federal statutory rate applied to pre-tax income primarily due to GILTI and Section 163(j) interest expense limitation provisions of the Tax Act, as well as non-deductible transaction costs, and an increase in liabilities for uncertain tax positions, offset by operations in foreign jurisdictions that are taxed at different rates than the U.S. federal statutory rate. For the fiscal year ended 29 December 2018, Dole Food Company's income tax benefit differs from the U.S. federal statutory rate applied to pre-tax loss primarily due to a $32.0 million reduction to the provision estimate of the Tax Act which includes $39.0 million attributable to the utilization of foreign tax credits offset by operations in foreign jurisdictions that are taxed at different rates than the U.S. federal statutory rate, non-deductible transaction costs, and an increase in liabilities for uncertain tax positions.

Prior to the enactment of the Tax Act, with few exceptions, U.S. federal income and foreign withholding taxes had not been provided on the excess of the amount for financial reporting over the tax basis of investments in Dole Food Company's foreign subsidiaries that were essentially permanent in duration. With the enactment of the Tax Act, all post-1986 previously unremitted earnings for which no U.S. deferred tax liability had been accrued have now been subject to U.S. tax. Notwithstanding the U.S. taxation of these amounts, Dole Food Company intends to continue to invest most or all of these earnings, as well as capital in these subsidiaries, indefinitely outside of the U.S. and does not expect to incur any significant additional taxes related to such amounts. Also, from time to time, Dole Food Company may choose to repatriate anticipated future earnings of which some portion may be subject to tax and increase Dole Food Company's overall tax expense for that year.

See Note 7 "Income Taxes" to each of the consolidated financial statements of Total Produce and DFC Holdings, respectively, included herein for additional information.

Earnings (Loss) from Equity Method Investments

Loss from equity method investments decreased to $0.5 million for the fiscal year ended 28 December 2019 compared to a loss of $1.3 million for the fiscal year ended 29 December 2018. The decrease was primarily related to decreases in losses associated with Dole Food Company's equity investments in Argentina.

Discontinued Operations

Discontinued operations were $2.5 million for the fiscal year ended 28 December 2019 compared to $3.9 million for the fiscal year ended 29 December 2018, respectively. These losses primarily represent adjustments to tax-related indemnification accruals relating to issues that existed prior to the sale of Dole Asia to ITOCHU Corporation in 2013.

Dole Food Company Non-GAAP Financial Measures

The following is a reconciliation of earnings before interest expense, income taxes and discontinued operations ("**EBIT before discontinued operations**") and adjusted earnings before interest expense, income taxes, discontinued operations and depreciation and amortization ("**Adjusted EBITDA**") to net income, which is the most directly comparable U.S. Generally Accepted Accounting Principles ("**U.S. GAAP**") financial measure:

		Year ended	
	31 December 2020	28 December 2019	29 December 2018
		(in thousands)	
Net income (loss)	$ 44,562	$ 41,335	$ (13,566)
Loss from discontinued operations, net of income taxes	43	2,500	3,935
Interest expense from continuing operations	78,250	89,180	85,102
Income tax expense (benefit) from continuing operations	23,782	24,036	(10,280)
EBIT before discontinued operations	146,637	157,051	65,191
Depreciation and amortization	91,392	88,111	89,612
Net unrealized (gain) loss on derivative instruments*	(11,929)	11,843	(5,996)
Net unrealized (gain) loss on foreign denominated intercompany borrowings	15,218	7,275	(10,978)
Net non-cash settled realized (gain) loss on foreign intercompany borrowings	4,908	(11,584)	—
Restructuring charges	1,304	2,247	16,927
(Gain) on asset sales	(12,137)	(23,096)	(13,766)
Vegetable recalls and related costs	—	4,186	8,674
Refinancing charges and other debt related costs	—	—	5,459
Litigation and transaction costs	661	1,728	37,415
Asset write-downs	1,428	3,037	—
COVID-19	10,877	—	—
Adjusted EBITDA	$248,359	$240,798	$192,538

* In fiscal year 2020, Dole Food Company adopted hedge accounting, which resulted in approximately $11.2 million of pre-tax net unrealized losses on derivative instruments recorded in accumulated other comprehensive loss that would have been included within earnings under the prior accounting treatment.

Hedge accounting is not applied retrospectively, and, as result, amounts presented above for this caption are not comparable.

EBIT before discontinued operations and Adjusted EBITDA are measures commonly used by financial analysts in evaluating the performance of companies. EBIT before discontinued operations is calculated from net income by adding the loss from discontinued operations, net of income taxes, adding interest expense from continuing operations, and adding the income tax expense from continuing operations. Adjusted EBITDA is calculated from EBIT before discontinued operations by: (1) adding depreciation and amortization; (2) adding the net unrealized loss or subtracting the net unrealized gain on derivative instruments; (3) adding the net unrealized loss or subtracting the net unrealized gain on foreign denominated intercompany borrowings; (4) adding the net realized loss or subtracting the net realized gain on noncash settled foreign denominated intercompany borrowings; (5) adding restructuring charges; (6) adding the loss or subtracting the gain on asset sales for assets held-for-sale and actively marketed property; (7) adding vegetable recalls and related costs; (8) adding refinancing charges and other debt related costs; (9) adding litigation and transaction costs; (10) adding asset write-downs; and (11) adding costs that are directly related to the COVID-19 pandemic, and are as follows: (i) incremental to charges incurred prior to the outbreak, including incremental costs related to personal protective equipment and transportation, and direct costs due to lower production capacity from a plant shutdown, (ii) not expected to recur once the crisis has subsided and operations return to normal, and (iii) clearly separable from normal operations. The Company did not add-back any costs related to COVID-19 after the third quarter of 2020. These adjustments, as well as adjustments from net income to EBIT before discontinued operations, have been made because management excludes these amounts when evaluating the performance of Dole Food Company.

EBIT before discontinued operations and Adjusted EBITDA are not calculated or presented in accordance with U.S. GAAP, and EBIT before discontinued operations and Adjusted EBITDA are not a substitute for net income attributable to Dole Food Company, net income, income from continuing operations, cash flows from operating activities or any other measure prescribed by U.S. GAAP. Further, EBIT before discontinued operations and Adjusted EBITDA as used herein are not necessarily comparable to similarly titled measures.

Dole Food Company Segment Results of Operations

Selected segment results of operations for the years ended 31 December 2020, 28 December 2019 and 29 December 2018 were as follows.

Revenue, net:

	Year ended		
	31 December 2020	**28 December 2019**	**29 December 2018**
		(in thousands)	
Fresh Fruit	$2,763,864	$2,695,184	$ 2,795,071
Fresh Vegetables	1,267,606	1,185,251	1,118,431
Diversified	640,529	635,591	652,615
Corporate	—	(71)	691
	$4,671,999	**$4,515,955**	**$ 4,566,808**

Adjusted EBITDA:

	Year ended		
	31 December 2020	**28 December 2019**	**29 December 2018**
		(in thousands)	
Fresh Fruit Adjusted EBITDA	$ 209,600	$ 197,466	$ 205,056
Fresh Vegetables Adjusted EBITDA	47,659	44,457	(5,261)
Diversified Adjusted EBITDA	33,947	32,621	29,379
Corporate Adjusted EBITDA	(42,847)	(33,746)	(36,636)
	$ 248,359	**$ 240,798**	**$ 192,538**

Dole Food Company Fiscal Year 2020 Compared to Fiscal Year 2019

Fresh Fruit

Fresh Fruit revenues for the fiscal year ended 31 December 2020 increased 3%, or $68.7 million, to $2.76 billion from $2.70 billion for the fiscal year ended 28 December 2019. Fresh Fruit revenues increased primarily due to higher sales volumes of bananas sold in North America and Latin America, and higher volumes and prices of other fruit sold in Europe, including citrus, kiwis, cherries, and apples. Revenue also increased due to favourable foreign currency movements of $15.4 million, primarily related to the Euro. These increases were partially offset by lower overall pricing on bananas sold in North America, Europe, and Latin America.

Fresh Fruit Adjusted EBITDA for the fiscal year ended 31 December 2020 increased 6%, or $12.1 million, to $209.6 million from $197.5 million for the fiscal year ended 28 December 2019. Fresh Fruit Adjusted EBITDA increased due to lower fuel and distribution costs and higher volumes on bananas in North America and Latin America. These increases are partially offset by excess bananas sold in non-core territories at lower margins coupled with unfavourable foreign currency movements of $11.7 million, which includes the foreign currency impact on revenue and cost of sales, as well as the impacts from hedging.

Fresh Vegetables

Fresh Vegetables revenues for the fiscal year ended 31 December 2020 increased 7%, or $82.4 million, to $1.27 billion from $1.19 billion for the fiscal year ended 28 December 2019. Fresh Vegetables revenues increased primarily due to favourable volumes and pricing of value-added products, partially offset by lower pricing of fresh-packed products, primarily celery, which experienced exceptionally high prices during the prior year.

Fresh Vegetables Adjusted EBITDA for the fiscal year ended 31 December 2020 increased 7%, or $3.2 million, to $47.7 million from $44.5 million for the fiscal year ended 28 December 2019. Fresh Vegetables Adjusted EBITDA increased primarily due to favourable volume and pricing of value-added products, cost savings initiatives in packaging and freight, and improved SMG&A expenses, partially offset by the lower prices of fresh-packed products, primarily celery, due to the previously discussed exceptionally high prices in the prior year.

Diversified

Diversified revenues for the fiscal year ended 31 December 2020 increased 1%, or $4.9 million, to $640.5 million from $635.6 million for the fiscal year ended 28 December 2019. Diversified revenues increased primarily due to higher volumes and prices of citrus products in South Africa, coupled with increased volumes of strawberries, blueberries, and raspberries in North America. These increases were partially offset by lower sales volumes of grapes related to fewer growers and drought weather conditions, and lower sales volumes of apples, and unfavourable foreign currency movements of $1.3 million.

Diversified Adjusted EBITDA for the fiscal year ended 31 December 2020 increased 4%, or $1.3 million, to $33.9 million from $32.6 million for the fiscal year ended 28 December 2019. Diversified Adjusted EBITDA increased primarily due to favourable foreign currency movements of $3.2 million, which includes the foreign currency impact on revenue and costs of products sold, as well as the impacts from hedging, and increased prices and volumes of citrus products in South Africa and increased volumes of strawberries, blueberries, and raspberries in North America, partially offset by lower sales volumes of grapes and apples.

Corporate

Corporate Adjusted EBITDA for the fiscal year ended 31 December 2020 declined 27%, or $9.1 million, to a loss of $42.8 million from a loss of $33.7 million for the fiscal year ended 28 December 2019. Corporate Adjusted EBITDA declined primarily due to an increase in net realized losses related to hedging activities.

Dole Food Company Fiscal Year 2019 Compared to Fiscal Year 2018

Fresh Fruit

Fresh Fruit revenues for the fiscal year ended 28 December 2019 decreased by 4%, or $99.9 million, to $2.70 billion from $2.80 billion for the fiscal year ended 29 December 2018. Fresh Fruit revenues decreased primarily due to the sale of the Saba fresh cut salad business in Sweden and Finland impacting revenue by $76.0 million, as well as unfavourable foreign currency exchange movements that primarily impacted Euro and

Swedish krona denominated revenues. Also contributing to the decrease in Fresh Fruit was lower volume of bananas sold in North America and lower pricing of bananas sold in Europe. These decreases in Fresh Fruit were offset slightly by higher pricing of pineapples.

Fresh Fruit Adjusted EBITDA for the fiscal year ended 28 December 2019 decreased 4%, or $7.6 million, to $197.5 million from $205.1 million for the fiscal year ended 29 December 2018. Fresh Fruit Adjusted EBITDA decreased primarily due to unfavourable foreign currency exchange movements of $12.1 million, which includes the foreign currency impact on revenue and cost of sales, as well as the impacts from hedging. This decrease was partially offset by strong performance of pineapples year-over-year resulting from price increases.

Fresh Vegetables

Fresh Vegetables revenues for the fiscal year ended 28 December 2019 increased 6%, or $66.8 million, to $1.19 billion from $1.12 billion for the fiscal year ended 29 December 2018. Fresh Vegetables revenues increased primarily due to higher pricing of fresh-packed products, primarily celery, and higher pricing and volume of value-added products.

Fresh Vegetables Adjusted EBITDA for the fiscal year ended 28 December 2019 increased 945%, or $49.8 million, to a $44.5 million gain from a loss of $5.3 million for the fiscal year ended 29 December 2018. Fresh Vegetables Adjusted EBITDA increased primarily due to the factors mentioned in revenue above, partially offset by higher costs on a per box basis for fresh-packed products and value-added products, and lower volume across all major product lines in the fresh-packed products business.

Diversified

Diversified revenues for the fiscal year ended 28 December 2019 decreased 3%, or $17.0 million, to $635.6 million from $652.6 million for the fiscal year ended 29 December 2018. Diversified revenues decreased primarily due lower volumes on deciduous fruit in North America and South Africa coupled with unfavourable foreign currency exchange movements of the Chilean peso and South African rand, offset by increases in volumes of cherries in Chile.

Diversified Adjusted EBITDA for the fiscal year ended 28 December 2019 increased 11%, or $3.2 million, to $32.6 million from $29.4 million for the fiscal year ended 29 December 2018.

Diversified Adjusted EBITDA increased primarily due to favourable margins, as well as favourable foreign currency exchange movements, which includes the foreign currency impact on revenue and cost of sales, as well as the impacts from hedging.

Corporate

Corporate Adjusted EBITDA for the fiscal year ended 28 December 2019 improved 8%, or $2.9 million, to a loss of $33.7 million from a loss of $36.6 million for the fiscal year ended 29 December 2018. Corporate Adjusted EBITDA improved primarily due to lower general and administrative expenses.

Liquidity and Capital Resources

At 31 December 2020, Dole Food Company had total outstanding debt of $1.31 billion, net of debt discounts and debt issuance costs (consisting primarily of the credit facilities as discussed in Note 12 “Notes Payable and Long-Term Debt” to the consolidated financial statements included herein). Of the total outstanding debt, Dole Food Company had approximately $1.17 billion and $134.1 million of net domestic and foreign debt, respectively. As of 31 December 2020, Dole Food Company had cash and cash equivalents of $66.8 million, consisting of domestic and foreign cash of $25.5 million and $41.3 million, respectively. Management believes that cash generated by U.S. operations will be sufficient to fund U.S. cash flow requirements, and as such, are not projecting any impact on liquidity associated with the repatriation of offshore cash, as this generally will not result in federal income tax. However, if funds are repatriated to the United States, Dole Food Company may be subject to withholding taxes applied by the country of origin and state income tax, after utilization of any net operating loss carryforwards. Dole Food Company had $89.7 million available for borrowings under its ABL revolver as of 31 December 2020.

At 31 December 2020, Total Produce had total outstanding debt of $346.8 million (consisting primarily of the credit facilities as discussed in Note 20 “Borrowings” to the consolidated financial statements included herein). As of 31 December 2020, Total Produce had cash and cash equivalents of $160.5 million. Total Produce has total approved facilities of $865.5 million at 31 December 2020 including revolving credit facilities of $578.1 million and $60.1 million in Committed Loan Notes with the remaining $227.3 million primarily consisting of uncommitted note facilities and approved bank overdrafts. At 31 December 2020 the Group had drawn 40% of these facilities.

Post period end, and in conjunction with the Transaction, the Group has secured the Revolving Credit Facility to backstop and refinance $524 million of Total Produce’s existing revolving credit facilities in place at 31 December 2020 in advance of the Transaction. In the event that the Transaction is not completed, the Revolving Credit Facility will remain in place.

In the event that the Transaction is not completed, Total Produce believes that they have adequate liquidity to satisfy our cash needs for at least the next 12 months from 31 December 2020. In the year ended 31 December 2020, Total Produce reported operating income of $67.6 million, net income of $78.0 million and cash flow from operating activities of $144.6 million. Total Produce generate substantial cash flow from operations and had $160.5 million in cash and cash equivalents as of 31 December 2020. Total Produce believe that its cash balances and future cash flow from operating activities, as well as credit facilities that we expect to enter into in the future, will provide sufficient liquidity to fund our capital expenditures in addition to our business growth investment projects, as well as interest and principal payments on our borrowings for at least the next 12 months.

Post Transaction Financing Arrangements

On 26 March 2021, Total Produce entered into the Credit Agreement, which provides for the Revolving Credit Facility, which is available to Total Produce and its subsidiary co-borrowers. The Revolving Credit Facility refinances $524 million of existing revolving credit facilities available to Total Produce and certain of its subsidiaries in place at 31 December 2020 in advance of the Transaction. In the event that the Transaction is not completed, the Revolving Credit Facility will remain in place.

The Credit Agreement also provides for the Term Loan B Facility, to be available upon the consummation of certain conditions provided therein, including the consummation of the Completion.

In connection with the Transaction, the Credit Agreement will likely be amended to provide for an increase in the Revolving Credit Facility to $600.0 million, a decrease in the Term Loan B Facility to $540 million and a new $300.0 million five-year U.S. dollar senior secured term loan A facility (the “Term Loan A Facility and, together with the Term Loan B Facility, the “**Term Loan Facilities**”; the Term Loan Facilities collectively with the Revolving Credit Facility, the “Facilities”).

On Completion, the Revolving Credit Facility is expected to be available to Dole plc and certain of its subsidiaries, and the Term Loan Facilities is expected to be available to TP USA. Proceeds of the Term Loan Facilities will be used to refinance certain Dole Food Company’s existing credit facilities and senior secured notes and in connection with the Completion, certain bilateral facilities of Total Produce will be terminated. Both of the Term Loans Facilities and the Revolving Credit Facility will be syndicated.

The Facilities are expected to provide long-term sustainable capitalization following the completion of the Transaction, lowering the combined company’s average cost of capital and creating a stronger balance sheet.

Summary of Cash Flows of Total Produce

The following summarizes Total Produce's cash flows from operating, investing and financing activities for fiscal year 2020, 2019 and 2018:

	Year ended		
	31 December 2020	31 December 2019	31 December 2018
	(U.S. dollars in millions)		
Summary cash flow information:			
Net cash provided by operating activities	$ 144.6	$ 75.2	$ 65.7
Net cash used in investing activities	(25.6)	(42.0)	(328.8)
Net cash (used in) provided by financing activities	(100.6)	(19.8)	269.7
Effect of exchange rate changes on cash …………….	12.5	(0.9)	(9.6)
Net (decrease) increase in cash and cash equivalents ..	30.9	12.5	(3.0)
Cash and cash equivalents, beginning ……………..	129.6	117.1	120.1
Cash and cash equivalents, ending ………………..	$ 160.5	$129.6	$ 117.1

Total Produce Cash Flows from Operating Activities

Net cash provided by operating activities was $144.6 million for 2020 compared with $75.2 million for 2019, an increase of $69.4 million. The increase in net cash provided by operating activities was principally attributable to a positive working capital inflow of $61.0 million compared to $8.5 million in 2019 primarily from the impact of a change in customer mix on receivables days and continued tight working capital management resulting in lower receivables and higher balances of accounts payable and accrued and other-long-term liabilities. The remainder of the increase was primarily due to the strong earnings growth and initiatives and actions taken by the Group to protect the business and mitigate cash outflows due to COVID-19 with a curtailment of some discretionary expenditure.

Net cash provided by operating activities was $75.2 million for 2019 compared with $65.7 million for 2018, an increase of $9.5 million. The increase in net cash provided by operating activities in 2019 compared to 2018 was principally attributable to a positive working capital inflow of $8.5 million was assisted by an incremental increase in non-recourse trade receivables financing compared to a working capital outflow in 2018 of $20.7 million (which was due in large part to a decrease in non-recourse trades receivable financing). This was partially offset by a decrease in operating cash flows before working capital outflows with the decrease due to lower earnings in subsidiaries and higher finance costs due to the funding of the acquisition of the initial 45% interest in DFC Holdings.

Total Produce Cash Flows from Financing Activities

Net cash used in financing activities was $100.6 million for 2020 compared to $19.8 million in 2019. Net cash used in financing activities for 2020 consisted primarily of net payments on long-term debt of $58.6 million, lease repayments of $2.8 million, dividends paid of $11.9 million paid to equity shareholders of the Group, dividends paid to noncontrolling interests of $23.3 million and payments of $4.1 million on the acquisition of shareholdings of non-controlling interests. Net cash used by financing activities for 2019 consisted primarily of net proceeds received from borrowings of long-term debt of $14.0 million net of lease repayments of $1.0 million, dividends paid of $14.9 million, and dividends paid to noncontrolling interests of $17.9 million.

Net cash used in financing activities was $19.8 million in 2019 while net cash provided by financing activities was $269.7 million for 2018. Net cash used by financing activities for 2019 consisted primarily of net proceeds on long-term debt of $14.0 million net of lease repayments of $1.0 million, dividends paid of $14.9 million, and dividends paid to noncontrolling interests of $17.9 million. Net cash provided by financing activities for 2018 consisted primarily of proceeds for the issue of share capital of $174.4 million to fund the initial 45% equity investment in DFC Holdings and net proceeds received from borrowing of long-term debt of $123.6 million net of lease repayments of $0.8 million, dividends of $15.2 million paid to equity shareholders of the Group, dividends paid to noncontrolling interests of $12.4 million and other inflows of $0.1 million.

Total Produce Cash Flows from Investing Activities

Net cash used in investing activities was $25.6 million for 2020 compared to $42.0 million for 2019. This change was primarily driven by a higher net cash outflow in 2019 on acquisition of subsidiaries, higher outflows on investments in equity accounted affiliates and higher payment of contingent consideration. The above decreases in cash outflows were partially offset by lower proceeds from disposal of equity investments in 2020. Outflows from capital expenditures in 2020 were $23.2 million compared to $27.0 million in 2019 due in part to the deferral of some non-essential capital expenditure as part of initiatives to protect the business due to COVID-19.

Net cash used in investing activities was $42.0 million for 2019 compared to $328.8 million for 2018. This change was primarily driven by a higher cash outflow in 2018 relating to investments in unconsolidated companies of $294.0 million in 2018 compared to $8.2 million in 2019, this as a result of the purchase of a 45% stake in DFC Holdings in 2018 with smaller outflow in 2019 due to the final payment of the Dole Food Company transaction costs and small investments in a number of joint ventures in Europe. The remainder of the change is due to lower cash outflows from capital expenditure in 2019 of $27.0 million compared to $35.7 million in 2018 and higher proceeds from disposal of equity investments in 2019 when compared to 2018. This was partially offset by a higher net cash outflow in 2019 on the purchase of certain businesses and higher payments of contingent consideration in 2019 relating to prior period acquisitions.

Summary of Cash Flows of Dole Food Company

The following summarizes Dole Food Company's cash flows from operating, investing and financing activities for fiscal year 2020, 2019 and 2018:

		Year ended	
	31 December 2020	**28 December 2019**	**29 December 2018**
		(in thousands)	
Cash flow provided by (used in):			
Operating activities	$151,114	$ 72,274	$ (31,958)
Investing activities	(63,762)	(14,904)	12,982
Financing activities	(88,104)	(53,059)	(48,713)
Foreign currency impact	2,633	(1,556)	(2,189)
Increase (decrease) in cash	$ 1,881	$ 2,755	$ (69,878)

Dole Food Company Cash Flows from Operating Activities

Cash flow provided by operations was $151.1 million for the year ended 31 December 2020, compared to cash flow provided by operations of $72.3 million for the year ended 28 December 2019. During the year ended 28 December 2019, the Company paid a non-recurring $21.7 million tax settlement, and interest payments on borrowings were $8.5 million higher than the year ended 31 December 2020. The remainder of the increase resulted from increases to operating cash flows for payables due to timing of cash payments made and an overall improvement in trade receivable days sales outstanding, partially offset by the timing of inventory and prepaid expenses.

Cash flow provided by operating activities was $72.3 million for the fiscal year ended 28 December 2019, compared to cash used in operations of $32.0 million for the fiscal year ended 29 December 2018. The increase in cash flow was primarily due to higher operating income, as well as an increase in operating cash flows for inventory and income taxes, due to the timing of receipts and deferred taxes. These increases were partially offset by decreases in operating cash flows for accounts payable, due to the timing of cash payments, and the change in the provision for deferred income taxes.

Dole Food Company Cash Flows from Investing Activities

Cash flow used in investing activities was $63.8 million for the fiscal year ended 31 December 2020, compared to cash flow used by investing activities of $14.9 million for the fiscal year ended 28 December 2019. The increase in cash flow used for investing activities was primarily due to lower proceeds from the sale of assets of $43.5 million for the fiscal year ended 31 December 2020 compared to the fiscal year ended 28 December 2019. Also contributing to the increase in cash flow used for investing activities were additional cash payments related to capital expenditures of $6.4 million for the fiscal year ended 31 December 2020 over the fiscal year ended 28 December 2019.

Cash flow used in investing activities was $14.9 million for the fiscal year ended 28 December 2019, compared to cash flow provided by investing activities of $13.0 million for the fiscal year ended 29 December 2018. The decrease in cash flow was primarily due to lower proceeds from the sales of assets, partially offset by higher purchases of property, plant and equipment.

Dole Food Company Cash Flows from Financing Activities

Cash flow used in financing activities was $88.1 million for the fiscal year ended 31 December 2020, compared to cash flow used in financing activities of $53.1 million for the fiscal year ended 28 December 2019. The increase in cash used by financing activities was primarily attributable to higher debt repayments (net of borrowings) of $35.5 million year-over-year.

Cash flow used in financing activities was $53.1 million for the fiscal year ended 28 December 2019, compared to cash flow used in financing activities of $48.7 million for the fiscal year ended 29 December 2018. The increase in cash used in financing activities was primarily attributable to higher debt repayments, net of borrowings, partially offset by payment of debt issuance costs in fiscal year 2018 and less affiliate transaction costs incurred during fiscal year 2019 as compared to fiscal year 2018.

Finance Lease Obligations

At 31 December 2020, Total Produce's finance lease obligations of $9.6 million primarily relate to plant and equipment and motor vehicles in Europe. See Note 21 "Leases" to the consolidated financial statements of Total Produce included elsewhere in this Scheme Circular for additional detail on finance lease obligations including maturities.

At 31 December 2020, Dole Food Company's finance lease obligations of $41.1 million primarily relate to machinery and equipment and vessel containers which continue through to 2032. See Note 14 "Leases" to the consolidated financial statements of DFC Holdings included elsewhere in this Scheme Circular for additional detail on finance lease obligations including maturities.

Off-Balance Sheet Arrangements

Total Produce manages the credit risk of a portion of its trade receivables through the use of non-recourse trade receivables arrangements with a total facility amount of $ 115.3 million (€94.0 million). Under the terms of these agreements the Group has transferred substantially all of the credit risk of the trade receivables which are subject to these agreements. At 31 December 2020 trade receivables amounting to $57.6 million have been derecognized.

Dole Food Company does not have any material off-balance sheet financing arrangements.

Guarantees

Total Produce at 31 December 2020 has guaranteed bank borrowings of $12.3 million within investments accounted for under the equity method.

As of 31 December 2020 and 28 December 2019, Dole Food Company had total letters of credit, bank guarantees and surety bonds outstanding of $68.3 million and $89.6 million, respectively.

During the year ended 31 December 2020, a third-party supplier suffered a fire at one of its facilities. In order to ensure continued supplies, Dole Food Company provided a guarantee for $4.0 million of obligations of the third-party supplier. The guarantee has terms of less than a year and would require payment from Dole Food Company in the event of default. Dole Food Company is entitled to offset any current or future payable balances to the third-party with any payments made under the guarantee. As of 31 December 2020, Dole Food Company believes the risk of default by the third-party to be improbable and the resulting liability for the guarantee to not be material to Dole Food Company's overall financial position or results of operations.

Critical Accounting Policies and Estimates

The discussion and analysis of financial condition and results of operations included herein are based upon the Consolidated Financial Statements included elsewhere in this Scheme Circular. The preparation of such Consolidated Financial Statements in accordance with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. We base our estimates on past experience and other assumptions that we believe are reasonable under the circumstances, and we evaluate these estimates on an ongoing basis. Actual results may differ from those estimates.

Our critical accounting policies are those that materially affect our Consolidated Financial Statements and involve difficult, subjective or complex judgments by management. A thorough understanding of these critical accounting policies is essential when reviewing the consolidated financial statements of both Total Produce plc and DFC Holdings. We believe that the critical accounting policies listed below are the most difficult management decisions as they involve the use of significant estimates and assumptions as described above.

See Note 2 "*Basis of Preparation and Summary of Significant Accounting Policies*" to each of the consolidated financial statements of Total Produce and DFC Holdings, respectively, included in Part 6 of this Scheme Circular for more information on Accounting Policies.

Goodwill and Indefinite-Lived Intangible Assets

Goodwill represents amounts arising on the acquisition of subsidiaries or equity-accounted affiliates as a result of the fair value of consideration transferred exceeding the fair value of net identifiable assets and liabilities assumed in a business combination. Goodwill is allocated to reporting units and is not amortized but is tested annually for impairment at a consistent time each financial year and more frequently when events or changes in circumstance indicate that it may be impaired. Following the adoption of ASU 2017-04, Simplifying the Test for Goodwill Impairment, which was adopted early on January 1, 2017 and applied to goodwill impairment testing from 2017.

During the annual goodwill impairment test performed, we assessed qualitative and in the case of Total Produce plc quantitative factors to determine whether it was more likely than not that the fair value of each reporting unit was less than its carrying value. Qualitative factors include industry and market considerations, overall financial performance, and other relevant events and factors affecting the reporting unit. Quantitative factors include forecasted EBITDA and determination of recoverable amount. Based on the results of the qualitative impairment test for 2020, we determined that it was not more likely than not that the fair value was less than the carrying value of our reporting units.

Our impairments of goodwill are generally estimated using the income or market approach, or a combination thereof. This approach calculates fair value by estimating the after-tax cash flows attributable to a reporting unit and then discounting the after-tax cash flows to a present value using a risk-adjusted discount rate. We selected this method as being the most meaningful in preparing our goodwill assessment as we believe the income approach most appropriately measures our income- producing assets. The cash flow projections in the fair value analysis are considered Level 3 inputs and consist of management's estimates of revenue growth rates and profitability. The values applied to these key assumptions are derived from a combination of external and internal factors, based on past experience together with management's future expectations about business performance.

Total Produce's earnings are significantly dependent on the selling prices and margins obtained for products sold. These, in turn, are largely determined by market supply and demand. Fresh produce supplies are affected by the geography of production, growing conditions, climate, seasonality and perishability. Market demand is a function of population size, per capita consumption, the availability and quality of individual products, competing products, climatic, economic and other general conditions in the marketplace. Excess produce leading to reduced selling prices (particularly for products purchased under contract) could have a material adverse effect on the Group's business, results of operations and financial condition.

The discount rate used in the fair value analysis reflects the current market assessment of the risk specific to each reporting unit. The discount rates were estimated by calculating a reporting unit specific weighted average cost of capital to reflect the market assessment of risks specific to each reporting unit for which the cash flow projections have not been adjusted.

The DOLE brand, consisting of the DOLE trademark and trade name is considered to have an indefinite life because it is expected to generate cash flows indefinitely. This indefinite-lived intangible asset is not amortized but is reviewed for impairment as of the last day of the fourth quarter of each fiscal year, or sooner if impairment indicators arise. We generally estimate the fair value of our indefinite-lived intangible assets using a discounted cash flow approach.

The fair value of the reporting units' goodwill, and the DOLE brand are sensitive to differences between estimated and actual cash flows and changes in the related discount rate used to evaluate the fair value of these assets. If the goodwill and DOLE brand reporting units do not perform to expected levels, the related goodwill and DOLE brand may be at risk for impairment in the future.

As of December 31, 2020, we are not aware of any items or events that would cause an adjustment to the carrying value of our goodwill and indefinite-lived intangible assets.

Income Taxes

We are subject to income taxes in the United States and numerous foreign jurisdictions. Both Total Produce and Dole Food Company account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. Our income tax expense, deferred tax assets and liabilities, and liabilities for unrecognized tax benefits reflect management's best estimate of current and future taxes to be paid. Significant judgments and estimates are required in the determination of the consolidated income tax expense. Deferred income taxes arise from temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements, which will result in taxable or deductible amounts in the future. In evaluating our ability to recover our deferred tax assets in the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax-planning strategies, and results of recent operations. In projecting future taxable income, we begin with historical results adjusted for the results of discontinued operations and incorporate assumptions about the amount of future state, federal, and foreign pre-tax operating income adjusted for items that do not have tax consequences. The assumptions about future taxable income require the use of significant judgment and are consistent with the plans and estimates we are using to manage the underlying businesses.

The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax laws and regulations in a multitude of jurisdictions across our global operations. ASC 740 states that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, on the basis of the technical merits. We (1) record unrecognized tax benefits as liabilities in accordance with ASC 740 and (2) adjust these liabilities when our judgment changes as a result of the evaluation of new information not previously available. Because of the complexity of some of these uncertainties, the ultimate resolution may result in a payment that is materially different from our current estimate of the unrecognized tax benefit liabilities. These differences will be reflected as increases or decreases to income tax expense in the period in which new information is available.

In the normal course of business, both Dole Food Company and Total Produce and its respective subsidiaries are examined by various federal, state and foreign tax authorities. Our management regularly assesses the potential outcomes of these examinations and any future examinations for the current or prior years in determining the adequacy of its provision for income taxes. We establish additional provisions for income taxes when, despite the belief that tax positions are fully supportable, there remain positions that do not meet the minimum probability threshold, which is a tax position that is more likely than not to be sustained upon examination by the applicable taxing authority. In addition, once the recognition threshold for the tax position is met, only the portion of the tax benefit that is greater than 50 percent likely to be realized upon settlement with a taxing authority is recorded. The impact of provisions for uncertain tax positions, as well as the related net interest and penalties, are included in income taxes in the consolidated statements of operations.

Pension and Other Post-retirement Benefits

Both Total Produce and Dole Food Company have a number of pension and other post-retirement benefit plans.

Dole Food Company have qualified and nonqualified defined benefit pension plans covering some full-time employees. Benefits under these plans are generally based on each employee's eligible compensation and years of service, except for certain plans covering union employees, which are based on negotiated benefits. Pension costs and obligations are calculated based on actuarial assumptions including discount rates, compensation increases, expected return on plan assets, mortality rates and other factors.

Pension obligations and expenses are most sensitive to the expected return on pension plan assets and discount rate assumptions. Management determines the expected return on pension plan assets based on an expectation of average annual returns over an extended period of years for the asset classes in which the plan's assets are invested. In the absence of a change in our asset allocation or investment philosophy, this estimate is not expected to vary significantly from year to year. The 2020 and 2019 pension expense was determined using an expected annual rate of return on U.S. plan assets of 6.0%. At 31 December 2020, our U.S. pension plan investment portfolio was invested approximately 34% in equity securities and 66% in fixed income securities. A 25-basis point change in the expected rate of return on pension plan assets would impact annual pension expense by $0.5 million.

The discount rate of 2.14% in 2020 and 2.94% in 2019 for our U.S. pension plan was determined based on a hypothetical portfolio of high-quality, non-callable, zero-coupon bonds with amounts and maturities that match the projected future benefit payments from that plan. A 25-basis point decrease in the assumed discount rate would increase the projected benefit obligation for the U.S. pension plans by $6.6 million and decrease the annual expense by $0.2 million.

Dole Food Company's international pension plans' weighted average discount rate was 6.32% and 6.88% for 2020 and 2019, respectively. A 25-basis point decrease in the assumed discount rate of the foreign plans would increase the projected benefit obligation by approximately $2.3 million and increase the annual expense by approximately $0.4 million.

Total Produce operate six funded defined benefit pension plans for certain employees of the Group. Two of these plans are based in Ireland, two are based in the United Kingdom with two small schemes in the Netherlands and Canada. The pension benefits are primarily determined based on years of service and the levels of salary. The plans in Ireland have been closed to new entrants since 2009 and salaries for defined benefit purposes have been capped. Both of the UK schemes are closed to new entrants and accrual. The schemes in the Netherlands and North America are also closed to new entrants.

Pension obligations and expenses are most sensitive to the expected return on pension plan assets and discount rate assumptions. Management determines the expected return on pension plan assets based on an expectation of average annual returns over an extended period of years for the asset classes in which the plan's assets are invested. In the absence of a change in our asset allocation or investment philosophy, this estimate is not expected to vary significantly from year to year. The 2020 pension expense was determined using an expected annual rate of return of plan assets of 2.0% to 6.2%. At 31 December 2020, pension plan investment portfolio was invested approximately 47% in fixed income securities, 24% in equity securities with the remainder in Property Funds, Cash, Insurance Contracts and Other. A 25-basis point change in the expected rate of return on pension plan assets would impact annual expense by $0.6 million.

The discount rates outlined below were determined by reference to market yields at the balance sheet date on high quality corporate bonds, and generally this is set to be the current rate of return on AA rated corporate bonds of equivalent currency and term to the liabilities. The discount rates on the Eurozone (Ireland and Netherlands) and UK schemes are set out below;

	Eurozone	UK
2020 discount rate	1.08%	1.4%
2019 discount rate	1.40%	2.0%

A 25-basis point decrease in the assumed discount rate would increase the projected benefit obligation for the Total Produce defined benefit plans by $13.3 million and decrease the annual expense by $0.6 million.

While management of both Dole Food Company and Total Produce believe that the assumptions used are appropriate, actual results may differ materially from these assumptions. These differences may impact the amount of pension and other post-retirement obligations and future expense. Refer to the notes to the consolidated financial statements of both Dole Food Company and Total Produce that are included elsewhere in this Scheme Circular for additional details of our pension and other post-retirement benefit plans.

Contingencies

At each financial statement date, we apply judgements based upon specific facts and circumstances to determine whether it is probable that an asset has been impaired or a liability has been incurred. If we determine that it is probable that an asset has been impaired or a liability has been incurred we then apply additional judgments to determine whether the amount of the loss can be reasonably estimated. The amount of estimable loss is determined by assessing the specific facts and circumstances related to the applicable asset or potential liability, gaining an understanding of the range of possible outcomes, and determining the most likely amount within the range. Refer to the notes to our financial statements for additional information regarding our accounting for contingencies.

Quantitative and Qualitative Disclosures about Market Risk

Both Total Produce and Dole Food Company are exposed to market risk from changes in currency exchange rates, interest rates and other market price risk such as commodity price risk, which may adversely affect our results of operations and financial condition. Both groups seek to minimize the risks from these currency exchange rate, interest rate and bunker fuel fluctuations through our regular operating and financing activities. Total Produce uses derivative instruments to hedge against fluctuations in foreign currency exchange rate movements and bunker fuel prices. Total Produce also uses interest rate swaps to hedge against variable rate interest rate movements. Total Produce does not utilize derivatives for trading or other speculative purposes.

Foreign Currency Exchange Rate Risk

Because both Dole Food Company and Total Produce conduct our operations in many areas of the world involving transactions denominated in a variety of currencies, our results of operations as expressed in U.S. dollars may be significantly affected by fluctuations in rates of exchange between currencies.

Dole Food Company's products are sourced, grown and processed from approximately 20 countries in various regions, and then marketed and distributed to over 75 countries worldwide. Our international sales are usually transacted in U.S. dollars and major European currencies. Some of our costs are incurred in currencies different from those received from the sale of products. Results of operations may be affected by fluctuations in currency exchange rates in both sourcing and selling locations.

Approximately 20% of Dole Food Company's sales are denominated in foreign currencies, which primarily consist of sales denominated in euro. Product and shipping costs associated with a significant portion of these sales are U.S. dollar denominated. In 2020, we had approximately $855 million of annual sales denominated in foreign currencies and if U.S. dollar exchange rates versus the euro and other currencies during fiscal year 2020 had remained unchanged from fiscal year 2019 our revenues would have been lower by approximately $14.1 million.

Dole Food Company sources the majority of its products in foreign locations and accordingly is exposed to changes in exchange rates between the U.S. dollar and currencies in these sourcing locations. Our exposure to exchange rate fluctuations in these sourcing locations is partially mitigated by entering into U.S. dollar denominated contracts for third-party purchased product and most other major supply agreements, including shipping contracts. However, we are still exposed to those costs that are denominated in local currencies, primarily the euro. If U.S. dollar exchange rates versus these currencies during fiscal year 2020 and fiscal year 2019 had remained unchanged from 2019, our cost of sales would have been lower by approximately $1.6 million. A 10% strengthening of dollar relative to Dole Food Company's foreign currency exposure would lower reported revenue and operating income by approximately $86 million and $50 million, respectively excluding the impact of foreign currency exchange hedges.

Some of Dole Food Company's divisions operate in functional currencies other than the U.S. dollar. The net assets of these divisions are exposed to foreign currency translation gains and losses, which are included as a component of accumulated other comprehensive loss in shareholders' equity. Such translation resulted in unrealized losses of approximately $25.6 million in 2020. We have not historically attempted to hedge this equity risk.

As part of Dole Food Company's risk management strategy, we use derivative instruments to hedge certain foreign currency exchange rate exposures. Our objective is to offset gains and losses resulting from these exposures with losses and gains on the derivative contracts used to hedge them, thereby reducing volatility of earnings. We use foreign currency exchange forward contracts to reduce our risk related to anticipated dollar equivalent foreign currency cash flows, primarily forecasted revenue transactions and forecasted operating expenses. See Note 15 "Commitments and Contingencies" to each of the consolidated financial statements of Total Produce and DFC Holdings, respectively, included herein for additional information. See Note 15 "Derivative Financial Instruments" to the consolidated financial statements of DFC Holdings included herein for additional information regarding our derivative instruments and hedging activities.

At 31 December 2020, Dole Food Company's foreign currency hedge portfolio was as follows:

	Notional Amount
Foreign currency forward contracts:	
Euro	€261.4 million
U.S. dollar	$0.4 million
Swedish Krona	8.3 million kr
Chilean Peso	CLP 6.0 billion
South African Rand	R 101.3 million

Total Produce is an international Group with significant operations in Europe and North America with some operations in Brazil and equity accounted affiliates in India, Morocco and South America. Total Produce is exposed to both foreign currency translational risk and foreign currency transactional risk.

Total Produce's presentational currency is the U.S. dollar. As the Group has significant operations in foreign currency denominated operations in Europe, the Group is exposed to foreign currency risk on translation of the results of these foreign currency denominated operations to U.S. dollar. For fiscal year 2020, 24% of Group revenue was in operations denominated in U.S. dollar, 34% in Euro denominated operations, 15% in Swedish Krona denominated operations, 15% in operations denominated in Sterling with the remaining 12% in operations denominated in Canadian Dollar, Czech Koruna, Danish Krone and Brazilian Real. If the U.S. dollar exchange rates in 2020, had remained unchanged from the 2019 rates, the Group's revenues and operating income would have been lower by approximately $25 million and $0.4 million respectively due to the weakening of the U.S. dollar against both Sterling and Swedish Krona in fiscal year 2020, partly offset by the impact of the U.S. dollar strengthening against the Brazilian Real. For fiscal year 2019 if the U.S. dollar exchange rates in 2019, had remained unchanged from the 2018 rates, the Group's revenues and operating income would have been higher by approximately $177 million and $2.1 million respectively primarily due to the strengthening of the U.S. dollar against Euro, Sterling and Swedish Krona and to a lesser extent Danish Krone and Czech Koruna in fiscal year 2019.

In addition, we estimate that if U.S. dollar were to strengthen by 10% relative to the following currencies it would have the following estimated impact on translation of the results of these foreign currency denominated operations to U.S. dollar:

- a 10% strengthening of dollar relative to Euro would lower reported revenue and operating income by approximately $130 million and $1.0 million respectively.

- a 10% strengthening of dollar relative to the Swedish Krona would lower reported revenue and operating income by approximately $57 million and $1.3 million respectively.

- a 10% strengthening of dollar relative to the Swedish Krona would lower reported revenue and operating income by approximately $56 million and $1.0 million respectively.

Total Produce is also exposed to transactional foreign exchange rate risk arising from foreign currency transactions assets and liabilities. The Group's companies in the United Kingdom, Sweden, Denmark and the Czech Republic purchase a significant volume of fruit in Euro and such currency risks are managed by utilizing spot and forward foreign currency contracts where appropriate. Given the short-term nature of the payables and receivables and the hedging strategy in place, transactional foreign exchange risk in these entities is not material from a Group point of view. The vast majority of the transactions entered into by the Group's entities in the Eurozone are denominated in their functional Euro currency and the majority of transactions entered into by the Group's entities in North America are in U.S. dollar and therefore no material transactional risk arises in these entities.

At 31 December 2020, Total Produce's foreign currency hedge portfolio to manage the described transactional currency risk was as follows:

	Notional Amount
Foreign currency forward contracts:	
Euro	€18.3 million
U.S. dollar	$9.2 million
Sterling	£10.2 million

A significant portion of the Group's operations are in entities outside the United States. There are significant operations in Ireland, Spain, Holland, the United Kingdom, Sweden, Denmark and Canada which operate in functional currencies other than the U.S. dollar. The net assets of these divisions are exposed to foreign currency translation gains and losses, which are included as a component of accumulated other comprehensive loss in shareholders' equity. The Group has hedged a portion of this foreign currency translation risk by generally financing initial overseas investments through foreign currency borrowings which naturally hedges the foreign currency investment. Such translation resulted in unrealized gains of $21.9 million in 2020 net of foreign exchange rate losses on borrowing that hedged a portion of the investments. This was due to the weakening on the U.S. dollar exchange rate at 31 December 2020 primarily against the Euro, Sterling and Swedish Krona.

Commodity Sales Price Risk

Commodity pricing exposures include the potential impacts of weather phenomena and their effect on industry volumes, prices, product quality and costs. We manage our exposure to commodity price risk primarily through our regular operating activities; however, significant commodity price fluctuations, particularly for bananas, pineapples, fresh-packed vegetables and berries, could have a material impact on our results of operations.

Commodity Purchase Price Risk

We use a number of commodities in our operations, including containerboard in our packaging containers and bunker fuel for our vessels. We are most exposed to market fluctuations in prices of containerboard and fuel. We currently estimate that a 10% increase in the price of containerboard would lower operating income by approximately $11.4 million and a 10% increase in the price of bunker fuel would lower operating income by approximately $7.2 million.

We enter into bunker fuel hedges to reduce our risk related to price fluctuations on anticipated bunker fuel purchases. At 31 December 2020, bunker fuel hedges had an aggregate outstanding notional amount of 54.2 metric tons. The fair value of the bunker fuel hedges at 31 December 2020 was an asset of $4.7 million and for the fiscal year ended 31 December 2020, we recorded realized gains of $1.9 million and unrealized gains of $ 3.3 million.

Interest Rate Risk

Proceeds of the Term Loan Facilities will be used to refinance certain Dole Food Company's existing credit facilities and senior secured notes and in connection with the Completion, certain bilateral facilities of Total Produce will be terminated. Each of the Facilities will be syndicated. Each of the Facilities are variable rate facilities and therefore changes in interest rates in our indebtedness could have a material effect on our financial statements.

To reduce interest rate risk, Dole plc may enter into interest rate swaps in order to hedge the risk of the fluctuation on future interest expense related to variable rates interest borrowings.

Assuming no hedging instruments are put in place, Dole plc estimates that a 1% increase in interest rates would result in a negative impact of $10.5 million on the results of our operations.

Recent Accounting Pronouncements

For a description of recently issued accounting pronouncements, refer to Note 3, "New Accounting Pronouncements" to the Consolidated Financial Statements included in Part 6 of this Scheme Circular.

Part 8

BUSINESS

Company Overview

We are the premier global leader in fresh produce. We offer over 300 products grown and sourced both locally and globally from approximately 80 countries in various regions, which are distributed and marketed in 30 countries, across retail, wholesale, foodservice and ecommerce channels. Our most significant products hold leading positions in their respective categories and territories. By way of example, we are one of the world's largest producers of fresh bananas and pineapples, and a leader in value added and fresh packed vegetables in North America and other growth categories across the wider fresh produce product range worldwide. The fresh fruits and vegetables segment had total sales of $335 billion in 2019 in North America and Europe according to GlobalData. In fiscal year 2020 fresh fruit and fresh vegetables represented 71% and 29% of pro forma Adjusted Revenue, respectively, with North America and Europe contributing 47% and 46% of pro forma Adjusted Revenue, respectively.

Marketing the most nutritious foods with the lowest carbon, water and ecological footprints of all the primary food groups per Barilla, we are well aligned with both environmental and social themes. Fresh fruits and vegetables, for example, and plant-based products in general are associated with the lowest greenhouse gas emissions of all other staple foods. From a social perspective, the importance of eating fresh fruits and vegetables has long been recognized as core to any healthy eating strategy, per the PBH Foundation. We are privileged to market a diverse portfolio of fruit and vegetable products that are good for both the environment and consumers' health and well-being. Our goal is to build a healthier, more sustainable tomorrow by increasing per capita consumption of fruits and vegetables today.

Our business philosophy is to be local at heart but global by nature. Our business model is centred around creating a vertically integrated business including own production and sourcing capabilities as well as control of the supply chain and distribution. Our global production, sourcing and logistics capabilities, coupled with on-the-ground local expertise, presence, and distribution network, allow us to market a diverse and differentiated set of global products within the local territories we serve. Additionally, our owned acreage combined with a multi-continental sourcing model provide us with operating flexibility and product availability throughout the year. Within many territories in Europe we operate a partnership model with our grocery retail customers, offering holistic fresh produce category management solutions and in some cases managing entire categories within their stores.

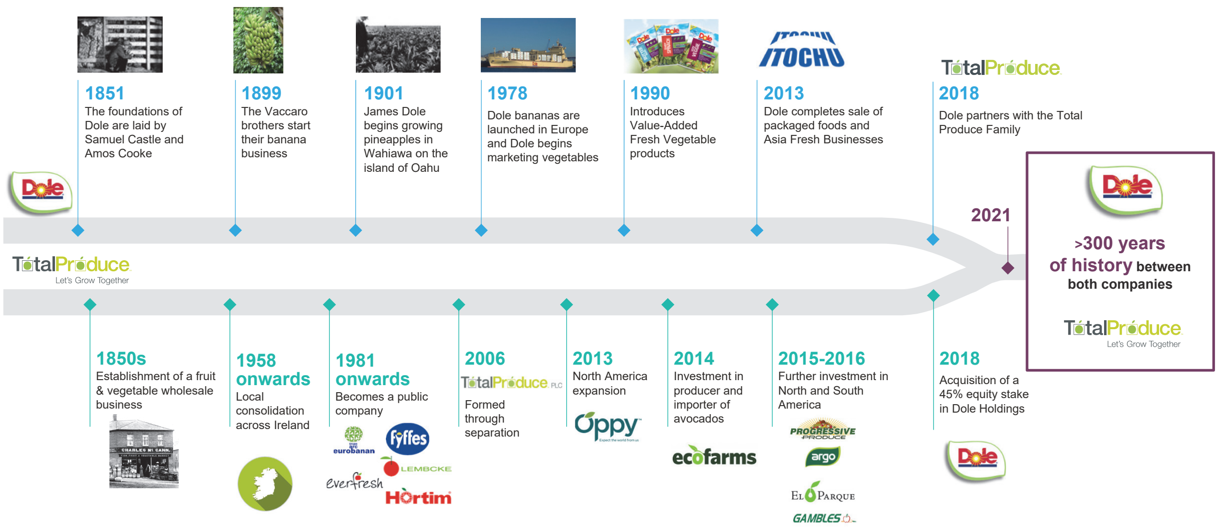
Our business operates through a number of business-to-business and business-to-consumer brands, the pillar being our iconic DOLE brand. DOLE is the most recognized brand for fresh produce in the United States. This is evidenced by 73% fresh fruit unaided consumer brand awareness, 42 percentage points higher than that of our closest competitor, according to a survey conducted in 2020 by major global research company IPSOS. Notably, 55% of respondents to this same survey nominated DOLE as their favourite fruit brand. The DOLE brand is well established and also has a growing appeal with younger millennial shoppers, ranking within the ten fastest growing brands among millennials in the United States in 2019 according to Morning Consult. We believe that consumers and retailers in our key markets recognize and associate the DOLE brand with healthy, high quality and premium food products.

Our vertically integrated business model is supported by a valuable and strategic infrastructure and asset base with total pro forma assets of approximately $4.7 billion as of 31 December 2020. As of 31 March 2021, we owned approximately 109,000 acres of farms and other land holdings around the world, including approximately 5,000 acres of actively marketed surplus land for sale in Oahu, Hawaii. In addition, as of 31 March 2021, we owned a fleet of ten refrigerated container carriers and six pallet friendly conventional refrigerated ships. We also owned or leased approximately 16,873 refrigerated containers and 747 dry containers. The breadth and depth of our local presence is evidenced by 254 facilities globally, including five salad manufacturing plants, twelve cold storage facilities, 75 packing houses and 162 distribution and manufacturing facilities. In addition to our owned asset base, we have developed long-standing relationships with independent growers across the globe, including international partnerships and joint ventures, which provide us additional operational flexibility and extended range and availability.

Our strategic asset base is complemented by an experienced and industry leading people organization. As of 31 December 2020, we have approximately 40,000 employees across 29 countries. We believe our people represent a key differentiating aspect of the business providing both produce sector expertise as well as local market insights and relationships.

We are focused on being an enthusiastic, powerful advocate of good diet, health and well-being, and supporting consumers in making healthier choices by consuming more fruits and vegetables. Sustainability lies at the heart of all that we do. We are committed to continuously improving our practices and enhancing our sustainability measures across our organization. We are building upon our existing ambitious sustainability targets for the future, determined to consolidate our position as an industry leader and make a positive impact to society and on the environment through our operations. Dole plc will be the result of the combination of Dole Food Company and Total Produce, two complementary and culturally aligned organizations each with more than 130 years of history in the fresh produce industry. Going forward, Dole plc will be organized by the following divisions: Fresh Fruit, Fresh Vegetables, Diversified Produce (EMEA) and Diversified Produce (Americas & ROW). We believe this organizational structure will allow us to continue serving our existing customers with the exceptional quality that they have come to associate with the brands we market, and drive significant growth and cost benefits through the realization of synergies across the enlarged business.

For fiscal year 2020, Dole plc had pro forma Adjusted Revenue of $9.7 billion, pro forma Revenue of $9.0 billion, pro forma Operating Income of $227.3 million, pro forma net income of $99.5 million and pro forma Adjusted EBITDA of $371.2 million inclusive of transaction adjustments (or $383 million, excluding transaction adjustments of $12 million). For additional information regarding Adjusted Revenue including reconciliation to Revenue and Adjusted EBITDA, including a reconciliation to net income, see “Non-GAAP Financial Measures” and “Summary Historical and Pro Forma Consolidated Financial Information.”



Industry Overview and Market Opportunity

We primarily operate in the North America and Europe for fresh fruits and vegetables. The two territories combined have a total size of $335 billion, with just over $139 billion and $196 billion in sales in 2019 in North America and Europe, respectively, according to GlobalData. On a combined basis, the segment for fresh fruits and vegetables is expected to grow at an annualized rate of 2.7% from 2020 to 2025, with Europe growing 2.1% and North America 3.4%. From 2015 to 2019, the fresh fruits and vegetables segment grew at an annualized rate of 1.9%, with Europe and North America growing 1.5% and 2.5%, respectively.

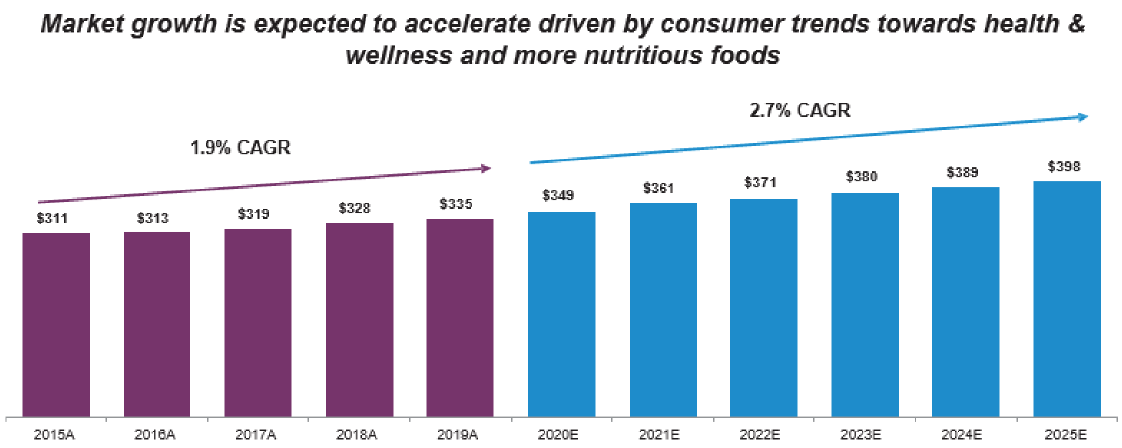
The UN General Assembly's designation of 2021 as the "International Year of Fruits and Vegetables" recognizes the pivotal contribution of fresh produce across global health, nutrition and sustainability. Consumers in developed economies remain focused on improving health & wellness and are increasingly shifting their consumption towards natural, fresh and whole foods such as fruits and vegetables and away from processed shelf stable food and animal proteins.

Consumers are also increasingly demanding products produced in a sustainable and responsible manner. According to a recent survey by Empathy Research 57% of global respondents are making more of an effort to reduce their carbon footprint and have greater care for the environment. Additionally, 47% of global respondents reported that ethically and sustainably sourced ingredients are more important to them now than before the pandemic. Given the fresh produce industry has the lowest environmental footprint across all food categories, per Barilla, fruits and vegetables are very much aligned with sustainable consumption. Consumers are also increasingly demanding local produce, with 28% of global respondents looking to buy food that is produced as close to where they live as possible, per Empathy Research. We believe we are well positioned to capitalize on these trends through our dual global and local farming and sourcing capabilities. Fresh produce is also a key growth driver in grocery stores, contributing to higher footfall at the perimeter of the store at the expense of centre of store. While the centre of store briefly outpaced produce during the COVID-19 pandemic as consumers sought the security of pantry loading, in the 26 weeks ending 27 February 2021, produce regained its position as a secular key growth driver, per U.S. Nielsen data.

Food retailers have sought to embrace these consumer trends towards health & wellness and sustainable consumption by continuing to focus on the fresh produce aisle as a core perimeter-of-store category and footfall driver. This is evidenced by 74% of consumers buying fresh food at least once a week, per Deloitte, and 45% of consumers believing it is now more important to buy healthy food compared to before COVID-19, per Bain & Company.

Within the produce category we have seen higher growth categories in berries, avocados, organic produce, and value added vegetables with annualized growth rates of 7.7%, 6.8%, 10.3% and 8.1%, respectively, from 2018 to 2020, per our calculations based on data provided by Nielsen Volume CAGR for Key Produce Categories & Perimeter Departments in U.S. (weight for produce, units for perimeter). Further, over the past several decades, consumers have become more interested in the benefits of organic foods given increased focus on health and nutrition. In more recent years, according to our calculation based on Nielsen data, there has been a 10.3% CAGR in organic produce from 2018 through 2020, and uptick to 15.7% growth in 2020, calculated by reference to Nielsen Volume CAGR for Key Produce Categories & Perimeter Departments in U.S. (weight for produce, units for perimeter).

Historical and Projected Fruit & Vegetable Industry (North America and Europe)



Source: GlobalData

Our Competitive Strengths

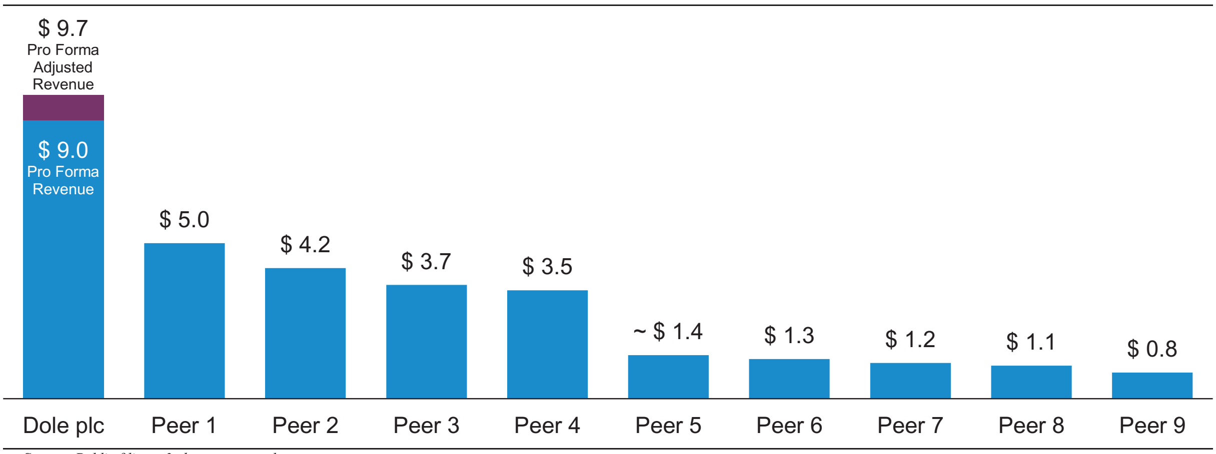
We believe that the following strengths position us to develop and maintain the competitive advantages and leading positions that are critical to our continued success.

An Established Global and Local Leader in a Large and Structurally Growing Category

We are the premier global supplier of fresh produce with pro forma Adjusted Revenue of $9.7 billion in 2020 (pro forma Revenue of $9.0 billion), maintaining a global footprint and leadership positions across multiple attractive product categories. As described above, the fresh fruits and vegetables segment in North America and Europe is expected to generate 2.7% annualized growth from 2020 to 2025. We believe consumer trends including plant-based and flexitarian diets, environmental consciousness and sustainable consumption, convenience, and health & wellness are the drivers of an acceleration in projected growth.

With pro forma Adjusted Revenue of $9.7 billion (pro forma Revenue of $9.0 billion), Dole plc is approximately twice as large in revenue as compared to our nearest competitor and thus we believe we are favourably positioned to capitalize on this projected structural industry growth. We are the leader for bananas in North America and hold the #3 position for bananas in Europe. We also hold the #2 position for pineapples in North America, the #2 position for value add vegetables in North America, the #3 position for pineapples in Europe, and are the #1 global exporter of grapes. Additionally, we benefit from increased size and presence in attractive growth categories such as organic produce, avocados, berries and value added vegetables. According to Dole's calculation by reference to Nielsen Volume CAGR for Key Produce Categories & Perimeter Departments in U.S. (weight for produce, units for perimeter), 2018-2020 CAGR for organic produce was 10.3%, avocados was 6.8%, berries was 7.7% and value added vegetables was 8.1%. We believe that our size creates differentiation and allows us to maximize operational efficiency and maintain a low-cost positioning that creates differentiation and is difficult to replicate in mainstream segments.

Top 10 Largest Produce Peers by Revenue



Source: Public filings, 3rd party research
Note: Revenue in U.S.dollars, in billions

Leadership Positions | **Enhanced Growth Opportunities**

Bananas	Pineapples	Fresh Vegetables	Value Add Salads	Grapes	Berries	Avocados	Organic Produce
#1 in North America #3 in Europe	#2 in North America #3 in Europe	Fresh Packed Vegetables Market – A Leader in North America	#2 in North America	#1 Global Exporter	Potential for more varieties and more efficient route to market	Potential to add value through direct sourcing and utilization of assets	Potential to utilize two recognized brands in high growth category
1.5% 2018 – 2020 CAGR	3.9% 2018 – 2020 CAGR	6.8% 2018 – 2020 CAGR	8.1% 2018 – 2020 CAGR	1.6% 2018 – 2020 CAGR	7.7% 2018 – 2020 CAGR	6.8% 2018 – 2020 CAGR	10.3% 2018 – 2020 CAGR

Diversified portfolio in stable categories providing strong backbone | **Strong foundation to win and grow share**

Source: Nielsen 2018-2020 Volume CAGR for Key Produce Categories & Perimeter Departments in U.S. (weight for produce, units for perimeter). Fresh Vegetable CAGR represents Freshpack Nielsen 2018-2020 CAGR. Value Add Vegetables CAGR represents Value Added Salads Nielsen 2018-2020 CAGR.

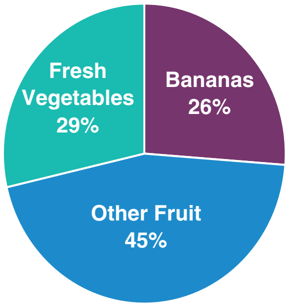
Highly Diversified Product and Services Offering, Sourcing and Customer Base

The combination of Total Produce's and Dole Food Company's complementary businesses creates a diversified and well-balanced portfolio with enhanced resilience which we believe uniquely positions us for sustainable and profitable growth. In fiscal year 2020 fresh fruit and fresh vegetables represented 71% and 29% of pro forma Adjusted Revenue, respectively, with North America and Europe contributing 47% and 46% of pro forma Adjusted Revenue, respectively. We offer over 300 products grown and sourced both locally and globally from approximately 80 countries in various regions, which are distributed and marketed in 30 countries, across retail, wholesale, foodservice and ecommerce channels. Our diverse product offering allows us to reach a broad global consumer base that is increasingly demanding product availability all year round.

By maintaining hundreds of grower relationships across North America, Europe, South America, Africa, New Zealand and other geographies, we are similarly not dependent upon any one geographic area or grower for the sourcing of our products. This reduces risk from exposure to natural disasters and political disruptions, while allowing access to the highest quality products throughout the year. In fiscal year 2020, no third-party grower represented more than 10% of the sourced volume for any significant product.

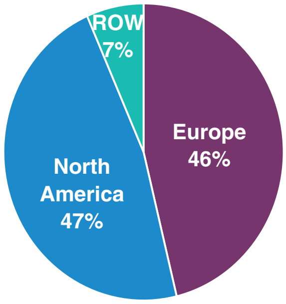
Our largest customers are leading retail, wholesale and foodservice customers in North America, Latin America and Europe, none of which contributed more than 10% of total sales in fiscal year 2020.

Dole plc Product Mix



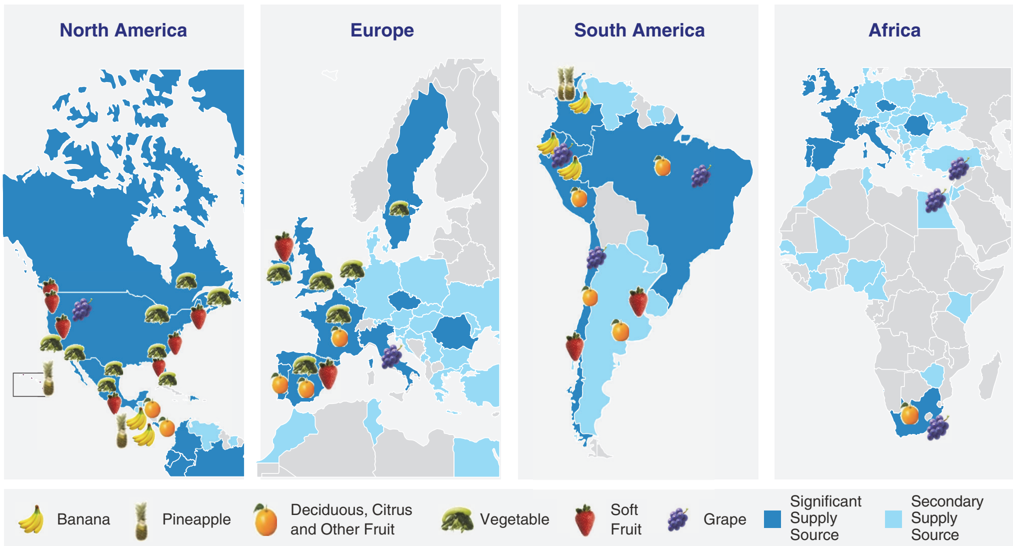
Note: Based on FY 2020 pro forma Adjusted Revenue

Dole plc Geographic Mix



Note: Based on FY 2020 pro forma Adjusted Revenue

Diversified Sourcing Network



Iconic DOLE Brand with Industry Leading Customer Awareness

The DOLE brand is the most recognized and trusted brand in fresh fruit in the United States, as evidenced by our 73% unaided consumer brand awareness, which is 42 percentage points higher than that of our closest competitor, according to a survey conducted in 2020 by IPSOS. Additionally, 84% of respondents in the same IPSOS survey declared that Dole Food Company has quality products, 85% of respondents identified DOLE as a likeable brand, 55% of respondents nominated DOLE as their favourite fruit brand, and 53% of respondents declared a willingness to pay a little more for the DOLE brand. Through our global marketing efforts, we believe we have made the distinctive red "DOLE" letters and sunburst a familiar symbol of freshness and quality, widely recognized by consumers around the world for providing healthy food products. The DOLE brand supports our leading positions in the markets we serve. Going forward, Dole plc intends to build upon the recognition and trust that the DOLE brand has earned to broaden its footprint, extend its categories, and attract new customers.

Strong Control Over Supply Chain from Differentiated, Vertically Integrated Business Model

Dole plc is unique in its capacity to deliver the best of both worlds: the collective strength, resources and supply chain influence of a global leader with the service and market focus of a local operator. Our strategic asset base across the globe, with total pro forma assets of approximately $4.7 billion in fiscal year 2020, gives us superior control over production, processing, warehousing and transportation. This control over the supply chain positions us to consistently and efficiently deliver fresh fruits and vegetables to our consumers in pristine condition on a global scale. Our quality starts on the farm. As of 31 March 2021, we owned over 109,000 acres of land around the world and lease approximately 14,000 acres. Locally, across each of the territories in which we operate, we have developed enduring relationships with hundreds of local growers, investing in their businesses and providing agronomic, commercial and promotional support. This broad ownership across regions of production assets provides the ability to manage costs and improve commercial opportunities with our independent growers, further strengthening our low cost positioning. In addition, as of 31 March 2021, we owned a fleet of ten self-sustained refrigerated container carriers and six pallet friendly conventional refrigerated ships with container-carrying capacity on deck. As of 31 March 2021, we operate eleven of our vessels and charter two to a third party. We also cover part of our shipping requirements under contracts with existing liner services and occasionally charter vessels for short periods on either a time or voyage basis when required. We also own or lease approximately 16,873 refrigerated containers, 747 dry containers, 5,573 chassis, 4,837 generator sets, and 254 facilities worldwide as of as 31 March 2021. Our supply chain gives us the tools to outperform the market on service, quality and cost. It also allows us to serve our customers with both the end-to-end solution and the supply chain transparency they are increasingly asking for.

Dole Plc is at the Forefront of Environmental and Social Issues with a Portfolio of Healthy and Sustainable Produce

We are grateful to market (a) the most nutritious foods and (b) products with the lowest carbon, water and ecological footprints of all the primary food groups, per Barilla. Our goal is to build a healthier, more sustainable tomorrow by increasing per capita consumption of fruits and vegetables today.

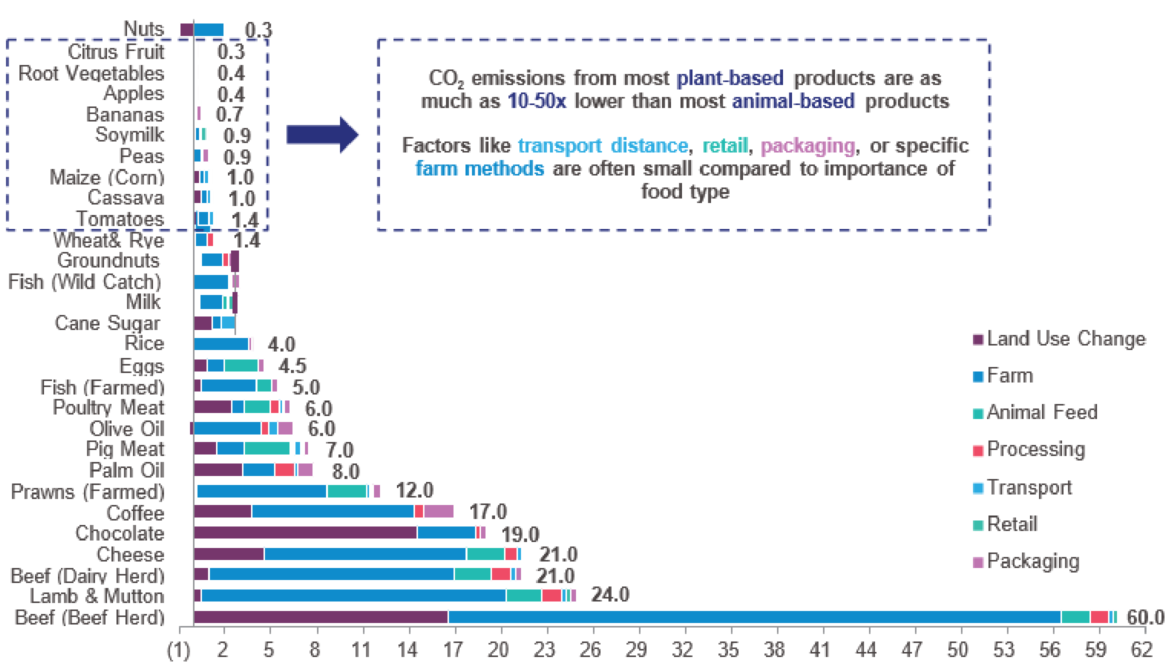
Dole Food Company and Total Produce have both publicly committed to numerous specific sustainability goals for 2025 and 2030 which are already broadly aligned. Dole plc plans to continue to enforce these efforts before merging them into a single set of goals in 2022. By way of example, some of the individual goals previously stated by Total Produce and Dole Food Company are:

- Achieving 30% reduction in Total Produce group-wide market place emissions and net zero carbon emissions from Dole Food Company-owned farms;
- Achieving 100% optimized water practices in managed farms and packing facilities;
- Ensuring all group banana and pineapple packaging is recyclable or compostable;
- Reducing shipping emissions by 30%;

- Expanding the role of the Dalé Foundation, the organization responsible for corporate responsibility projects for the Dole Food Company in Ecuador and Peru, throughout Latin America;
- Hitting 750 million cumulative impressions annually regarding healthy nutrition;
- Investing $0.07 per box of Dole Food Company bananas to fund local social impact projects;
- Implementing blockchain product-tagging technology or advanced traceability solutions; and
- Extending the use of SEDEX, which is one of the world's leading online platforms for companies to manage and improve working conditions in global supply chains, to all Total Produce operations.

Our deep commitment to sustainability is rooted in transparency and impact as we aim to be among the highest SDG rated companies in the food industry by empowering consumers, offering a wide range of fair trade and organic fresh fruits and vegetables, and remaining steadfast in our expectation for the best sustainable practices from those with whom we do business.

Greenhouse Gas Emissions Per Kilogram of Food Product
(kg CO2-equivalents Per kg Product)



Source: Vox ("How to reduce your food's carbon footprint, in 2 charts," 2020).

Executive Board and Management Teams with a Track Record in Delivering Growth

The highly regarded management teams of Total Produce and Dole Food Company, each of which have long and extensive experience in the fresh produce sector, will lead Dole plc. Carl McCann will preside over the group's activities as Executive Chairman and lead our long-term strategy together with the executive management team. Our day-to-day operations will be led by Chief Executive Officer Rory Byrne, Chief Operating Officer Johan Lindén and Chief Financial Officer Frank Davis. Dole plc is organized around a divisional structure that is led by highly regarded executives with deep industry experience who are recognized as amongst the best in the fresh produce sector. Each division has built a strong management team and culture, focused on accountability and delivery of results. The business divisions are supported by specialist corporate functions, each led by senior professionals with significant experience from within the sector.

Our Employees are Amongst Our Greatest Competitive Advantage, and We Pride Ourselves in Attracting and Retaining Some of the Most Experienced and Accomplished People in the Sector

At Dole plc we are privileged to employ approximately 40,000 people as of 31 December 2020 who are some of the most experienced and accomplished people in the sector. We strive to be a good employer by cultivating a positive and engaging culture. The key characteristics of our organization include employee inclusion, well-being, safety, training, career development and community involvement. We have adopted strategic priorities such as "the people behind the produce," which formalizes our policy for assessing culture and engagement in our local businesses. Our employment practices include encouraging and facilitating collaboration, practicing a non-discriminatory policy and being an equal opportunity employer across the globe. Our employees bring together local expertise and global perspectives, where embracing change is part of our way of working. As a result, our "can do" customer-centred culture is one in which our people are ambitious, progressive, resourceful and resilient.

Reinforced, Stronger Operating Financial Profile that has Shown Strong Resilience through COVID-19

Our financial profile is characterized by a combination of growth and resilience, resulting from our diversified exposure by both segment and geography and diversified growing and sourcing.

Throughout the COVID-19 pandemic, we benefitted from robust retail and wholesale demand, which helped to offset reduced levels of activity in the food service sector. In 2020, Total Produce grew revenue 4.3% to $4.3 billion, while Dole Food Company grew revenue 3.5% to $4.7 billion, both of which represented faster growth rates than those achieved in 2019. Furthermore, through our leading retailer partners, we expect to continue our ecommerce momentum, with such business channel witnessing accelerated growth during the pandemic. We believe Dole plc will benefit from an enhanced balance sheet and strong cash flow generation, which, supported by sustainable growth and earnings resilience, will position Dole plc to fund and maintain an attractive dividend pay-out ratio.

Our Growth Strategy

Continue to Invest in a Large and Structurally Growing Fresh Produce

As the global #1 in fresh produce for fiscal year 2020, we believe Dole plc will be well positioned to benefit from the future growth prospects of the $349 billion combined North American and European fresh fruits and vegetables segment that is expected to grow to $398 billion in 2025 and at a 2.7% five-year CAGR from 2020 to 2025. As the largest player in this category, we have a responsibility to invest in the category and ensure consumers are appropriately informed of the benefits of a nutritious diet rich in fresh fruits and vegetables. Health-conscious consumers are driving much of the growth in demand for fresh produce, a trend that continues to accelerate as evidenced by the fact that 65% of respondents to a global survey performed by Empathy Research indicated they are making an effort to eat healthier.

Deepen Market Penetration Across Our Existing Global Footprint with Enhanced Customer Offerings

Where we already have a presence, the coming together of Total Produce and Dole Food Company presents an opportunity to extend our collective commercial footprint. For example, Spain, France and the United Kingdom constitute three territories where, through leveraging our existing infrastructure, market expertise and relationships, there is potential to access new customers and channels such as foodservice and ecommerce. By linking, augmenting and streamlining this network to our vertically integrated supply channels, we believe we are well-positioned to meet the evolving needs of retailers and foodservice operators with international distribution and category management requirements.

We intend to extend the range of vertically integrated products sold by our existing client base across Europe and North America by collaborating across the supply chain and utilizing our collective sourcing network, customer relationships and the DOLE brand. Thus, we believe we can better serve retail clients operating in multiple distribution channels with complex requirements, while generating efficiencies in overall distribution.

Expand into Additional Territories and Categories as a Result of a Highly Complementary Asset Base and Brand Recognition

Dole plc is well positioned to offer its customer base a wide range of premium produce during all 52 weeks of the year. This range includes high-growth, high-value products grown to the highest agronomic and sustainable standards, including avocados and berries. The combination of Total Produce and Dole Food Company in these categories will make Dole plc a significant player and create a new platform for growth. Additionally, Dole Food Company's strategically located asset base combined with Total Produce's distribution capabilities will help drive continued expansion. In bringing together exceptional produce, a recognized, trusted brand, and a strategically located asset base, we will strive to promote a wider range of products in new territories and product categories.

Benefit from Combined Consumer Insights and Strategic Partnerships to Drive New Product Development and Innovation

We believe that Dole plc, as the industry leader, will be a focal point for innovation in marketplace operations, specifically consumer behaviour and insights, new product developments, logistics, operational efficiencies and sustainability. We launched our Kostministieriet ("**Ministry Of Food**") initiative, which is dedicated to garnering deeper insights into consumption motivators and inhibitors for choosing more fresh fruit and vegetables, across 10 European nations.

We recently announced a strategic partnership with Elo Life Systems, a food and agricultural biotechnology company with a mission to create novel products that enhance the nutrition and diversity of the global food supply. Together, we will aim to develop multiple new banana varieties, including Cavendish, with enhanced resistance to fungal diseases such as Fusarium wilt.

In accordance with the DOLE brand's promise, Dole plc is committed to continue offering health-conscious consumers a growing number of premium meals and snack options supporting trends for plant-based and flexitarian diets. Over the past three years, Dole plc has launched 252 new SKUs under the DOLE brand and private labels, generating $180 million in additional sales.

Research across logistics and operations is orientated towards delivering cost and sustainability-related improvements, as well as simplifying the supply chain. Recent initiatives include trials for The Internet of Things ("**IoT**") solutions, which have focused on the transmission of key supply chain data in real time, and the development of innovative direct-to-consumer solutions in our "No Waste" facility in Helsingborg, Sweden. We will continue to focus on the development of user-friendly platforms to measure and manage the sustainability impact of our business globally. Our Insight App tool was developed in 2020 to profile growing regions globally on the basis of core sustainability metrics.

Drive Additional Growth in Value Added, Organic and Sustainable Categories

We are committed to leveraging our shared sourcing network to widen the availability and bring an increasing range of organic, sustainable products to market. This matches the expectation of a growing segment of the population, as shown by 31% of respondents in the United States that estimated 25% to 50% of their fresh produce is organic, according to a survey performed by The Packer. Additionally, a recent study by Empathy Research suggests 27% of global respondents are willing to pay more for food that is sustainably produced. We will leverage the unique sustainability story of Dole plc to establish a point of difference in the marketplace by adding value at the point-of-sale through best-in-class sustainable packaging and local procurement. We will use our localized, global infrastructure to facilitate post-COVID trends toward convenience and direct-to-consumer solutions, providing value-added, organic and sustainable categories to drive further growth. Our offerings will include ready-to-eat, meal kits, and bagged salads, all utilizing the trusted DOLE brand as a reassuring promise of consistency and quality.

Optimize Our Supply Chain, "Setting Our Service Apart"

Dole plc will offer a compelling proposition for global customers by delivering efficiencies through collaboration across our global procurement and distribution networks. For instance, South Africa and Chile are important sourcing regions for Dole plc, and by coordinating group-wide procurement and logistics from both countries, we will be able to increase volumes and deliver economies of scale within the group. Additional supply chain benefits include increased collaboration across inland freight and logistics in North America and Europe, further development of third-party logistics offerings, and a strategic approach to the coordination of global sea freight management. We aim to enhance the supply chain responsiveness of our operating companies and deliver real-time solutions, which is further enhanced by our broader combined access to market intelligence. We believe our supply chain optimization will differentiate us from competitors and add value by streamlining the route to market, refining direct sourcing models and assuring best practices in quality and sustainability through our greater supply chain influence.

Continue to Focus on Synergistic M&A in a Fragmented and Growing Market

The strong foundation created by Dole plc's well-capitalized balance sheet will position the company to benefit from acquisitions and development opportunities in a fragmented industry. Both Total Produce and Dole Food Company have an extensive history of successful acquisitions in the fresh produce sector, which has allowed them to build highly specialized capabilities in the industry. Total Produce has traditionally grown through acquisitions, with an extensive track record in the identification, execution, and integration of such targets. In the 15 years following the 2006 separation from Fyffes, Total Produce has completed more than 100 acquisitions. These acquisitions are of varying sizes across four continents, from transformational investments such as the investment in DFC Holdings, to smaller, bolt-on investments. These transactions have been the primary driver of Total Produce's continued expansion with revenue more than tripling during this time, from \$2.1 billion in 2006 to \$7.1 billion in 2020 (which includes Total Produce's share of joint ventures and associates and eliminates the proportionate share of revenue transactions between Total Produce subsidiaries and joint ventures and associates). Similarly, Dole Food Company has experience in successful M&A, with recent focus in strategic assets and a continuous evaluation of the returns on existing assets to constantly improve the efficiency of its capital allocation process.

Our Business

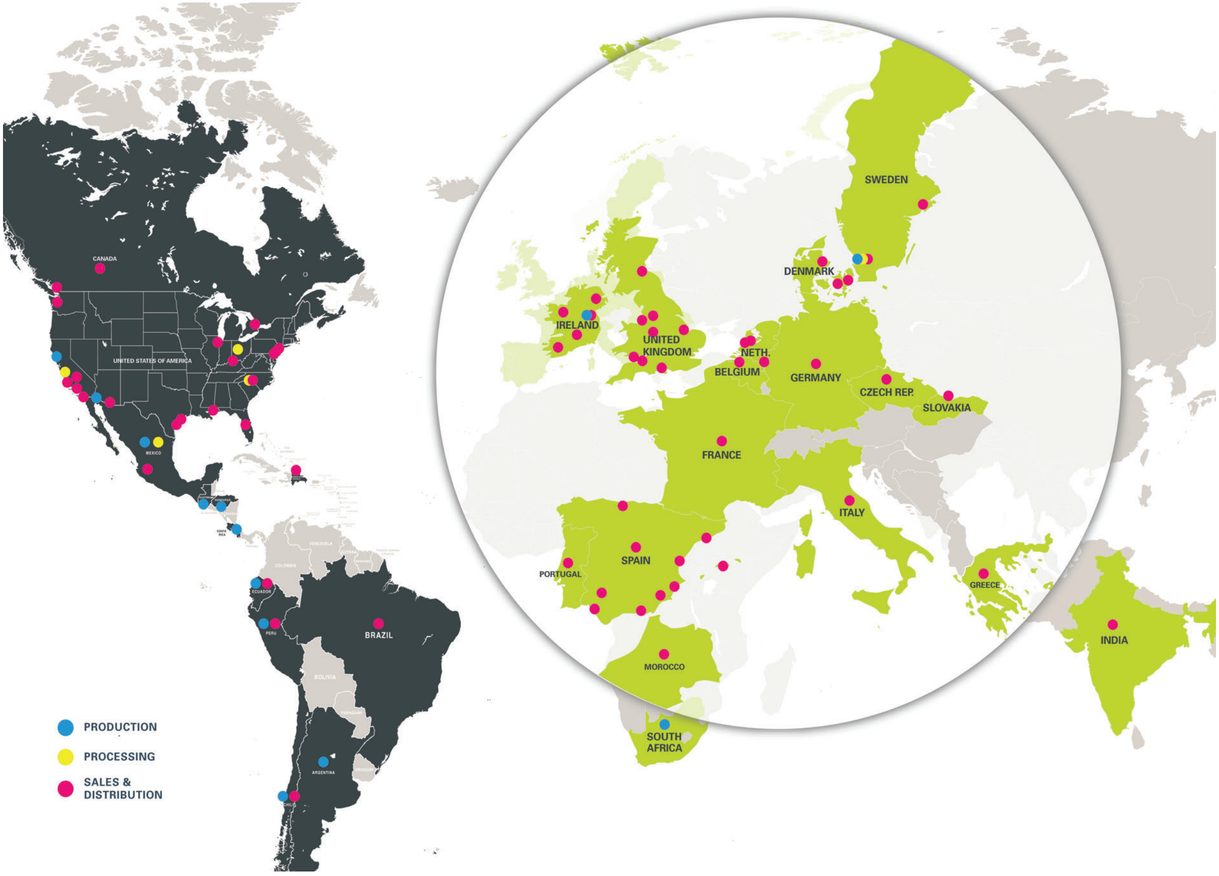
Dole plc is expected to have four primary reportable segments: Fresh Fruit, Fresh Vegetables, Diversified Produce (EMEA) and Diversified Produce (Americas & ROW). These segments will be managed separately due to differences in geography, products, production processes, distribution channels and customer bases, in addition due to historical integration of businesses prior to the Transaction.

Fresh Fruit*.* The Fresh Fruit reportable segment will sell bananas, pineapples which are sourced from local growers or Dole plc-owned and leased farms primarily located in Latin America and South Africa, and sold throughout North America, Europe, Latin America, the Middle East and Africa (primarily in South Africa).

Fresh Vegetables*.* The Fresh Vegetables reportable segment will sell value added and fresh packed vegetables and salads and has a line of fresh-packed products that includes produce like iceberg, romaine and leaf lettuces, celery, and value-added salad and meal kits. These products are sourced from North America and Latin America, and substantially all of the sales for fresh vegetables are generated in North America.

Diversified Produce (EMEA). The Diversified Produce (EMEA) reportable segment will include Dole plc's Irish, Dutch, Spanish, French, Italian, UK, Swedish, Danish, Eastern European and Brazilian businesses, each of which sell a variety of imported and local fresh fruits and vegetables through retail, wholesale and in some instances foodservice channels across the European marketplace.

Diversified Produce (Americas & ROW). The Diversified Produce (Americas & ROW) segment will include Dole plc's U.S., Canadian, Chilean and Indian businesses, all of which market globally and locally sourced fresh produce. Below is a table of the breakdown of revenue by product category for fiscal year 2020.



Principal Properties

North America

Canada

We have facilities spread across British Columbia, Calgary and Ontario consisting of offices, warehousing/cold storage, packing, ripening rooms and transportation brokerage services. The largest facility is based in Coquitlam, British Columbia which consists of a leased warehouse, with cold storage and repacking capabilities, and adjoining offices.

United States

We operate agricultural land across the United States. In Hawaii, our operations are located on the island of Oahu, where we produce pineapples, coffee and cacao. We also own and lease land in California, Florida, North Carolina, Arizona and Ohio in connection with our vegetable and berry operations.

Our non-farm properties across the US consisting of warehousing/cold storage, packing, ripening, offices and transportation brokerage services. The locations are spread across California, Arizona, Florida, Washington, Ohio, North Carolina, Texas, Illinois, Pennsylvania, Arizona and Delaware. We have several terminal operations, including those in California, Texas, Mississippi, Delaware and Florida, where we conduct our logistics and shipping operations.

South and Latin America

We have operations across South and Latin America. We produce bananas on directly owned and jointly operated plantations in Costa Rica, Ecuador, Honduras, Guatemala, Colombia and Peru. In Mexico, we lease farmland in connection with our vegetable and berry operations and own and operate berry packing facilities in Michoacán and Jalisco. We also operate orchards, nurseries and berry fields on properties in Chile, Peru and Argentina.

We also operate pack houses and cold storage facilities throughout South America to assist our operations. In Chile, we own a fresh-cut salad manufacturing plant for local distribution within Chile.

Europe

Eurozone

In Europe we operate owned and leased facilities, which include our warehousing, offices, logistics, packing and some growing operations. Our main areas of operation are set out below:

Ireland

We have facilities across the Republic of Ireland, including corporate facilities and other warehousing and ancillary offices. This also includes smaller growing facilities for fresh produce such as tomatoes and herbs. The largest facility is spread over two leased buildings and encompassing warehouses, a packhouse and offices in Swords, Co. Dublin.

Spain & Portugal

We have 19 facilities in Spain and 3 in Portugal with the main operation being in Madrid (9,800 square meters) and the Spanish head office in Alicante. These facilities are generally warehousing, ripening rooms and ancillary offices.

The Netherlands

We operate facilities across the Netherlands with the large warehousing and ancillary offices in Bleiswijk, Poeldijk, Venlo, Rotterdam and Dronten.

Other Eurozone

We have terminal facilities in Antwerp, Belgium related to our shipping operations. In France, we have distribution facilities in both Vitrolles and Cavillon. We operate ripening facilities in Stelle, Germany and Calico and Guidonia, Italy. We also have sales offices across the Eurozone, including in Milan, Athens and Hamburg.

Non-Eurozone

The main non-Eurozone countries we operate in are as follows:

Sweden

We primarily operate from facilities in Helsingborg which include offices and warehouses including automated packing and sorting facilities and ripening rooms. We operate other, smaller facilities across Sweden, including production and processing plants as well as warehousing and office space. Two of these are located in Stockholm with the remaining in the southern part of Sweden.

Denmark

The main Danish facility, located in Køge, consists of a warehouse, picking/packing area, office space and contains ripening facilities and avocado and mango ripening facilities. There is a second facility in Aarhus which is used for banana ripening and cross docking of Spanish produce.

United Kingdom

Across England, Scotland, Wales and Northern Ireland, we operate our UK Head Office and other buildings which include both warehousing and ancillary offices. The largest facilities are in Spalding and Bristol, includes both foodservices and wholesale operations.

Czech Republic

The Headquarters for our Czech operations are based in Brno which includes office space, warehouses, banana ripening rooms, cold storage and logistics. There are five other locations which include warehouses, land in Rika and Moravia. Our Czech operating company also has a facility in Bratislava in Slovakia.

Rest of World

We have facilities spread across the rest of the world, with some locations owned directly and others owned through our partner companies. This includes vineyards and orchards in South Africa, certain facilities in Australia and offices and warehouses across India. We also operate certain sales offices abroad, most notably in Dubai, which handles our Middle East trade.

Research and Development

Our research and development programs are an important mechanism through which best agronomic and sustainable practices can be assured and through which insights can be leveraged and innovations developed. It plays an important role in ensuring that we deliver exceptional fresh produce to our customers and consumer and establish a tangible point of difference in the marketplace. Our focus lies predominantly on sustaining the productivity of our agricultural lands, food safety, nutrition science, product quality, value-added product development and packaging design.

Across the Supply Chain

Our agricultural research is directed toward sustaining and improving product yields and product quality by examining and improving agricultural practices in all phases of production (such as development of specifically adapted plant varieties, land preparation, fertilization, cultural practices, pest and disease control, post-harvesting, handling, packing and shipping procedures), and includes on-site technical services and the implementation and monitoring of recommended agricultural practices. Research efforts are also directed towards integrated pest management and biological pest control. We also recently announced a strategic partnership with Elo Life Systems, a food and agricultural biotechnology company with a mission to create novel products that enhance the nutrition and diversity of the global food supply. Together, we will aim to develop multiple new banana varieties, including Cavendish, with resistance to fungal diseases such as Fusarium wilt. We develop specialized machinery for various phases of agricultural production and packaging that reduce labour costs, increase efficiency and improve product quality. We conduct agricultural research at field facilities primarily in California, Hawaii and Latin America. We also sponsor research related to environmental improvements, the protection of worker and community health, and the advancement of food safety in produce. We strive also to bring best research and development practices to refine our transit systems from field to marketplace. In trialling new technologies such as blockchain solutions and IoT we are focused on transmitting key supply chain data in real time to ensure ever greater quality and freshness at point of sale as well as even greater transparency along the supply chain.

In the Marketplace

Consumer-centric in orientation, we understand the pivotal role research has to play in identifying and addressing consumer needs. In 2021 we launched our Kostministieriet ("**Ministry Of Food**") initiative spanning ten European countries, dedicated to better reconciling our product portfolio with the modern needs and expectations of the average European consumer. Complementing additional localised market research efforts conducted throughout the year, this research feeds into new product development focused on meeting specific identified needs. Recent examples including the development and evolution of value added products such as Ready To Eat and Meal Kit solutions and the development of IT and distribution solutions for direct to consumer services. Research and development also has an important contribution to make in our efforts to improve sustainability. In developing recyclable and compostable packaging solutions in Ireland, the United Kingdom, the Netherlands, the United States and Canada, we are empowering consumers to make more responsible choices. We also continue to invest in evolving technologies in order to improve our efforts to measure and manage the environmental impact of our operations.

Sales and Marketing

Promoting Fresh Produce

We seek to make the world a healthier place. Promoting a healthier diet, and specifically an increased intake of fresh fruits and vegetables, begins with listening to consumers, understanding their motivations and identifying opportunities to inspire and encourage increased consumption. We are committed to working with stakeholders, such as governments, industry bodies, customers and growers to gather greater insights into consumer behaviour and drive consumption. Across our operations, we are enthusiastic sponsors of generic promotional campaigns, including the "Eat Them To Defeat Them" campaign in the United Kingdom and the "Incredible Edibles" program in Ireland and "5 al Dia" in Spain. Independent of our peers, we work to drive consumption through consumer orientated new product development, branding, packaging, promotions and online engagement with consumers. In doing so, our approach is consistent; we seek to "find the fun in fruit," and to inspire, educate, motivate and empower consumers.

Promoting our Brand

We promote the DOLE brand through marketing campaigns and communication activities via social media that celebrate the unique range of Dole plc products, the goodness of fresh produce and their nutritional value to our consumers while supporting them in making healthier choices in their daily lives. Most of our activities are based on high quality content distributed through social media where we have an active presence. We also support a wide range of events, many dedicated to sport and wellness, and causes related to health and nutrition. We are particularly active in promoting nutrition education though our partnership with No Kids Hungry in the US or the public school system in Greece. Since 2016, Dole Food Company has partnered with Disney to promote healthy living through multiple campaigns in North America which we intend to continue and amplify in the future.

In 2021, we engaged New York-based agency Beanstalk to search for new licensing partnerships opportunities with like-minded companies and extend the reach of the DOLE brand while generating new revenue streams.

Our Marketplace Distinguishers

At Dole plc, we are, first and foremost, produce enthusiasts. We bring a wealth of experience, expertise and passion to the sales and marketing of fresh fruits and vegetables and believe that, in promoting products inextricably linked to good health and well-being, we make a positive contribution to the world in which we live. We sell and distribute our fruit and vegetable products through a network of fresh produce operations in North America, Europe, Latin America, South Africa and Dubai. Some of these operations involve the sourcing, distribution and marketing of fresh fruits and vegetables, while others involve only distribution and marketing. We have regional sales organizations dedicated to servicing major retail, wholesale and foodservice customers. We also use the services of brokers in certain regions, including for some sales of packaged salads.

We place a special emphasis on establishing long-term and mutually beneficial relationships with our retail, wholesale and foodservice customers. One critical aspect of this these relationships is the provision of various value-add services, such as category development, product innovation, graphic design and tailor-made shopper marketing programs, which we believe drive sales and increase the value of our customers' decision to partner with us.

A core competency of our sales and marketing function lies in our capacity to differentiate the fresh offering our customers can present to consumers. By virtue of our on-the-ground operations and local experts across the world, we are attuned to the needs of local marketplaces, tailoring bespoke solutions and delivering a tangible competitive advantage to our customer base. At Dole plc, one size does not fit all. We believe we distinguish ourselves through our global presence, our capacity to source high-quality crops from accomplished global growers and our ability to customize our offerings to local needs. Sometimes it is derived from our relationship with local growers and in our investment in growing, branding and promoting local produce. Most often, it is our capacity to supply both and our commitment to exceptional service for building our customer's business that sets us apart.

Customers

In fiscal year 2020 fresh fruit and fresh vegetables represented 71% and 29% of pro forma revenue, respectively, with North America and Europe contributing 47% and 46% of pro forma revenue, respectively.

In North America, our diverse range of retail customers include large chain stores, and we often enter into product and service contracts with such retail customers. We have regional sales organizations dedicated to servicing our major retail, wholesale and foodservice customers. We believe that our global presence allows us to support the growth of our customers and consistently provide the highest quality fresh produce under the specifications and with the level of service they expect.

In Europe, our customer base is characterized by its diversity of sectors, geography and products. At retail level, we serve a broad spectrum of outlets from local independent stores to the largest international retail chains including some of the world's largest retailers. No single customer was responsible for more than 10% of group turnover in 2020. Similarly, in foodservice, customers include international contract caterers as well as local restaurants and coffee shops. Across our operations, we trade with wholesale operators of various sizes and reach and we have traditionally processed customers through this sector.

While our reach allows us to cater to diverse, international clients with global needs, our extensive on-the-ground infrastructure allows us to provide bespoke services for local customers and local branches of global customers across the world. We believe this capacity to customize individual customers experience differentiates us as a supplier. We believe that given the flexibility inherent in our business model, group-wide experience, expertise, size, reach and resources, we are well placed to anticipate future customer needs, sustain and augment our relevance in the supply chain, consolidate our position at the forefront of the market and continue to grow as our industry evolves.

Competition

The global fresh produce industry is a highly competitive sector, one characterized by a complex supply chain and fragmented supply base. In addition, each sector in which we operate typically hosts a single large local competitor or a number of local competitors. Competition in the various product categories in which we operate is affected by reliability, consistency, quality, range, price, continuity of supply, product quality, brand recognition and perception, the ability to satisfy changing customer preferences through innovative product offerings, and the capacity to manage contingencies and to deliver a point of difference. Mirroring our own operations, competition emanates from a diverse selection of operators ranging in size from global multi-nationals to small independent merchants across the retail, wholesale, foodservice, and ecommerce channels. We consequently compete simultaneously at a localized level and on a global scale.

We believe that our capacity to compete at both a local and global level differentiates the produce we supply and the service that we provide. We believe our robust, integrated supply chain differentiates us from our competitors as it allows us to readily supply high-quality fresh produce on a global scale, as demanded by our global customer base. We believe too that economies of scale and the cost consciousness inherent in our culture and business model keeps us competitive while, in an ever changing market, our experience, our ongoing investment in operations and our commitment to responsible, sustainable production makes us a safe pair of hands well positioned to meet competition, local or global.

The supply of bananas is intensely competitive, with a small number of large global producers, together with smaller independent growers, packers and middlemen. Our principal competitors in the international banana business are Chiquita Brands International Fresh Del Monte Produce and Fyffes. The international pineapple and diversified fruit categories have a large number of exporters, importers, and cooperatives competing in the sector. Our primary competitor in pineapples is Fresh Del Monte Produce Inc. and our primary competitors in our diversified fruit category vary on the specific product and region.

In fresh vegetables, a limited number of grower-shippers in the United States and Mexico supply a significant portion of the U.S., with numerous smaller independent distributors also competing. We also face competition from grower cooperatives. In value-added salads, our primary competitors include Chiquita Brands International (which markets Fresh Express), Ready Pac Produce and Taylor Fresh Foods. In fresh-packed vegetables, our primary competitors include Tanimura & Antle, Duda Farm Fresh Foods, Ocean Mist Farms and the Nunes Company. In berries, our primary competitors include Driscoll Strawberry Associates, Naturipe Farms, California Giant Berry Farms, and Well-Pict Berries. In respect of exotic products, Nature's Pride and The Greenyard Group are the competitors closest in size and product portfolio to our European operations.

Food Safety

Our First Priority, Always

In addition to being a leader in the sale and production of fresh fruits and fresh vegetables, we drive innovation in food safety through our support of scientific research. For example, we were actively involved in the creation of the original industry-wide Leafy Greens Marketing Agreements ("**LGM**A") for both California and Arizona. Our food safety leadership actively participates in both LGMA organizations in various capacities influencing industry direction and setting new standards for food safety within the industry. We engage experts in the fields of academia, industry and regulatory through participation on technical committees, advisory boards and industry workgroups for key industry organizations allowing our company to play a critical role in shaping scientific research priorities and driving application of this research within the industry to advance food safety. Our food safety leadership serves on both the Board of Directors for the Center for Produce Safety, an organization dedicated to funding research which will find practical solutions to help improve food safety in the produce industry, and the Steering Committee of the Global Food Safety Initiative ("**GFSI**"), an internationally recognized benchmarking organization considered the worldwide gold standard for food safety audits.

Our food safety programs are built upon the most current, cutting edge scientific knowledge and we routinely evaluate and apply the latest science and technology within our programs. Globally, food safety programs across many Dole Food Company divisions are harmonized to operate under a single food safety management system utilizing a risk-based approach to assessing our operations, growers, and suppliers. We require all production operations around the world to comply with all elements of LGMA (as applicable), Good Agricultural Practices for growing and harvesting produce and Good Manufacturing Practices in the packing and processing of fresh produce (each as proscribed by the USDA). Verification of compliance to these standards is conducted through audits by qualified individuals either within our company or through a third-party audit company. We require that all of our own production facilities and farms, as well as those of our growers and suppliers throughout our supply chain, to be certified against GFSI recognized certification programs.

We also work with researchers, service providers and technology partners to conduct trials and validation studies on products and processing methods designed to reduce risk, increase productivity and operate more sustainably. Information technology also plays an important role in our food safety programs by digitally capturing key quality and food safety metrics across our supply chain eliminating paper forms and documents allows us to turn thousands of data points into actionable information. Through the use of analytics, we identify trends and drive continuous improvement across all elements of our program. We were also an early adopter of blockchain technology, teaming up with Walmart, IBM and other global companies to demonstrate the potential of blockchain to enhance transparency in the food industry. We continue to lead the produce industry in the use of blockchain technology by leveraging standardized produce traceability initiative ("**PTI**") labelling and other globally recognized traceability standards to enable end to end transparency within our supply chain.

North America

In the United States, our food operations are subject to the oversight of, among others, the FDA and state, local and foreign counterparts, and the U.S. Department of Agriculture, or USDA, and other federal, state, local and foreign environmental, health and safety authorities. The FDA, pursuant to the Federal Food, Drug, and Cosmetic Act, as amended by the FSMA, enforces statutory standards regarding the growing, harvesting, manufacturing, processing, packaging, holding, distributing, importing, exporting, labelling and safety of food products, establishes requirements for or limitations on ingredients or substances in foods and establishes standards of identity for certain foods. Similar functions are performed by state, local and foreign governmental entities with respect to food products produced or distributed in their respective jurisdictions. FSMA, which is a major reform of U.S. food safety laws, aims to ensure the U.S. food supply is safe by focusing on preventing contamination. The USDA regulates the phytosanitary standards, and the FDA regulates the food safety standards, for imports and exports of agricultural and food products into and from the United States. The USDA also oversees the National Organic Program, which provides the national standards for labelling products as USDA organic, and regulates the introduction of certain genetically engineered organisms.

In Canada, Health Canada is the agency who develops food safety standards and provides advice on food safety and nutrition; however, the Canadian Food Inspection Agency ("**CFI**A") has enforcement authority over growing, harvesting, manufacturing, processing, packaging, holding, distributing, importing, exporting, labelling and safety of food products and conducts inspections against all regulations created by Health Canada. In addition, to CFIA, provinces, territories and municipalities may also apply and enforce additional standards specific to those locations. In January 2019, the Safe Food for Canadians Regulations ("**SFCR**") went into effect in Canada, which, similar to FSMA in the U.S., represented a major reform of food safety regulations into this new consolidated set of standards. The primary areas of focus for the new regulations were licensing, traceability, and preventive controls and enforcement dates for many of these new requirements have just gone into effect within the past year. In addition, SFCR also included enhanced requirements around the import of organic products into Canada to strengthen compliance against the Canadian Organic Regime ("**CO**R") and the equivalency programs in place with the U.S. and Europe.

Europe

The EU has developed an integrated approach to food safety 'from farm to fork', primarily set out in its White Paper on Food Safety. It covers all sectors of the food chain, including feed production, primary production, food processing, storage, transport and retail sale. In 2002, the European Parliament and the Council adopted Regulation (EC) No 178/2002 laying down the general principles and requirements of food law (General Food Law Regulation). The General Food Law Regulation is the foundation of food and feed law in Europe. It sets out an overarching and coherent framework for the development of food and feed legislation both at Union and national levels. To this end, it lays down general principles, requirements and procedures that underpin decision making in matters of food and feed safety, covering all stages of food and feed production and distribution.

It also sets up an independent agency responsible for scientific advice and support, the European Food Safety Authority ("**EFSA**") and it creates the main procedures and tools for the management of emergencies and crises as well as the Rapid Alert System for Food and Feed **("RASFF**").

Our European businesses follow the methodology of continuous improvement, by focusing and enhancing the activities that generate the most value for our customers while removing waste activities and building efficiencies at every point in the supply chain from field to fork. It is required of all of our operations to stringently follow all local and national legislation in respect to produce quality and food safety and to ensure:

- All food or produce we procure or sell must be of the nature, substance or quality that our customers expect and specify in their codes and specifications
- That every business can demonstrate due diligence and have management controls in place that ensure all food and produce sold is safe and healthy and will not harm the people eating it.
- All food and produce we sell is labelled, advertised and presented in a way that is not false or misleading and meets local and national labelling and packaging legislation.
- That a monitoring and pesticide residue testing system, based on risk is undertaken in order that all products procured and sold meet current EU MRL regulations (Regulation EC 1107/2009 and Regulation EC 396/2005) and therefore do not pose a risk to consumers.
- In Europe we have adopted Global GAP, one of the GFSI recognized certification programs, as our minimum compliance standard, and we have worked for many years with customers and partner growers to raise the overall standard of agricultural practice at local and national level.

In all operating units there is a clearly defined management responsibility plan for quality and food safety. Procedures are documented in accordance with customer and local authority requirements. Our larger facilities have been compliant for many years to BRC or an equivalent GFSI and as a minimum all businesses who grade and pack produce for Dole Food Company have documented HACCP procedures and are routinely evaluated by the respective business by audit and monitoring of their food safety compliance.

Our distribution and packing operations are also subject to the oversight of local and national authorities and food agencies who have responsibility for policing EU Agriculture Quality Standards and compliance to local and national food safety laws.

To support our commercial and technical operations in staying abreast of legislative matters, Dole Food Company is an active member of Freshfel, the European representative association for fresh produce. Freshfel includes representative from across the full fruit and vegetable sector supply chain including growers, retailers, wholesaler, food service and logistics operators. The organizations act as an important industry platform for dialogue and networking between members on food safety, sustainability and the promotion of fresh produce.

Environmental and Regulatory Matters

Our agricultural operations are subject to a broad range of evolving environmental laws and regulations in each country in which we operate. In the United States, these laws and regulations include the Food Quality Protection Act of 1996; the Clean Air Act; the Clean Water Act; the Resource Conservation and Recovery Act; the Federal Insecticide, Fungicide and Rodenticide Act; the Comprehensive Environmental Response, Compensation, and Liability Act; and the FSMA. In the European Union, these laws include the General Food Law Regulation (EC No. 178/2002), the Industrial Emissions Directive (Directive 2010/75/EU), the Water Framework Directive (Directive 2000/60/EC), the Ambient Air Quality Directive (Directive 2008/50/EC), the Environmental Liability Directive (Directive 2004/35/CE), the Packaging Waste Directive (Directive 94/62/EC), Regulation (EC) No 1272/2008 on classification, labelling and packaging of substances and mixture, and Regulation (EU) No 649/2012 concerning the export and import of hazardous chemicals.

Compliance with these foreign and domestic laws and related regulations is an ongoing process that is not expected to have a material effect on our capital expenditures, earnings or competitive position. Environmental concerns are, however, inherent in most major agricultural operations, including those conducted by us, and there can be no assurance that the cost of compliance with environmental laws and regulations will not be material. Moreover, it is possible that future developments, such as increasingly strict environmental laws and enforcement policies thereunder, including those driven by concerns about climate change and further restrictions on the use of agricultural chemicals, could result in increased compliance costs.

Portions of our fresh fruit and fresh vegetable farm properties in the United States are irrigated by surface water supplied by local government agencies using facilities financed by federal or state agencies, as well as from underground sources. Water received through federal facilities is subject to acreage limitations under the 1982 Reclamation Reform Act. Worldwide, the quantity and quality of water supplies varies depending on weather conditions and government regulations. We believe that under normal conditions these water supplies are adequate for current production needs.

In Europe, our adoption of Global GAP also applies to our focus on the environment and efforts to raise the overall standard of agricultural practice at local and national level. We also support a range of other standards that go beyond Global GAP in the areas of organics, sustainability and ethics most notably Bord Bia's (The Irish Food Board) Origin Green, Leaf, KRAV, AWS (the Alliance for Water Stewardship) and Sedex (the Social and Ethical Data Exchange). The current focus is on growers widening their Global GAP compliance by completing the "bolt on" units for specific customers (Nurture), Water (Spring) and Ethics (GRASP).

The European Green Deal sets out to make Europe the first climate-neutral continent by 2050. The EU's Farm to Fork Strategy lies at the heart of the Green Deal. It comprehensively addresses the challenges of sustainable food systems and recognizes the inextricable links between healthy people, healthy societies and a healthy planet. The strategy is also central to the Commission's agenda to achieve the United Nations' Sustainable Development Goals (SDGs). The shift to a sustainable food system should bring environmental, health and social benefits, offer economic gains and puts the EU onto a sustainable path.

We have clearly defined sustainability strategies embracing the measurement and management of our consumption of resources, promoting the minimization of the impact of our operations on the environment, detailing a prioritized set of actions to engage with internal and external stakeholders, and ultimately drive performance and improvement. Our sustainability values reflect the culture of accountability and responsibility which permeates throughout our organization, our business model and our determination to lead our industry as we progress on our ongoing journey towards becoming an ever more sustainable business.

Trademarks and Trade Names

We have a number of additional license arrangements worldwide, none of which is material to us and our subsidiaries, taken as a whole. We have sold the use of the DOLE brand in Asia, Australia and New Zealand for fresh fruit, worldwide for shelf stable packaged food products, and worldwide for juice products.

The Total Produce and the Total Produce TOP brands are registered in a number of key markets across the world including the European Union, the United States, Canada, China, Australia and New Zealand. Throughout the group a number of additional registrations are held, none of which are material to our business as a whole.

Seasonality

Our revenue has historically been stronger through the first half of the year. We experience seasonal earnings characteristics, predominantly in the fresh fruit business, because fresh fruit prices traditionally are lower in the second half of the year, when summer fruits are in the markets. See also, "Risk Factors – Our earnings are subject to seasonal variability."

Employees and Human Capital

As of 31 December 2020, we had approximately 40,000 full-time employees worldwide. Approximately 30% of those employees work under collective bargaining agreements, some of which are in the process of being renegotiated. These agreements are subject to periodic negotiation and renewal. We believe that our relations with our employees are generally good.

Diversity and Inclusion. We recognize that one of our most important assets is our people. We value the unique perspectives that a workforce with diverse cultures, ages, genders, and ethnicities brings to our company. We are committed to maintaining a positive and diverse workplace and supplier base that fosters open dialog and recognizes the importance of individual and cultural differences. We have a zero-tolerance policy on discrimination and harassment and have several systems under which employees can report incidents confidentially or anonymously and without fear of reprisal.

It is our philosophy and practice to provide employment opportunities without regard to sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation or any factor prohibited by applicable law or Dole Food Company's policies. Decisions as to hiring, promotion, compensation, termination and other aspects of the employment relationship are based upon job-related qualifications.

***Engagement, Opportunities and Benefits**.* Education and continuous development are cornerstones of our approach to talent management. We encourage and support the growth and development of our employees and, wherever possible, seek to fill positions by promotion and transfer from within the organization. Through operating an annual international Key Talent Program we identify, encourage and develop emerging high-performing talent across the group. In addition, a virtually delivered Management Programme is offered to all managers to support the development of key management skills. General talent development is managed predominantly at divisional and site level, with each division offering programs and opportunities that are relevant to its workforce. For example, at our salad processing plant in Soledad, California, employees are offered free English and high school classes each weekday afternoon, as well as skills training in areas such as packaging machine operation, forklift driving and supervisory skills.

***Safety and Health**.* The safety, health and welfare of all of our employees, whatever their role, is paramount to our company. Farms and facilities are regularly audited to check for employee welfare, such as ensuring that someone at the site is clearly responsible for employees' health, safety and welfare and that employees have access to clean drinking water and other basic amenities. In our Fresh Fruits Division, these checks are managed under our own integrated management system, and many supplier sites around the world are audited against social standards and company requirements. During the COVID-19 pandemic, we have offered additional support and introduced enhanced health and safety measures in order to protect our employees' welfare.

Community Outreach. Health, education and entrepreneurship are the key focus areas for our community development efforts. In the United States, our farms and facilities support community initiatives that have been nominated by employees or where there is a clear local need. Nearly 20 years ago, Dole Food Company and a group of independent growers in Ecuador set up a foundation with a clear purpose: find ways to improve the lives of workers and communities in and around the companies' farms and facilities. The Dalé Foundation continues its work to fulfil that mission today in both Ecuador and Peru. In 2000, the foundation adapted mobile medical units with the objective of bringing health to the farthest places where our workers live. They also have been used to offer emergency medical interventions in the wake of events such as floods. Since 2019, there are a total of 18 medical facilities in operation, five of which are mobile. This service benefits not only agricultural workers and their families, but also others in the community who need medical assistance. The foundation has established two schools since its founding and supports others by providing infrastructure improvements and health programs for students. Another of the foundation's key programs is called Training for Entrepreneurship. The objective is to train people so that they can establish a small business and thus improve family income and at the same time improve their quality of life. The foundation also offers workshops and talks on topics that are relevant to communities. We also actively contribute to the communities in which we trade, supporting multiple initiatives across the world by educating, inspiring and empowering people to lead healthier lives. For example, our ongoing support of the Incredible Edibles Programme in Ireland, is dedicated to teaching nearly fifty thousand school children each year to grow fresh fruits and vegetables.

Legal Proceedings

From time to time, we may become involved in legal proceedings and claims arising in the ordinary course of business. We have established what management currently believes to be adequate reserves for pending legal matters. These reserves are established as part of an ongoing worldwide assessment of claims and legal actions that takes into consideration such items as changes in the pending case load (including resolved and new matters), opinions of legal counsel, individual developments in court proceedings, changes in the law, changes in business focus, changes in the litigation environment, changes in opponent strategy and tactics, new developments as a result of ongoing discovery and past experience in defending and settling similar claims. Based on our current knowledge, we do not believe that there is a reasonable possibility that the final outcome of any pending or threatened legal proceedings to which we are a party, either individually or in the aggregate, will have a material adverse effect on our business, financial condition and results of operations. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defence and settlement costs, diversion of management resources and other factors. See Note 25

"Commitments and Contingencies" to each of the consolidated financial statements of Total Produce and DFC Holdings, respectively, included herein for additional information.

Part 9

DESCRIPTION OF CERTAIN INDEBTEDNESS, EXPECTED OWNERSHIP AND IMPLIED VALUATION

DESCRIPTION OF CERTAIN INDEBTEDNESS

Set forth below is a summary of the terms of the Credit Agreement governing certain of our outstanding indebtedness. This summary is not a complete description of all of the terms of the Credit Agreement.

Revolving and Term Facilities

On 26 March 2021 Total Produce entered into a credit agreement (the "**Credit Agreement**") with Coöperatieve Rabobank U.A., New York Branch, as administrative agent and collateral agent, certain of its subsidiaries and the lenders party thereto. The Credit Agreement provides for a $500.0 million five-year multi-currency senior secured revolving credit facility (the "**Revolving Credit Facility**"), which is available to Total Produce and certain of its subsidiary co-borrowers.

The Credit Agreement also provides for a $940.0 million seven-year U.S. dollar senior secured term loan "B" facility (the "**Term Loan B Facility**") with Bank of America, N.A., as administrative agent, to be available to TP USA upon the consummation of certain conditions provided therein, including the consummation of the Completion. In addition, Dole plc and certain Dole Food Company subsidiaries expect to have access to the Revolving Credit Facility subject to the satisfaction or waiver of certain customary conditions and the consummation of the Completion.

In connection with the consummation of the IPO, the Credit Agreement will likely be amended to provide for an increase in the Revolving Credit Facility to $600.0 million, a decrease in the Term Loan B Facility to $540 million and a new $300.0 million five-year U.S. dollar senior secured term loan A facility (the "Term Loan A Facility and, together with the Term Loan B Facility, the "**Term Loan Facilities**"; the Term Loan Facilities collectively with the Revolving Credit Facility, the "Facilities"). Proceeds of the Term Loan Facilities will be used to refinance certain Dole Food Company's existing credit facilities and senior secured notes and in connection with the Completion, certain bilateral facilities of Total Produce will be terminated. Each of the Facilities will be syndicated.

Guarantors

The Revolving Credit Facility is, and the Term Loan Facilities will be, guaranteed by Total Produce and certain of its material subsidiaries organized in Ireland, the U.K., the United States, the Netherlands, Denmark and Sweden and secured by a lien on substantially all assets of Total Produce, its co-borrowers and the guarantors, subject to certain agreed exceptions. Upon the amendment to provide for the Term Loan Facilities, Dole plc will become a borrower under the Revolving Credit Facility and the Term Loan Facilities will be guaranteed by Dole plc and certain material Dole Food Company subsidiaries organized in the United States and secured by a lien on substantially all assets of Dole plc and those additional guarantors, subject to certain agreed exceptions.

Interest Rates

Following consummation of the IPO and the Completion, (i) interest under the Revolving Credit Facility and the Term Loan A Facility will be payable, at the option of the applicable borrower, either at (x) LIBOR plus 1.00 to 2.75% or (y) a base rate plus 0.00% to 1.75%, in each case, to be determined based on ratings and total net leverage ratio, and (ii) interest under the Term Loan B Facility will be payable, at the option of TP USA, either at (x) LIBOR plus 2.25 to 2.50%, with a LIBOR floor of 0.50% or (y) a base rate plus 1.25 to 1.50%, in each case to be determined based on ratings.

The Term Loan A Facility will amortize annually (payable in equal quarterly installments) in an amount equal to 2.5% of the initial aggregate principal amount of the term loans thereunder and the Term Loan B Facility will amortize annually (payable in equal quarterly installments) in an amount equal to 1.0% of the initial aggregate principal amount of the term loans thereunder.

Covenants

The Credit Agreement contains customary affirmative covenants, including covenants related to financial statements and other information, notices of material events, conduct of the business, payment of taxes, maintenance of properties and insurance, submission to certain inspections, compliance with laws and agreements, use of proceeds, subsidiary guarantees, additional collateral and further assurances, lender calls, and maintenance of ratings. The Credit Agreement also contains customary negative covenants that, subject to certain exceptions, qualifications and "baskets," generally will limit the ability to incur debt, create liens, make restricted payments, make certain investments, prepay or redeem certain debt, enter into certain transactions with affiliates, change fiscal year, enter into restrictions on distributions from subsidiaries, and enter into certain merger or asset sale transactions. The Credit Agreement requires compliance with a maximum total net leverage ratio of 3.50 to 1.00 to 4.75 to 1.00, depending on fiscal period.

EXPECTED OWNERSHIP OF DOLE PLC FOLLOWING COMPLETION OF THE TRANSACTION

Immediately following the Transaction, existing Total Produce shareholders are expected to own approximately 55% of Dole plc on a fully diluted basis and the C&C Shareholders are expected to own approximately 9% of Dole plc on a fully diluted basis, with the remainder to be held by investors participating in the IPO.

The table below sets out a summary of ownership in Dole plc shares following completion of the Transaction and giving effect to the Share Exchange.

Expected Ownership of Dole plc Following Completion of the Transaction

Dole plc Ordinary Shares Outstanding Post IPO at Valuation Floor, Post Share Exchange and Minimum Secondary (Shares in millions)	
Total Produce Shareholders (1)	55.8m
C&C Shareholders (2)	8.9m
New IPO Shareholders (3)	35.9m
Total	**100.7m**

Dole plc Ownership Post IPO at Valuation Floor, Post Share Exchange and Minimum Secondary (%)	
Total Produce Shareholders	c. 55%
C&C Shareholders	c. 9%
New IPO Shareholders	c. 36%
Total	**100%**

(1) Based on current Total Produce fully diluted shares outstanding of 390.6 million and after giving effect to the Share Exchange, which will result in Total Produce shareholders holding 82.5% of the issued share capital of Dole plc on a fully diluted basis immediately prior to the Transaction. Subject to the adoption of a mandatory share exchange mechanism by the approval of the Scheme of Arrangement, the Board of Total Produce will be authorised to implement a share exchange so that all shares in Total Produce will be exchanged for new shares in Dole plc on the basis of seven Total Produce Shares for one Ordinary Share in Dole plc.
(2) Per the Transaction Agreement, C&C Shareholders will receive Ordinary Shares in Dole plc equivalent to 17.5% of the issued share capital of Dole plc on a fully diluted basis immediately prior to the completion of the Transaction. Number of Ordinary Shares in Dole plc held by C&C Shareholders calculated after taking account of US$50 million of net secondary proceeds to C&C Shareholders (the Minimum Secondary).
(3) Number of Ordinary Shares in Dole plc held by New IPO Shareholders calculated assuming Dole plc valued at the Valuation Floor and assuming a primary equity capital raise of US$600 million, the midpoint of the targeted range of US$500 to US$700 million, as per the Transaction Agreement. Further assumes that the Underwriters of the IPO do not exercise their option to purchase additional shares in the IPO.

IMPLIED VALUATION PER DOLE PLC SHARE AT THE VALUATION FLOOR

The terms of the Transaction are expected to provide significant value to Total Produce Shareholders, supported by synergies and the improved trading characteristics in the U.S. public market. At the Valuation Floor, the terms of the Transaction would imply a value of $18.17 per Dole plc share post Share Exchange, equivalent to €2.17 per Total Produce share pre Share Exchange. The Board of Directors of Total Produce believes there is significant further upside to the value creation potential, assuming that Dole plc can achieve a public trading valuation in line with relevant industry peers.

The table below sets out the calculation of value delivered per Total Produce share based on the terms of the agreed Valuation Floor as set forth in the Transaction Agreement.

Implied Valuation per Dole plc Share at the Valuation Floor

Floor Value of the C&C Shareholders' Interest in *Dole plc (1)*	**$ 215m**
Ownership of the C&C Shareholders in *Dole plc* (Pre Primary Equity Capital Raise) (1)	17.5%
Implied *Dole plc* Equity Value at IPO (Pre Primary Equity Capital Raise)	$ 1.2bn
Memo: Implied Dole plc Equity Value at IPO (Post Primary Equity Capital Raise) (2)	*$ 1.8bn*
***Dole plc* Shares Outstanding Pre Primary Equity Capital Raise (Post Share Exchange) (3)**	67.6m
Memo: Dole plc Shares Outstanding Post* Primary Equity Capital Raise *(Post Share Exchange) (4)	*100.7m*
Implied *Dole plc* Price per Share (Post Share Exchange)	**$ 18.17**
Implied *Dole plc* Price per Share (Pre Share Exchange)	**$ 2.60**
EUR/USD Exchange Rate (5)	1.20
Implied *Dole plc* Price per Share (Post Share Exchange)	**€ 15.14**
Implied *Dole plc* Price per Share (Pre Share Exchange)	**€ 2.17**

***Dole plc* Net Debt at IPO (Pre Primary Equity Capital Raise) (6)**	$ 1.4bn
Memo: Dole plc Target Net Debt at IPO (Post Primary Equity Capital Raise) (2,7)	*$ 0.9bn*
***Dole plc* Enterprise Value at IPO (Post Primary Equity Capital Raise) (8)**	$ 2.9bn
Implied EV / 2020 Pro-Forma Adjusted EBITDA Multiple (Pre Synergies) (9)	**7.7x**
Implied EV / 2020 Pro-Forma Adjusted EBITDA Multiple (Post Synergies) (10)	**7.1x**

(1) Per the Transaction Agreement, the Transaction is subject to the IPO achieving a price per Dole plc share such that the 17.5% of Dole plc shares to be held by the C&C Shareholders on a fully diluted basis immediately prior to the IPO have an aggregate value of at least US$215 million (the Valuation Floor).
(2) Implied Dole plc Equity Value at IPO (Post Primary Equity Capital Raise) assumes a primary equity capital raise of US$600 million, the midpoint of the targeted range of US$500 to US$700 million, as per the Transaction Agreement.
(3) Dole plc Shares Outstanding pre Primary Equity Capital Raise (Post Share Exchange) is based on current Total Produce fully diluted shares outstanding of 390.6 million and after giving effect to the Share Exchange, which will result in Total Produce shareholders holding 82.5% of the issued share capital of Dole plc on a fully diluted basis immediately prior to the Transaction. Subject to the adoption of a mandatory share exchange mechanism by the approval of the Scheme of Arrangement, the Board of Total Produce will be authorised to implement a share exchange so that all shares in Total Produce will be exchanged for new shares in Dole plc on the basis of seven Total Produce Shares for one Ordinary Share in Dole plc.
(4) Dole plc Shares Outstanding Post Primary Equity Capital Raise (Post Share Exchange) assumes a primary equity capital raise of US$600 million, the midpoint of the targeted range of US$500 to US$700 million, as per the Transaction Agreement.
(5) EUR/USD exchange rate is as of 5 May 2021.
(6) Dole plc estimated combined net debt includes Total Produce's principal amount of outstanding indebtedness of $346.831 million, Total Produce's cash and cash equivalents of $160.503 million, Dole's total notes payable and long-term debt of $1,306.056 million, Dole's cash and cash equivalents of $66.795 million and $14 million of fair value adjustments captured in transaction accounting adjustments for long-term debt. All figures as of 31 December 2020.
(7) Includes fees and expenses associated with the Transaction.
(8) Dole plc Enterprise Value at IPO accounts for proportionate net cash from joint ventures and associates and minority interests as of 31 December 2020.
(9) Implied EV / 2020 Pro-Forma Adjusted EBITDA Multiple (Pre Synergies) based on Dole plc 2020 Pro Forma Adjusted EBITDA of $371 million.
(10) Implied EV / 2020 Pro-Forma Adjusted EBITDA Multiple (Post Synergies) assumes medium term synergies of US$35 million, the midpoint of the estimated range of US$30 million and $40 million.

Part 10

ADDITIONAL INFORMATION

1. Responsibility

The Total Produce Directors accept responsibility for the information contained in this Scheme Circular relating to Total Produce, the Total Produce Group and the Total Produce Directors and members of their immediate families, related trusts and persons connected with them, except for the recommendation and related opinions of the Board. The Board accept responsibility for the recommendation and related opinions of the Board contained in this Scheme Circular. To the best of the knowledge and belief of the Total Produce Directors and the Independent Total Produce Directors (who, in each case, have taken all reasonable care to ensure such is the case), the information contained in this Scheme Circular for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

(a) Total Produce

The names of the directors of Total Produce and their respective functions are as follows:

Name	***Position***
Carl McCann	Executive Chair
Rory Byrne	Chief Executive Officer
Frank Davis	Chief Financial Officer
Imelda Hurley	Non-Executive Director
Rose Hynes	Non-Executive Director
Michael Meghen	Non-Executive Director
Helen Nolan	Non-Executive Director
Kevin Toland	Non-Executive Director

(b) Dole plc

At the time of the IPO, the Directors of Dole plc and their respective functions are as follows:

Name	***Position***
Carl McCann	Executive Chair
Rory Byrne	Chief Executive Officer
Johan Lindén	Chief Operating Officer
Frank Davis	Chief Financial Officer
Tim George	Non-executive Director
Imelda Hurley	Non-executive Director
Rose Hynes	Non-executive Director
Michael Meghen	Non-executive Director
Helen Nolan	Non-executive Director
Jimmy Tolan	Non-executive Director
Kevin Toland	Non-executive director

3. Interests of Directors of Dole plc

As of the Latest Practical Date, the interests of the Directors listed above in the issued share capital of Total Produce are shown below:

Name	***Number of Ordinary Shares***
Carl McCann	5,125,132
Rory Byrne	2,835,986
Johan Lindén	0
Frank Davis	2,040,997

Name	***Number of Ordinary Shares***
Tim George	0
Imelda Hurley	0
Rose Hynes	50,000
Michael Meghen	15,190
Helen Nolan	50,000
Jimmy Tolan	75,595
Kevin Toland	100,000

All of the above interests were beneficially owned.

Rory Byrne is also deemed to be interested in 125,000 Total Produce Options with an exercise price of €0.669 and 125,000 Total Produce Options with an exercise price of €1.55 through his spouse in her capacity as one of the Group's divisional finance directors.

4. **Shareholders in Total Produce**

So far as Total Produce is aware, the following shareholders held 3% or more of the share capital of Total Produce on the Latest Practicable Date:

Holder	**Number of Total Produce Shares**	**% of Total Produce Shares in Issue**
Balkan Investment Company and related parties (including Arnsberg Investment Company)	48,908,125	12.57%
FMR LLC	26,801,411	6.89%
BDL Capital Management, SAS	24,024,530	6.18%
Impax Asset Management Limited	16,935,000	4.35%
LA FINANCIERE DE L'ECHIQUIER SA	15,537,156	3.99%
BNP Paribas Investment Partners SA	14,612,708	3.76%
Pentwater Capital Management LP	14,159,134	3.64%

5. **Merger and Related Transactions**

(a) Pre-Closing Unit Sales

Immediately prior to the Completion Date of the Merger, the C&C Parties will sell to TP USA:

- a number of Class A Units of DFC Holdings with an aggregate value of $25,000,000 (based on the value of Class A Units of DFC Holdings implied by the price per ordinary share in the IPO) in exchange for a promissory note issued by TP USA in favour of The Murdock Group, LLC in a capital amount of $25,000,000 ("**TP USA Promissory Note 1**"); and

- a number of Class A Units of DFC Holdings equal to the value of certain indemnification claims against the C&C Parties arising from the 2018 Transaction that remain pending as of immediately prior to Completion (based on the value of Class A Units of DFC Holdings implied by the price per ordinary share in the IPO) in satisfaction of such pending claims.

(these sales collectively as the "**Pre-Closing Unit Sales**").

(b) Merger

At the Completion Date, by virtue of the Merger, all of the Class A Units of DFC Holdings owned by the C&C Parties immediately prior to the Completion Date of the Merger but after giving effect to the Pre-Closing Unit Sales will be exchanged automatically by operation of law for the right to receive a number of Ordinary Shares in Dole plc which will result in the C&C Parties collectively owning 17.5% of Ordinary Shares in Dole plc outstanding on a fully diluted basis as of immediately following the Share Exchange and the Merger and prior to the IPO. This means that immediately following the completion of the Share Exchange and the Merger but prior to the IPO, Total Produce Shareholders and the C&C Parties will own 82.5% and 17.5%, respectively, of Ordinary Shares in Dole plc on a fully diluted basis.

Following such exchange, each Class A Unit of DFC Holdings will be cancelled and converted into one unit of the surviving company in the Merger. Each Class B Unit of DFC Holdings will also be cancelled and converted into one unit of the surviving company in the Merger. Accordingly, at the Completion Date of the Merger, by virtue of the Merger, DFC Holdings will become a subsidiary of Dole, with the outstanding membership interests thereof owned by us and by TP USA.

Completion of the Merger will take place immediately following the completion of the Share Exchange.

(c) Contribution

Immediately following the completion of the Merger (or at such other time as the C&C Parties and Total Produce may agree in writing), units representing the membership interests in DFC Holdings will then be contributed to Total Produce in exchange for ordinary shares of Total Produce with a fair market value equal to the fair market value of such contributed units. Thereafter, Total Produce will immediately contribute all such units to TP USA in exchange for shares of TP USA's common stock with a fair market value equal to the fair market value of such contributed units. These transactions are collectively referred to as the "Contribution."

As a result of the Contribution, DFC Holdings will become a direct, wholly owned subsidiary of TP USA.

6. **IPO**

(a) Generally

Pursuant to the Transaction Agreement, Total Produce will manage the IPO in consultation with a steering committee initially comprised of Rory Byrne, Jimmy Tolan, Johan Lindén and Gary Wong. The Transaction Agreement provides that other persons may be appointed to the steering committee by (i) the members of the steering committee or (ii) Total Produce upon written notice to the members of the steering committee, in each case, so long as the steering committee consists of a majority approved by Total Produce. Total Produce has the right to terminate the IPO at any time in its sole discretion and Dole plc shall not enter into any binding commitment with the underwriters in the IPO or other potential purchasers of IPO shares to give effect to the IPO without the prior written consent of the Total Produce Board. Additionally, the Board of Total Produce (or a duly authorized pricing committee thereof), in consultation with the underwriters in the IPO, will determine (i) the IPO price in the IPO per ordinary share and the range therefor and (ii) the size of the IPO, subject to the conditions described below in Part 5 (*Conditions to and further terms of the Scheme and the Transaction*) of this Scheme Circular.

Completion of the IPO will occur as soon as possible following completion of the Share Exchange, the Merger and the Contribution, or at such other date and time as is agreed to in writing by the C&C Parties and Total Produce.

The Transaction Agreement provides that the net proceeds to Dole plc from the IPO will be used to repay outstanding indebtedness of the Enlarged Group, the costs of the Transaction (except as otherwise provided for in the Expense Reimbursement Agreement) or for such other purposes as the board of Directors of Dole plc may determine.

(b) Lock-Up Agreements

The Transaction Agreement sets forth certain terms for the lock-up agreements applicable to Ordinary Shares in Dole plc, subject in all cases to the contractual agreement of the underwriters in the IPO. The Transaction Agreement provides that each of Total Produce and TP USA (if they own Ordinary Shares in Dole plc) and the C&C Parties must enter into a customary lock-up agreement with the underwriters in the IPO on such terms as the underwriters may reasonably require.

As part of the agreements to be entered into with the underwriters in the IPO, it is therefore expected that from the effective date of the IPO Registration Statement and continuing to and including the date which is 180 days after that date (the "**Lock-Up Period**"), Dole plc will be required not to (i) offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise transfer or dispose of, directly or indirectly, or file with or confidentially submit to the SEC a registration statement under the Securities Act relating to, any securities of Dole plc that are substantially similar to shares of the ordinary shares in Dole plc, including, but not limited to, any options or warrants to purchase shares of our ordinary shares or any securities that are convertible into or exchangeable for, or that represent the right to receive, shares or any such substantially similar securities, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of ordinary shares in Dole plc or any such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of ordinary shares or such other securities, in cash or otherwise, other than (A) the shares of the ordinary shares in Dole plc to be sold in the IPO, (B) reserved, (C) any ordinary shares issued by us upon the conversion, exchange or exercise of securities convertible into or exchangeable or exercisable for ordinary shares, which securities are outstanding on the date hereof, (D) the grant of equity incentives pursuant to plans in effect as of the completion of the IPO, (E) the filing of any registration statement on Form S-8 (or amendment thereto) and (F) the issuance of shares of ordinary shares in Dole plc as consideration in acquisitions up to a maximum of 5% of the outstanding shares as of the completion of the IPO; provided that each person to whom such shares are issued executed a lock-up agreement, unless Dole plc obtains the relevant underwriter's consent.

In addition, the Directors of Dole plc (and certain connected parties thereof) (the "**Lock-Up Parties**") will be required by an agreement that they shall not, without the relevant underwriter's consent, during the Lock-Up Period (i) offer, sell, contract to sell, pledge, grant any option to purchase, lend or otherwise dispose of any shares of ordinary shares in Dole plc, or any options or warrants to purchase any shares of ordinary shares in Dole plc, or any securities convertible into, exchangeable for or that represent the right to receive shares of ordinary shares in Dole plc,(ii) engage in any hedging or other transaction or arrangement or (iii) otherwise publicly announce any intention to engage in or cause any action or activity described in clause (i) or (ii) above. The restrictions described above are subject to certain exceptions for transfers, including customary exceptions related to open market transactions, in connection with gifts or transfers to immediate family members or to any trust, the establishment of Rule 10b5-1 plans, the grant or issuance by Dole plc pursuant to any employee benefit plans and pursuant to any third-party tender offer, merger or similar transaction.

Subject to the C&C Parties' right to an early release of the lock-up restrictions as described below in "Post-IPO Share Sales," the C&C Parties will also enter into a lock-up agreement which will terminate no later than 180 days after the date of the IPO Registration Statement. This lock-up restrictions will apply to the C&C Parties only if all of the directors of Dole plc is subject to similar restrictions and Dole plc or the underwriters in the IPO obtain a similar agreement from certain of affiliates of Dole plc. The C&C Parties may pledge their ordinary shares as security for borrowings if any resulting sale of such ordinary shares would be subject to lock-up restrictions. In addition, the Transaction Agreement entitles the C&C Parties to a pro rata waiver or termination of any applicable lock-up restrictions to the extent Dole plc or the underwriters in the IPO grant any discretionary waiver or termination of such restrictions to any other person required to enter into a lock-up agreement.

(c) Post-IPO Share Sales

The Transaction Agreement provides for an early release of the lock-up restrictions applicable to the C&C Parties described above in "Lock-Up Agreements" under certain circumstances. First, each of the C&C Parties may sell any of its respective Consideration Shares after a period of 90 days following the IPO but prior to the end of the applicable Lock-Up Period if and to the extent Dole plc is advised by the underwriters in the IPO that such sale would not adversely affect overall shareholder value or the U.S. federal income tax treatment of the Share Exchange and such lock-up is waived by the underwriters in the IPO. In addition, after the sale by the C&C Parties of Consideration Shares in the IPO on a secondary basis, up to 30% of the remaining aggregate Consideration Shares held by the C&C Parties may be sold prior to the end of the applicable Lock-Up Period if and to the extent that, following the IPO, (i) the Closing Price of an ordinary share equals or exceeds 133% of the price per ordinary share in the IPO for any 10 trading days within any 15-trading-day period beginning 91 days after the IPO or (ii) Dole plc completes a liquidation, merger, capital stock exchange or other similar transaction that results in all of shareholders in Dole plc having the right to exchange their ordinary shares in Dole plc for cash, securities or other property.

(d) Registration Rights

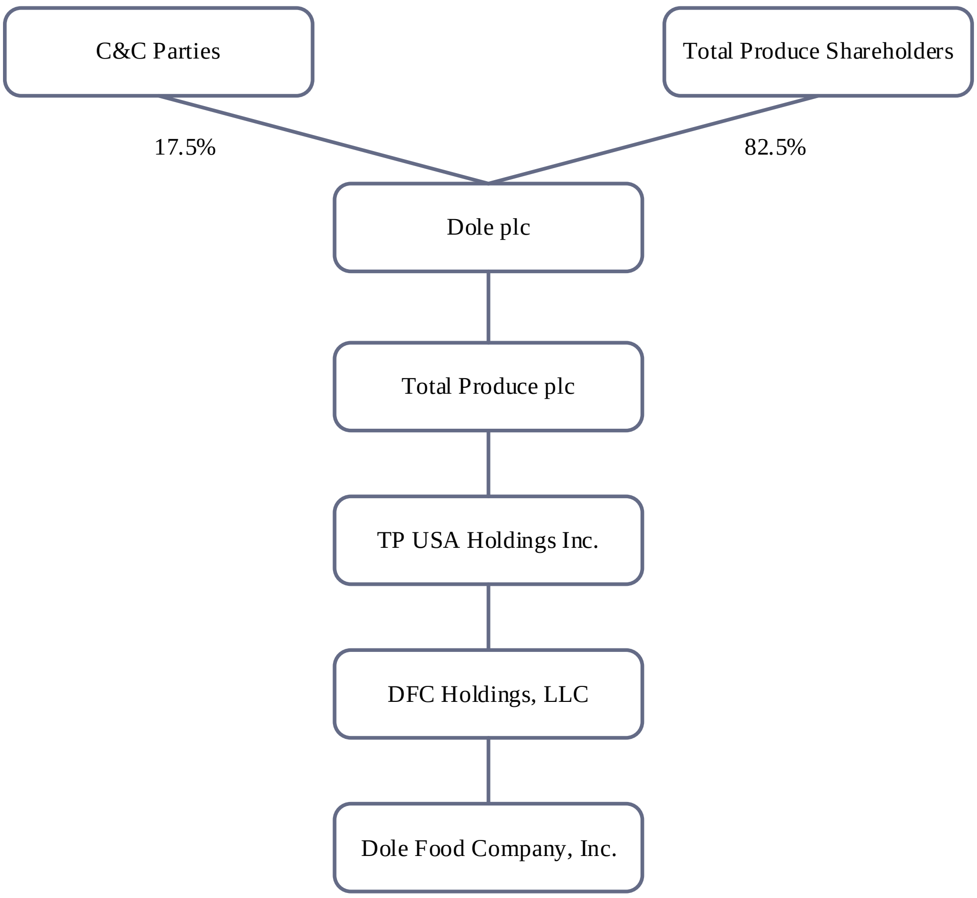
Subject to the lock-up restrictions and early release provisions described above in "Lock-Up Agreements" and "Post-IPO Share Sales," respectively, the Transaction Agreement provides that sales of Consideration Shares by the C&C Parties may be undertaken with the benefit of a registration rights agreement (the "**Registration Rights Agreement**"), subject to the terms and conditions thereof, including there being a current and effective resale registration statement covering such Consideration Shares and so long as such Consideration Shares are not subject to a binding commitment at the time of the IPO.

The C&C Parties holding Consideration Shares will be entitled to certain registration rights pursuant to a Registration Rights Agreement to be entered into concurrently with the consummation of the Transaction. Pursuant to the Registration Rights Agreement, the C&C Parties will be entitled to make long form and short form demands, subject to the conditions therein, that Dole plc registers such Consideration Shares under the Securities Act. In addition, the C&C Parties have certain "piggy-back" registration rights with respect to registration statements filed subsequent to the completion of the IPO. If exercised, these registration rights would enable holders to transfer these securities without restriction under the Securities Act when the applicable registration statement is declared effective. The Registration Rights Agreement will also provide that Dole plc will not permit any registration statement filed under the Securities Act to become effective until termination of the applicable lockup period.

Dole plc will bear the expenses incurred in connection with the filing of any such registration statements. The Registration Rights Agreement will also contain customary indemnification and contribution provisions.

(e) Post-Completion Structure

The following diagram depicts high-level organisational structure of the Enlarged Group immediately after completion of the Share Exchange and the Merger but prior to the IPO:



7. Total Produce Material Contracts

(a) Transaction Agreement

On 16 February 2021, the Company entered into a transaction agreement (the "**Transaction Agreement**") with Dole, TP USA, TP-Dole Merger Sub, LLC ("**Merger Sub**" and, collectively with the Company, Dole and TP USA, the "**Total Produce Partie**s"), DFC Holdings and the C&C Parties, pursuant to which Total Produce has agreed to combine with DFC Holdings under Dole and, upon the terms and subject to the conditions set forth in the Transaction Agreement, complete the IPO as soon as possible thereafter. Upon Completion (as defined below), Dole will trade on the New York Stock Exchange under Dole plc and the existing Total Produce listings on the Euronext Dublin and on the London Stock Exchange will be discontinued.

Upon the terms and subject to the conditions set forth in the Transaction Agreement, as described more fully below, the Transaction will be effected in a series of steps including the following:

- Dole plc will acquire 100% of the issued share capital of Total Produce in exchange for issuing Ordinary Shares in Dole plc to Total Produce shareholders pursuant to a court-sanctioned scheme of arrangement under Section 450 of the Irish Companies Act 2014, as amended;
- immediately following the completion of the Share Exchange, Merger Sub will merge with and into DFC Holdings, with DFC Holdings surviving the Merger; and
- as soon as possible following the completion of the Share Exchange and the Merger, Dole plc will sell Ordinary Shares in Dole plc in the IPO.

Immediately following the completion of the Share Exchange and the Merger but prior to the IPO, Total Produce Shareholders and the C&C Parties will own 82.5% and 17.5%, respectively, of Ordinary Shares in Dole plc on a fully diluted basis.

The Transaction Agreement requires that the board of Dole plc as of immediately prior to the completion of the IPO consist of members designated by Total Produce.

The Transaction Agreement contains customary representations and warranties made by the C&C Parties, DFC Holdings and the Total Produce Parties as to certain fundamental matters. In addition, the Transaction Agreement contains certain representations and warranties by Total Produce as to matters relating to it and its subsidiaries' (other than DFC Holdings and its subsidiaries) businesses. None of the representations and warranties in the Transaction Agreement will survive Completion or the termination of the Transaction Agreement.

The Transaction Agreement contains covenants and agreements among the parties to the Transaction Agreement relating to the following matters, among other things: (i) Total Produce's efforts to implement the Scheme and the responsibilities of the parties to the Transaction Agreement in respect of the Scheme; (ii) the conduct of Dole and Total Produce and its subsidiaries' (other than DFC Holdings' and its subsidiaries') businesses prior to Completion; (iii) cooperation in connection with public announcements; (iv) confidentiality; (v) notification of certain matters prior to Completion; (vi) using efforts to cause Completion to occur, including by obtaining necessary approvals from relevant authorities; (vii) the preparation of the registration statement of which the prospectus for the IPO forms a part and cooperation by DFC Holdings in connection with the IPO; (viii) the adoption by the board of Dole of a resolution approving the acquisition of Ordinary Shares in Dole plc by certain persons expected to become the directors or officers of Dole in connection with the Merger for purposes of Section 16(b) of the Exchange Act; (ix) DFC Holdings' compliance with the requirements of the Sarbanes-Oxley Act; and (x) DFC Holdings' cooperation with Total Produce's efforts to arrange, obtain, syndicate and consummate debt financing in connection with the Transaction.

In addition, the Transaction Agreement provides that, prior to Completion, the conduct of DFC Holdings' and Dole's businesses remains subject to certain approval rights held by TP USA or its board designees pursuant to the organizational documents of DFC Holdings and Dole as currently in effect.

The Transaction Agreement contains a mutual waiver of certain indemnification claims arising from the 2018 Transaction, excluding claims arising from fraud.

Pursuant to the Transaction Agreement, at the Completion Date of the Merger, TP USA, on behalf of itself and certain affiliates and representatives (collectively, the "TP Indemnified Parties"), will deem as fully satisfied all claims against the C&C Parties for losses relating to the 2018 Transaction that have then been properly asserted and remain unpaid as of the Completion Date of the Merger (such claims, "Pending Claims") and will not deduct from the Consideration Shares to be issued to the C&C Parties in connection with the Merger, or otherwise seek recovery from any of the C&C Parties or their representatives of, losses relating to the 2018 Transaction that have then been properly asserted and remain unpaid as of the completion date of the Merger or that may be asserted or claimed in the future. However, if (i) the aggregate value of losses that are the subject of Pending Claims exceeds $10,000,000 and (ii) the aggregate value of the Consideration Shares calculated at the price per ordinary share in the IPO exceeds $225,000,000, then the C&C Parties will remain obligated to indemnify and hold harmless the TP Indemnified Parties in respect of the amount by which the aggregate value of such losses exceeds $10,000,000 (subject to a cap equal to the amount by which such aggregate value of the Consideration Shares exceeds $225,000,000).

In addition, the Transaction Agreement provides that, at the completion date of the Merger, each of David H. Murdock and the C&C Parties, on behalf of itself and certain affiliates and representatives, will deem as fully satisfied all Pending Claims and will not seek recovery from any of the Total Produce Parties, Total Produce's subsidiaries or their representatives of losses relating to the 2018 Transaction that have then been properly asserted and remain unpaid as of the Completion Date of the Merger or that may be asserted or claimed in the future.

Additionally, under the terms of the Transaction Agreement, the Parties agreed that upon completion of the Transaction, the capital amount of US$25 million due under the promissory note issued by the C&C Shareholders to DFC Holdings dated 30 June 2020 shall be deemed satisfied in exchange for equivalent value.

In the event Completion does not occur for any reason, the terms of the 2018 Transaction will remain in effect, including the right of TP USA to exercise its options to acquire the Second Tranche and the Third Tranche.

(b) **Expense Reimbursement Agreement**

Concurrently with the execution of the Transaction Agreement, Dole entered into an expense reimbursement agreement (the "**Expense Reimbursement Agreement**") with the Total Produce Parties, DFC Holdings and the C&C Parties. If Completion occurs, Dole plc will bear the costs of the other parties to the Transaction Agreement and Dole plc, subject to and in accordance with the terms of the Expense Reimbursement Agreement. If Completion does not occur, DFC Holdings will procure that Dole Food Company, Inc. will bear the costs of the parties to the Transaction Agreement, subject to and in accordance with the terms of the Expense Reimbursement Agreement.

8. DFC Holdings Material Contracts

At Completion, Dole and Castle & Cooke, Inc., a Hawaii corporation ("**Castle**"), will enter into a seventh amendment (the "**Trademark License Extension**") to the trademark license agreement, dated as of 7 December 1995, by and between Dole and Castle (as amended from time to time, the "Trademark License Agreement"), pursuant to which Dole and Castle will agree to extend the term of the Trademark License Agreement until the 15-year anniversary of the date of Completion (unless sooner terminated in accordance with its terms). The use of this Trademark License is limited to the branding of the Dole Plantation which opened to the public as Hawaii's "Pineapple Experience" in 1989. The Dole Plantation is owned by Castle.

9. Comparison of the Rights of Holders of Total Produce Ordinary Shares and Ordinary Shares in Dole plc

The following is a summary comparison of the material differences between the rights of Total Produce ordinary shareholders under the Total Produce Articles and the rights that Total Produce Shareholders will have as shareholders of Dole plc under Dole plc's Articles of Association effective upon the completion of the Transaction. The rights and obligations of Total Produce Shareholders currently are, and the rights and obligations of Dole plc ordinary shareholders as of the completion of the Transaction will be, subject to the Irish Companies Act. The discussion in this section does not include a description of rights or obligations under the U.S. federal securities laws or NYSE listing requirements or on Total Produce or Dole plc's governance or other policies. The discussion in this section does not include a description of the rights of Total Produce shareholders that will not materially change as a result of the Transaction.

The statements in this section are qualified in their entirety by reference to, and are subject to, the detailed provisions of Total Produce's Articles and Dole plc's Articles of Association as they will be in effect from and after the completion of the Transaction. The form of Dole plc's Articles of Association substantially as they will be in effect from and after the completion of the Transaction are on display on the website of Total Produce https://www.totalproduce.com.

	Total Produce	**Dole plc**
Authorized and Outstanding Capital Stock	The authorized share capital of Total Produce is €10,000,000 divided into 1,000,000,000 ordinary shares with a par value €0.01 per share. As of 16 May 2021, being the latest practicable date prior to the printing of this Scheme Circular, Total Produce had , 388,999,681 ordinary shares, par value of €0.01 per share issued and outstanding.	The share capital of Dole plc is US$3,300,000 divided into 300,000,000 ordinary shares of $0.01 each and 300,000,000 preferred shares of $0.001 each and €25,000 divided into 25,000 euro shares of €1.00 each. Based on the number of Total Produce shares outstanding as of 16 May 2021, being the latest practicable date prior to the printing of this Scheme Circular, Dole plc is expected to issue approximately 55,571,383 ordinary shares with a nominal value of $0.01 per share to the relevant former shareholders of Total Produce on completion of the Transaction. In connection with the completion of the Transaction, a number of ordinary shares with a par value of $0.01 per share will be delivered to the C&C Shareholders that is equal to 17.5% of Dole plc's issued share capital as at the closing date. All shares issued upon consummation of the Transaction will be issued as fully paid-up.
Preferred Shares and Shareholder Rights Plan	Total Produce's board is empowered to issue preferred shares from time to time in one or more series and to establish the terms, preferences and rights of any such series of preferred shares.	Dole plc's board is empowered to issue preferred shares from time to time in one or more series and to establish the terms, preferences and rights of any such series of preferred shares. Dole plc's Articles of Association authorizes the board of directors to adopt a shareholder rights plan upon such terms and conditions as it deems expedient in the interests of Dole plc. If the Board cannot recommend an offer which is subject to pre-conditions (as contemplated by the

		Notes on Rule 13 of the Takeover Rules) the Board is required to convene an EGM to dis-apply all of the restrictions in Rule 21.1 of the Takeover Rules during the offer period of such offer and at the EGM the Chair is required to approve the resolution to exercise the majority voting rights attached to a preference share issued for this purpose. This requirement will expire unless renewed at the annual general meeting to be held in 2022.
Transfer of Shares	Not applicable	The instrument of transfer of any share in Dole plc may be executed for and on behalf of the transferor by the company secretary or any other party designated by the Board for such purpose and the company secretary or the relevant designee shall be deemed to have been irrevocably appointed agent for the transferor of such share or shares with full power to execute, complete and deliver in the name of and on behalf of the transferor of such share or shares all such transfers of shares held by the members in the share capital of Dole plc.
Stamp duty on share transfer	Total Produce, at its absolute discretion and insofar as the Act or any other applicable law permits, may, or may procure that a subsidiary of it shall, pay Irish stamp duty arising on a transfer of shares on behalf of the transferee of shares in Total Produce. If stamp duty resulting from the transfer of shares in Total Produce which would otherwise be payable by the transferee is paid by Total Produce or any subsidiary of Total Produce on behalf of the transferee, then in those circumstances, Total Produce shall, on its behalf or on behalf of its subsidiary (as the case may be), be entitled to (i) seek reimbursement of the stamp duty from the transferee, (ii) set off the stamp duty against any dividends payable to the transferee of those shares and (iii) claim a first and paramount lien on the shares on which stamp duty has been paid by Total Produce or its subsidiaries for the amount of stamp duty paid.	Dole plc, at its absolute discretion and insofar as the Act or any other applicable law permits, may, or may procure that a subsidiary of it shall, pay Irish stamp duty arising on a transfer of shares on behalf of the transferee of shares in Dole plc. If stamp duty resulting from the transfer of shares in Dole plc which would otherwise be payable by the transferee is paid by Dole plc or any subsidiary of Dole plc on behalf of the transferee, then in those circumstances, Dole plc shall, on its behalf or on behalf of its subsidiary (as the case may be), be entitled to (i) seek reimbursement of the stamp duty from the transferee, (ii) set off the stamp duty against any dividends payable to the transferee of those shares and (iii) to the extent permitted by section 1042 of the Act, claim a first and paramount lien on the shares on which stamp duty has been paid by Dole plc or its subsidiaries for the amount of stamp duty paid.
Share Certificates	Total Produce Articles provide that every person whose name is entered as a member in the register shall be entitled without payment to receive within two months after allotment	Unless otherwise provided for by the board of Dole plc or the rights attaching to or by the terms of issue of any particular Dole plc shares, or to

	or lodgement of a transfer (or within such other period as the conditions of issue shall provide) one certificate for all his shares or several certificates each for one or more of his shares so, however, that in respect of a share or shares held jointly by several persons Total Produce shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders. If a share certificate be defaced, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and the payment of any exceptional out-of-pocket expenses of Total Produce of investigating evidence as the directors think fit.	the extent required by any stock exchange, depository, or any operator of any clearance or settlement system, no person whose name is entered as a shareholder in the register of members of Dole plc shall be entitled to receive a share certificate for all her shares of each class held by her (nor on transferring a part of a holding, to a certificate for the balance).
Repurchases/ Redemptions	Total Produce Articles provide that Total Produce may repurchase its own shares, with the authority of shareholders by special resolution.	Dole plc's Articles of Association provide that unless the board determines otherwise, any share that Dole plc has agreed to acquire shall be deemed to be a redeemable share. Accordingly, for the purposes of Irish law, the repurchase of ordinary shares by Dole plc may technically be effected as a redemption. Dole plc may also purchase shares of Dole plc either on market on a recognized stock exchange (such as the NYSE) or off-market. For Dole plc to make on market purchases of Ordinary Shares in Dole plc, the shareholders of Dole plc must provide general authorization for such purchase by way of ordinary resolution.
Election of Directors	Total Produce Articles provide that unless otherwise determined by the Company in general meeting, the number of Directors shall not be more than ten nor less than two. Total Produce may by ordinary resolution at the meeting at which any director retires, fill up the vacated office by appointing a person thereto and, in default, the retiring director, if willing to act, shall be deemed to have been re-appointed unless at such meeting it is expressly resolved not to fill such vacated office or a resolution of the reappointment of such director shall have been put to the meeting and lost. No person shall, unless recommended by the directors for appointment or, as the case may be re-appointment, be eligible for appointment or re-appointment to the office of director at any general meeting unless, not	Dole plc's Articles of Association provide that the number of directors will be not less than three nor more than fourteen, with the exact number to be determined from time to time by the board of directors. The directors will be divided into three classes, designated Class I, Class II and Class III. The term of the initial Class I directors shall terminate at the conclusion of the Company's annual general meeting to be held in 2022; the term of the initial Class II directors shall terminate on the conclusion of the Company's annual general meeting to be held in 2023; and the term of the initial Class III directors shall terminate on the conclusion of the Company's annual general meeting to be held in 2024.

	less than seven days before the day appointed for the meeting, there shall have been given to Total Produce notice in writing by some member duly qualified to be present and vote at the meeting of his intention to propose such person for appointment and also notice in writing, signed by the person to be proposed of his willingness to be appointed. The directors shall have power at any time and from time to time to appoint any person to be a director, either to fill a casual vacancy or as an addition to the existing directors, but so that the total number of directors shall not at any time exceed the number fixed in accordance with these regulations. Any director so appointed shall hold office until the next annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation at such meeting. At every Total Produce annual general meeting one-third of the directors, or if their number is not three or a multiple of three, then the number nearest one-third will retire from office.	Every Director of the class retiring shall be eligible to stand for re-election at the annual general meeting at which he or she retires and may be re-elected for a term not exceeding three years. Dole plc may by ordinary resolution increase or reduce the number of directors. Directors are elected by ordinary resolution at a general meeting. Each director will be elected by the vote of the majority of votes cast. In the event that the number of nominees exceeds the number of director seats to be filled, the nominees who will be elected to the board of directors are the nominees who receive the highest number of votes cast. Any vacancy on the board of Dole plc shall be deemed a casual vacancy. Subject to the terms of any one or more classes or series of preferred shares of Dole plc in issue, any casual vacancy may be filled at any time by the decision of a majority of the board then in office, provided that a quorum is present and provided that the appointment (i) is for a term not exceeding three years and (ii) does not cause the number of directors to exceed any number fixed by or in accordance with Dole plc's Articles of Association as the maximum number of directors. Any director elected to fill a vacancy resulting from an increase in the number of directors of a class shall hold office for a term that shall coincide with the remaining term of that class. Any director of Dole plc elected to fill a vacancy not resulting from an increase in the number of directors shall have the same remaining term as that of his predecessor.
Ordinary remuneration of Directors	Without prejudice to any amounts payable or equity awards under any other provision of Total Produce's Articles, the ordinary remuneration of its directors who do not hold executive office shall not exceed in aggregate €1,000,000 per annum or such higher amount as Total Produce may from time to time determine by ordinary resolution.	Without prejudice to any amounts payable or equity awards under any other provision of Dole plc's Articles of Association, the ordinary remuneration of its directors who do not hold executive office shall not exceed in aggregate $2,500,000 per annum or such higher amount as Dole

		plc may from time to time determine by ordinary resolution.
Business properly brought before General Meetings	Not applicable	Dole plc's Articles of Association provides at any general meeting, only business properly brought before such meeting shall be conducted at that meeting. To be properly brought before an annual general meeting, business must be (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the board; (ii) otherwise properly brought before the meeting by or at the direction of the board; or (iii) otherwise properly brought before the meeting by a member. Dole plc's Articles of Association provide that subject to the Act, minimum share ownership thresholds may be specified by the board or as may specified by the Exchange Act of 1934 of the United States, if applicable to Dole plc for members to be able to properly bring business before an annual general meeting. This is subject to the item of business being excludable by the Act, Dole plc's Articles of Association, Rule 14a-8 of the Exchange Act of 1934 of the United States (if applicable to the Company) or, where Rule 14a-8 is not applicable to the Company, by the determination of the board having regard to the substantive bases for exclusion of proposals as contemplated by Rule 14a-8 of the Exchange Act of 1934 of the United States. Timely notice in writing must also be given to Dole plc's company secretary and to be timely, must be received not less than 60 days nor more than 90 days prior to the first anniversary of the preceding year's annual general meeting. Alternative timing for the notice is provided for in Dole plc's Articles of Association to the extent the annual general meeting is advanced by more than 30 days or delayed by more than 60 days from such anniversary.
Articles Provisions Requiring Advance Notice of Director Nominations	No person other than a director retiring at the meeting shall, unless recommended by the directors, be eligible for election to the office of director at any general meeting unless not less than seven days before the day appointed	For nominations of directors to be properly brought before an annual general meeting called for the purpose of, among other things, electing directors, by a shareholder, such

	for the meeting there shall have been left at the Company's registered office notice in writing signed by a member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election and also notice in writing signed by that person of his willingness to be elected.	shareholder must have given timely notice thereof in writing to the secretary. To be timely, a shareholder's notice shall be delivered to the secretary not less than 60 days nor more than 90 days prior to the first anniversary of the date of the immediately preceding annual general meeting, provided, however, that in the event the date of the annual general meeting is advanced by more than 30 days or delayed by more than 60 days from the first anniversary date of the prior year's annual general meeting, notice by the shareholder to be timely must be so received not earlier than the 90th day prior to such annual general meeting and not later than close of business on the later of the 60th day prior to the general meeting or the 10th day following the date on which notice of the date of the meeting was mailed or public announcement of the date set for the meeting was made. For nominations of persons for election to the board to be properly brought before a general meeting called for the purpose of the election of directors, other than an annual general meeting by a shareholder, such shareholder must have given timely notice thereof in writing to the secretary. To be timely, a shareholder's notice will be delivered to the secretary at the registered office of Dole plc not earlier than the 150th day prior to such general meeting and not later of the 90th day prior to such general meeting or the 10th day following the day on which public announcement of the date of the general meeting is made.
Quorum at Shareholder Meetings	Two shareholders present in person or by proxy and entitled to vote shall be a quorum. At any adjourned meeting, if such a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved if convened otherwise than by resolution of the directors, but if convened by resolution of the directors, a proxy appointed by a central securities depository entitled to be counted in a quorum present at the meeting shall be a quorum.	Two or more shareholders present in person or by proxy at any meeting of shareholders and holding not less than 50% of the issued and outstanding shares of Dole plc shall constitute a quorum for such meeting. At any adjourned meeting, if such a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved if convened otherwise than by resolution of the directors, but if convened by resolution of the directors, a proxy appointed by a central securities depository entitled to be counted in a

		quorum present at the meeting shall be a quorum, provided that the proxy represents more than 33% of the votes that may be cast by the members at the relevant time.
Voting at general meetings	Under Total Produce's Articles, a resolution put to a vote of the general meeting will be decided on a show of hands unless a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded by the chair of the meeting, by at least three members present (in person or by proxy) having the right to vote at the meeting, by any member or members present (in person or by proxy) representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting, or by a member or members present (in person or by proxy) holding shares in Total Produce conferring the right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right. Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every member shall have one vote, so, however, that no individual shall have more than one vote, and on a poll every member present in person or by proxy or a duly authorised representative of a corporate member shall have one vote for every share carrying voting rights of which he is the holder.	Under Dole plc's Articles of Association, voting at any general meeting will be decided on a poll. Subject to any rights or restrictions for the time being attached to any class or classes of shares in the capital of Dole plc, every member of record present in person or by proxy shall have one vote for each share registered in his or her name in the share register.
Chair casting vote	Under Total Produce's Articles, where at a general meeting or a meeting of the board of directors there is an equality of votes, the chair of the meeting will be entitled to a casting vote in addition to any other vote he or she may have.	Under Dole plc's Articles of Association, where at a general meeting or a meeting of the board of directors there is an equality of votes, the chair of the meeting will not have a second or casting vote.
Location of general meetings	Total Produce's Articles provide that all general meetings must be held in Ireland unless otherwise determined by ordinary resolution of its members.	Under Dole plc's Articles of Association, all general meetings of Dole plc will be held in such place and at such time as the Directors shall determine. Annual general meetings or extraordinary general meetings may be held outside of Ireland, provided all necessary arrangements are made to ensure that members can by technological means participate in any such meeting without leaving Ireland.

		Any general meeting of Dole plc may be held in two or more venues (whether inside or outside of Ireland) at the same time using any technology that provides members, as a whole, with a reasonable opportunity to participate, and such participation will be deemed to constitute presence in person at the meeting.
Notice of General Meetings	An annual general meeting or an extraordinary general meeting of Total Produce called for the passing of a special resolution shall be called by at least twenty-one clear days' notice. Any other extraordinary general meetings shall be called by at least fourteen days' notice.	An annual general meeting or an extraordinary general meeting of Dole plc called for the passing of a special resolution shall be called by at least twenty-one clear days' notice. Any other extraordinary general meetings shall be called by at least twenty-one days' notice except that it may be called by fourteen days' notice where (i) all members, who hold shares that carry rights to vote at the meeting, are permitted to vote by electronic means at the meeting; and (ii) a special resolution reducing the period of notice to fourteen days has been passed at the immediately preceding annual general meeting, or at a general meeting held since that meeting.
Record Date and Closing the Register	Pursuant to Section 1105 of the Act and Regulation 14 of the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996 (as amended), only those shareholders registered in the register of members of Total Produce at the time specified in a notice of a general meeting, being a time not more than 48 hours before the time fixed for the meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their names at that time.	Dole plc's Articles of Association provide that the directors may fix in advance a date as the record date (i) for determining those shareholders entitled to notice or to vote at a shareholders meeting, which record date shall not be more than 60 days before the date of such meeting, and (ii) for the purpose of determining the shareholders entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, which record date shall not be more than 60 days prior to the date of payment of such dividend or the taking of any action to which such determination of members is relevant. If no record date is fixed by the directors, the record date for determining those shareholders entitled to notice or to vote at a meeting of shareholders shall be the day immediately preceding the date on which notice of the meeting is given. Dole plc's Articles of Association provide that for the purpose of determining members entitled to notice of or to vote at any meeting of

		members, or members entitled to receive payment of any dividend, or in order to make a determination of members for any other proper purpose, the board of directors may provide, that the register of members will be closed for transfers for not more than 30 days in each year. For the purpose of determining members entitled to attend and vote at a meeting of members, the register of members be closed for at least five days immediately preceding such meeting and the record date for such determination will be the date of the closure of the register, subject to applicable stock exchange rules. In lieu of, or apart from, closing the register of members, the board of directors may also fix in advance a date as the record date in accordance with the provisions of Dole plc's Articles of Association. If the register of members is not closed and no record date is fixed for the determination of members entitled to notice of or to vote at a meeting of members, the date immediately preceding the date on which notice of the meeting is given to members will be the record date for such determination of members.
Adjournment of general meetings	Total Produce's Articles provide that the chair of a general meeting may, with the consent of the meeting, adjourn the meeting from time to time (or sine die) and from place to place. When a meeting is adjourned for fourteen days or more or sine die, at least seven clear days' notice will be given specifying the time and meeting and the general nature of the business to be transacted at the adjourned meeting.	Dole plc's Articles of Association provide that the chair of a general meeting may, with the consent of the meeting, adjourn the meeting from time to time (or sine die) and from place to place. When a meeting is adjourned for thirty days or more, notice will be given as in the case of an original meeting specifying the time and meeting and the general nature of the business to be transacted at the adjourned meeting.
Proxy Appointment	Where the appointment of a proxy is created, it must be received by Total Produce not less than forty eight hours before the time for holding the meeting or adjourned meeting. In the case of a meeting which is adjourned to, or a poll which is to be taken on, a date which is less than seven days after the date of the meeting which was adjourned or at which the poll was demanded, it will be sufficient if the appointment of proxy and any other authority and certification thereof as aforesaid is so received by Total Produce at the	Where the appointment of a proxy is created, it must be received by Dole plc not less than forty eight hours before the time for holding the meeting or by such time as the Board shall specify. In the case of a meeting which is adjourned to, or a poll which is to be taken on, a date not later than the record date of the meeting which was adjourned or at which the poll was demanded, it will be sufficient if the appointment of proxy and any other

	commencement of the adjourned meeting or the taking of the poll.	authority and certification thereof as aforesaid is so received by Dole plc at the commencement of the adjourned meeting or the taking of the poll.
Disapplication of statutory pre-emption rights	Section 1023 of the Act allows shareholders of a company to pass a special resolution which will have the effect of disapplying the statutory pre-emption rights conferred by section 1022 of the Act. The duration of this authority is limited to five years. In addition, Total Produce separately provide that its members may pass a special resolution giving the Total Produce directors the power to allot relevant securities in accordance section 1021 of the Act as if the statutory pre-emption rights set out in section 1023 of the Act did not apply to any such allotment provided such power (unless otherwise specified in such special resolution or varied or abrogated by special resolution passed at an intervening extraordinary general meeting) shall expire at the earlier of the close of business at the next Total Produce annual general meeting after the passing of such special resolution or the day which is 18 months after the passing of such special resolution.	Section 1023 of the Act allows shareholders of a company to pass a special resolution which will have the effect of dis-applying the statutory pre-emption rights conferred by section 1022 of the Act. The duration of this authority is limited to five years. In addition, Dole plc's Articles of Association separately provide that its members may pass a special resolution giving the Dole plc directors the power to allot relevant securities in accordance section 1021 of the Act as if the statutory pre-emption rights set out in section 1023 of the Act did not apply to any such allotment provided that such power (unless otherwise specified in such special resolution or varied or abrogated by special resolution passed at an intervening extraordinary general meeting) shall unless previously renewed, varied or revoked expire five years from the date of adoption of Dole plc's Articles of Association.
Use of company seal	Under Total Produce's Articles, any instrument to which its seal is to be affixed must be signed by a director and countersigned by the company secretary or a second director or by some other person appointed by the directors for that purpose.	Under Dole plc's Articles of Association, any instrument to which its seal is to be affixed must be signed by a director, the company secretary or any other person authorised to sign and/or use the seal and the countersignature of a second such person will not be required.
Capitalisation of non-distributable profits and reserves	Under Total Produce's Articles, the company in general meeting on the recommendation of the board of directors may resolve to capitalise any part of the any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account which is not available for distribution by applying such sum in paying up in full unissued shares to be allotted as fully paid bonus shares to those members of the company who would have been entitled to that sum if it were distributable and had been distributed by way of dividend.	Under Dole plc's Articles of Association, the directors may resolve to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts or to the credit of the profit and loss account which is not available for distribution by applying such sum in paying up in full unissued shares to be allotted as fully paid bonus shares to those members of the company who would have been entitled to that sum if it were distributable and had been distributed by way of dividend. Any such capitalisation will not require

		approval or ratification by the members.
Business Transactions	Not applicable	Dole plc's Articles of Association provide that, subject to certain exceptions, Dole plc may not engage in certain business combinations with any person that acquires beneficial ownership of 10% or more of Dole plc's outstanding voting shares for a period of two years following the date on which the person became a 10% shareholder unless: prior to the date on which the person becomes a 10% shareholder, a majority of our disinterested directors approved the business combination and in certain circumstances, the business combination is authorized by a special resolution of disinterested shareholders.
Disqualification of Directors	The office of a Director shall be vacated ipso facto if the director is required in writing by all of his co-directors to resign.	The office of a Director shall be vacated ipso facto if the director is required in writing by not less than three quarters of his co-directors to resign.

10. **Omnibus Incentive Compensation Plan to be adopted by Dole plc in time for the IPO**

The following is a summary of the Omnibus Incentive Plan (the "**Omnibus Plan**") as currently proposed for adoption by Dole plc in time for the IPO. The Omnibus Plan is subject to finalisation, but it is not expected to vary materially from this summary.

(a) **General**

The 2021 Omnibus Plan covers the grant of awards to Dole plc employees (including officers), non-employee consultants and non-executive directors and those of Dole plc's affiliates, except that incentive stock options may only be granted to employees (including officers) of the Company and its subsidiaries. Under the terms of the 2021 Omnibus Plan, an aggregate of such number of shares as is equivalent to 8% of the post IPO issued share capital ordinary shares, par value $0.01 per share, will be authorized for delivery in settlement of awards (including incentive stock options), subject to adjustment upon certain changes in Dole plc's capitalization or corporate transactions.

The Compensation Committee of Dole plc (the "**Committee**" for purposes of the 2021 Omnibus Plan description) will administer the 2021 Omnibus Plan. The Committee generally may delegate any or all of its administrative authority to our Chief Executive Officer or to a Management Committee except with respect to awards to executive officers. In addition, the Compensation Committee oversees non-executive director compensation (any awards to our non-executive directors) subject to full Board approval and a non-executive director may not be granted awards that taken together with any cash fees paid to such non-executive director during any single calendar year exceeds $500,000 (calculated based on the grant date fair value of such awards for financial accounting purposes).

The ordinary shares delivered to settle awards made under the 2021 Omnibus Plan may be authorized and unissued shares or treasury shares. If any shares subject to any award granted under the 2021 Omnibus Plan (other than a substitute award) is lapsed, forfeited, cancelled, cash-settled or otherwise terminated without delivery of such shares, the shares subject to such awards will again be available for issuance under the 2021 Omnibus Plan. However, any shares that are withheld or applied as payment for shares issued upon exercise of an award or for the withholding or payment of taxes due upon exercise of the award will continue to be treated as having been delivered under the 2021 Omnibus Plan and will not again be available for grant under the 2021 Omnibus Plan. Also, upon settlement of a stock appreciation right, the number of shares underlying the portion of the stock appreciation right that is exercised shall be treated as having been delivered under the 2021 Omnibus Plan and will not again be available for grant under the 2021 Omnibus Plan.

If a dividend or other distribution (whether in cash, ordinary shares or other property, but excluding any ordinary dividend or distribution), recapitalization, forward or reverse stock split, subdivision, consolidation or reduction of capital, reorganization, merger, consolidation, scheme of arrangement, split-up, spin-off or combination involving us or repurchase or exchange of our shares or other securities, or other rights to purchase shares of our securities or other similar transaction or event affects our ordinary shares such that the Committee determines that an adjustment is appropriate in order to prevent dilution or enlargement of the benefits (or potential benefits) intended to be made available under the 2021 Omnibus Plan, the Committee will make an equitable change or adjustment as it deems appropriate in the number and kind of securities subject to the 2021 Omnibus Plan, outstanding awards thereunder and their applicable exercise prices.

(b) Types of Awards

The 2021 Omnibus Plan permits the granting of any or all of the following types of awards to all grantees:

- stock options, including incentive stock options, or ISOs, and non-qualified stock options;
- stock appreciation rights, or SARs;
- restricted stock;
- deferred stock and restricted stock units;
- performance units and performance shares;
- dividend equivalents;
- bonus shares;
- other stock-based awards; and
- cash incentive awards.

Generally, awards under the 2021 Omnibus Plan are granted for no consideration other than prior and future services, provided that the nominal value of any newly issued shares subject to the grant is fully paid. Awards granted under the 2021 Omnibus Plan may, in the discretion of the Committee, be granted alone or in addition to, in tandem with or in substitution for, any other award under the 2021 Omnibus Plan or other plan of ours; provided, however, that if an SAR is granted in tandem with an ISO, the SAR and ISO must have the same grant date and term and the exercise price of the SAR may not be less than the exercise price of the ISO. The material terms of each award will be set forth in a written award agreement between the grantee and us.

(c) Stock Options and SARs

The Committee is authorized to grant SARs and stock options (including non-qualified stock options and ISOs. ISOs may only be granted to an employee of ours or one of our subsidiary corporations). A stock option allows a grantee to purchase a specified number of our ordinary shares at a predetermined price per share (the "**exercise price**") during a fixed period measured from the date of grant. An SAR entitles the grantee to receive the excess of the fair market value of a specified number of shares on the date of exercise over a predetermined exercise price per share. The exercise price of an option or an SAR will be determined by the Committee and set forth in the award agreement but (except in the case of replacement options granted in the context of a merger) the exercise price may not be less than the fair market value of an ordinary share on the grant date (110 percent of the fair market value in case of certain incentive stock options). The term of each option or SAR is determined by the Committee and set forth in the award agreement, except that the term may not exceed 10 years (5 years in case of certain incentive stock options). The final exercise date of an award may be extended beyond the tenth anniversary of the date of grant where the final exercise date falls in a period when dealing in the Company's shares is prohibited by law or the Company's insider trading policy to the 30th day after expiration of the prohibition (to the maximum extent permitted by Section 409A). Options may be exercised by payment of the purchase price through one or more of the following means: payment in cash (including personal check or wire transfer), or, with the approval of the Committee, by delivering ordinary shares previously owned by the grantee, by delivery of ordinary shares acquired upon the exercise of such option or by delivering restricted shares. The Committee may also permit a grantee to pay the exercise price of an option through the sale of shares acquired upon exercise of the option through a broker-dealer to whom the grantee has delivered irrevocable instructions to deliver sales proceeds sufficient to pay the purchase price to us.

(d) **Restricted Shares**

The Committee may award restricted shares consisting of ordinary shares which remain subject to a risk of forfeiture and may not be disposed of by grantees until certain restrictions established by the Committee lapse. The vesting conditions may be service-based (i.e., requiring continuous service for a specified period) or performance-based (i.e., requiring achievement of certain specified performance objectives) or both. A grantee receiving restricted shares will have all of the rights of a shareholder, including the right to vote the shares and the right to receive any dividends (generally subject to reinvestment into additional restricted shares), except as otherwise provided in the award agreement. Upon termination of the grantee's affiliation with us during the restriction period (or, if applicable, upon the failure to satisfy the specified performance objectives during the restriction period), the restricted shares will be forfeited as provided in the award agreement.

(e) **Restricted Stock Units and Deferred Stock**

The Committee may also grant restricted stock unit awards and/or deferred stock awards. A deferred stock award is the grant of a right to receive a specified number of our ordinary shares at the end of specified deferral periods or upon the occurrence of a specified event, which satisfies the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "**Code**"). A restricted stock unit award is the grant of a right to receive a specified number of our ordinary shares (or the cash value thereof) upon lapse of a specified forfeiture condition (such as completion of a specified period of service or achievement of certain specified performance objectives). If the service condition and/or specified performance objectives are not satisfied during the restriction period, the award will lapse without the issuance of the shares underlying such award (or the cash value thereof).

Restricted stock units and deferred stock awards carry no voting or other rights associated with stock ownership. The award agreement will provide whether grantees may receive dividend equivalents with respect to restricted stock units or deferred stock, and if so, whether such dividend equivalents are distributed in cash if and when the underlying award is no longer subject to vesting conditions or forfeiture when credited or deemed to be reinvested in additional shares of restricted stock units or deferred stock.

(f) **Performance Units**

The Committee may grant performance units, which entitle a grantee to cash or shares conditioned upon the fulfilment of certain performance conditions and other restrictions as specified by the Committee and reflected in the award agreement. The initial value of a performance unit will be determined by the Committee at the time of grant. The Committee will determine the terms and conditions of such awards, including performance and other restrictions placed on these awards, which will be reflected in the award agreement.

(g) **Performance Shares**

The Committee may grant performance shares, which entitle a grantee to a certain number of ordinary shares, conditioned upon the fulfilment of certain performance conditions and other restrictions as specified by the Committee and reflected in the award agreement. For the purpose of applying the applicable remuneration limits, the initial value of each performance share will be the fair market value of an ordinary share on the date of grant. The Committee will determine the terms and conditions of such awards, including performance and other restrictions placed on these awards, which will be reflected in the award agreement.

(h) Bonus Shares

The Committee may grant fully vested ordinary shares as bonus shares or ordinary shares subject to such terms and conditions as are specified in the award agreement. Bonus shares may be awarded in recognition of past performance, as an inducement for a grantee to provide service to us, or, with a grantee's consent, as payment in lieu of cash remuneration otherwise payable to the grantee.

(i) Dividend Equivalents

The Committee is authorized to grant dividend equivalents which provide a grantee the right to receive payment equal to the dividends paid on a specified number of our ordinary shares. Dividend equivalents may be paid directly to grantees or may be deferred for later delivery under the 2021 Omnibus Plan. If deferred such dividend equivalents may be credited with interest in the Committee's discretion or may be deemed to be invested in our ordinary shares or in other property. No dividend equivalents may be granted in conjunction with any grant of stock options or SARs and no dividend equivalents granted in connection with other awards may be paid if the related awards are forfeited.

(j) Cash Incentive Awards

The Committee may grant cash incentive awards to any eligible person in such amounts and upon such terms, including the achievement of specific performance goals during the applicable performance period, as the Committee may determine.

The Committee shall establish performance goals applicable to each cash incentive award in its discretion and the amount that will be paid to the grantee pursuant to such cash incentive award if the applicable performance goals for the performance period are met. If an eligible person earns the right to receive a payment with respect to a cash incentive award, such payment will be made in cash in accordance with the terms of the award agreement. If the award agreement does not specify a payment date with respect to a cash incentive award, payment of the cash incentive award will be made no later than the 15th day of the third month following the end of the grantee's taxable year or our fiscal year during which the performance period ends.

(k) Other Stock-Based Awards

In order to enable us to respond to material developments in the area of taxes and other legislation and regulations and interpretations thereof, and to trends in executive compensation practices, the 2021 Omnibus Plan authorizes the Committee to grant awards that are valued in whole or in part by reference to or otherwise based on our securities. The Committee determines the terms and conditions of such awards, including consideration paid for awards granted as share purchase rights and whether awards are paid in shares, cash or other property.

(l) Performance-Based Awards

The Committee may require satisfaction of pre-established performance goals, consisting of one or more business criteria and a targeted performance level with respect to such criteria, as a condition of awards being granted or becoming exercisable or payable under the 2021 Omnibus Plan, or as a condition to accelerating the timing of such events. The Committee has the discretion to adjust the determinations of the degree of attainment of the pre-established performance goals.

Performance conditions may be based on the following: the attainment by an ordinary share of a specified fair market value for a specified period of time or within a specified period of time; earnings per share; earnings per share from continuing operations; total shareholder return; return on assets; return on equity; return on capital; earnings before or after taxes, interest, depreciation, and/or amortization; return on investment; interest expense; cash flow; cash flow from operations; revenues; sales; costs; assets; debt; expenses; inventory turnover; economic value added; cost of capital; operating margin; gross margin; net income before or after taxes; operating earnings either before or after interest expense and either before or after incentives or asset impairments; attainment of cost reduction goals; revenue per customer;

customer turnover rate; asset impairments; financing costs; capital expenditures; working capital; strategic business criteria, consisting of one or more objectives based on meeting specified revenue, market penetration, geographic business expansion goals, objectively identified project milestones, production volume levels, cost targets, and goals relating to acquisitions or divestitures; customer satisfaction, aggregate product price and other product price measures; safety record; service reliability; debt rating; and achievement of business and operational goals, such as market share, new products, and/or business development or any other performance condition as may be determined to be appropriate.

Awards generally may be settled in cash, ordinary shares, other awards or other property, in the discretion of the Committee.

(m) Change of Control

If there is a takeover, merger or consolidation of us by, with or into another corporation or a sale of substantially all of our ordinary shares (a “Corporate Transaction”) that results in a change in control (as defined in the 2021 Omnibus Plan), and the outstanding awards under the 2021 Omnibus Plan are not assumed by surviving company (or its parent company) or replaced with economically equivalent awards granted by the surviving company (or its parent company), the Committee will cancel any outstanding awards that are not vested and nonforfeitable as of the consummation of such Corporate Transaction (unless the Committee accelerates the vesting of any such awards) and with respect to any vested and nonforfeitable awards, the Committee may either (i) allow all grantees to exercise options and SARs within a reasonable period prior to the consummation of the Corporate Transaction and cancel any outstanding options or SARs that remain unexercised upon consummation of the Corporate Transaction, or (ii) cancel any or all of such outstanding awards (including options and SARs) in exchange for a payment (in cash, or in securities or other property) in an amount equal to the amount that the grantee would have received (net of the exercise price with respect to any options or SARs) if the vested awards were settled or distributed or such vested options and SARs were exercised immediately prior to the consummation of the Corporate Transaction. If an exercise price of the option or SAR exceeds the amount payable per ordinary share in the Corporate Transaction and the option or SAR is not assumed or replaced by the surviving company (or its parent company), such options and SARs will be cancelled without any payment to the grantee.

(n) Transferability of Awards

Awards under the 2021 Omnibus Plan and rights thereunder may not generally be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a grantee other than by will or by the laws of descent or distribution or pursuant to a qualified domestic relations order. However, some award agreements may permit certain awards (other than ISOs) to be transferred, without consideration, to the grantee’s immediate family or certain trusts in which all of the primary beneficiaries are the grantee or the grantee’s immediate family. The Committee may also permit a grantee to designate a beneficiary.

(o) Adjustment to Awards and Amendment and Termination of the 2021 Omnibus Plan

The terms and conditions of any outstanding Awards (including, without limitation, any applicable performance targets or criteria with respect thereto) can be adjusted by the Committee in recognition of unusual or nonrecurring events affecting the Company or an Affiliate or the financial statements of the Company or an Affiliate, or in response to changes in Applicable Laws, regulations or accounting principles and/or in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

The 2021 Omnibus Plan may be amended, altered, suspended, discontinued or terminated by our Board of Directors without further shareholder approval at any time, unless such approval of an amendment or alteration is required by applicable law or regulation or under the rules of any stock exchange or automated quotation system on which the ordinary shares are then listed or quoted. Thus, shareholder approval will not necessarily be required for amendments which might increase the cost of the 2021 Omnibus Plan. Shareholder approval will not be deemed to be required under laws or regulations that condition favourable treatment of grantees on such approval, although our Board of Directors may, in its discretion, seek shareholder approval in any circumstance in which it deems such approval advisable.

In addition, subject to the terms of the 2021 Omnibus Plan, no amendment or termination of the 2021 Omnibus Plan may materially and adversely affect the right of a grantee under any outstanding award granted under the 2021 Omnibus Plan unless every grantee who may be affected has been invited to consent to such amendment and the amendment is approved by a majority of such grantees. Notwithstanding the foregoing, and in light of the uncertainty with respect to the proper application of Section 409A of the Code, the Company reserves the right to make amendments to the 2021 Omnibus Plan and outstanding Awards as the Compensation Committee deems necessary or desirable to avoid the imposition of taxes or penalties under Section 409A of the Code.

Unless earlier terminated by our Board of Directors, the 2021 Omnibus Plan will terminate when no ordinary shares remain reserved and available for issuance and the restrictions on all restricted shares granted under the 2021 Omnibus Plan have lapsed or, if earlier, on the tenth anniversary after the adoption of the 2021 Omnibus Plan by our Board of Directors.

(p) **No Repricing**

Notwithstanding any other provision of the 2021 Omnibus Plan except those permitting certain adjustments to prevent dilution or enlargement of rights in connection with material events affecting our ordinary shares, no Option or SAR may be amended to reduce the exercise or grant price nor cancelled in exchange for other Options or SARs with a lower exercise or grant price or ordinary shares or cash, without shareholder approval.

(q) **Claw-back Policies**

All Awards granted under the 2021 Omnibus Plan shall be subject to the terms of any recoupment policy currently in effect or subsequently adopted by the Board to implement Section 304 of the Sarbanes-Oxley Act of 2002 or Section 10D of the Exchange Act (or with any amendment or modification of such recoupment policy adopted by the Board) to the extent that such Award (whether or not previously exercised or settled) or the value of such Award is required to be returned to the Company pursuant to the terms of such recoupment policy. Further, to the extent that a Participant receives any amount in excess of the amount that the Participant should otherwise have received under the terms of the Award due to a mistake in calculations or other administrative error, the Participant shall be required to repay any such excess amount to the Company.

(r) **Miscellaneous**

Each Participant in the 2021 Omnibus Plan may be bound by and subject to non-competition, confidentially and invention ownership agreements. They also remain subject to the trading window policies adopted by the Company from time to time with respect to the exercise of Options, Stock Appreciation Rights or the sale of shares of Company Stock acquired pursuant to the 2021 Omnibus Plan. A grantee shall forfeit any and all rights under an Award upon notice of termination by the Company for "Cause", as such term is defined in the 2021 Omnibus Plan or an employment agreement, if applicable. Award agreements shall contain such other terms and conditions as the Committee may determine in its sole discretion (to the extent not inconsistent with the 2021 Omnibus Plan).

11. **Consents**

(a) Davy has given and not withdrawn its written consent to the inclusion in this Scheme Circular of the references to its name in the form and context in which they appear.

(b) Goldman Sachs has given and not withdrawn its written consent to the inclusion in this Scheme Circular of the references to its name in the form and context in which they appear.

12. **Documents Available For Inspection**

(a) Copies of the following documents will be published on the website of Total Produce https://www.totalproduce.com and will be for inspection during usual business hours on any Business Day from the date of this Scheme Circular until completion of the Transaction at the offices of Arthur Cox LLP, 10 Earlsfort Terrace, Dublin 2, D02 T380, Ireland and 12 Gough Square, London EC4A 3DW, United Kingdom:

(i) this Scheme Circular;

(ii) the Expense Reimbursement Agreement;

(iii) the Transaction Agreement (as amended);

(iv) the annual report and consolidated audited financial statements of Total Produce for the three financial years ended 31 December 2018, 2019 and 2020;

(v) the Management's Discussion and Analysis of Financial Condition and Results of Operations and Consolidated Financial Statements as of December 31, 2020 and December 28, 2019, and for the Years Ended December 31, 2020, December 28, 2019 and December 29, 2018 of DFC Holdings, LLC;

(vi) the written consents referred to in paragraph 11 above;

(vii) the existing Constitution of Total Produce;

(viii) Dole plc's existing Memorandum and Articles;

(ix) the Constitution of Total Produce as amended by the Scheme; and

(x) Dole plc's Memorandum and Articles of Association, effective as of the IPO.

Dated: 19 May 2021

Part 11

DEFINITIONS

In this Scheme Circular, the following terms have the following meanings unless otherwise stated:

"**2018 Transaction**"	the transaction which completed on 31 July 2018 and which included the acquisition by Total Produce USA Holdings Inc., a wholly owned subsidiary of Total Produce, of 45% of the membership interests in DFC Holdings, the parent company of Dole Food Company, Inc.;
"**Act**"	the Companies Act 2014, as amended;
"**affiliates**"	has the same meaning as that term is defined in Rule 144 under the Securities Act of 1933;
"**AIM**"	the Alternative Investment Market of the London Stock Exchange plc;
"**AIM Rules**"	the AIM Rules published by the London Stock Exchange plc as in force from time to time;
"**Announcement**"	the joint announcement by Total Produce and Dole of the Transaction on 17 February 2021;
"**Board**"	the board of directors of Total Produce;
"**Brexit**"	the United Kingdom exit from the EU
"**Broadbridge**"	Broadridge Financial Solutions Limited
"**Business Day**"	any day, other than a Saturday, Sunday or public holiday in Dublin, London or New York;
"**C&C Shareholders**"	has the same meaning as in the Transaction Agreement;
"**CDI Holders**"	persons recorded in the book entries of EUI as being entitled to CDI in respect of Total Produce Shares;
"**CDIs**"	CREST Depository Interests
"**certificated**" **or** "**in certificated form**"	where a share is registered in the name of a person which is not a CSD or a nominee of a CSD;
"**Closing Price**"	the closing price for a Total Produce Share at the close of business on the day to which the price relates, derived from Bloomberg that day;
"**Company's Registrars**"	Computershare Investor Services (Ireland) Limited;
"**Compensation Committee**"	the Compensation Committee of the Board of the Company;
"**Completion**"	completion of the Share Exchange, effectiveness of the Merger and completion of the IPO;
"**Completion Date**"	the date on which Completion take place;
"**Conditions**"	the conditions to the Scheme and the Transaction set out in Part 5 (*Conditions to and further terms of the Scheme and the*

	Transaction) of this Scheme Circular, and "**Condition**" means any one of the Conditions;
"**Consideration**"	one share in Dole plc per every seven Total Produce Share or such other ratio as the Board of Total Produce may resolve to apply for the purpose of effecting the Share Exchange;
"**Consideration Shares**"	the Ordinary Shares in Dole plc to be issued as part of the Share Exchange in accordance with the Exchange Ratio;
"**Court Hearing**"	the hearing by the High Court of the application to sanction the Scheme under Section 453 of the Act;
"**Court Order**" or "**Order**"	the order or orders of the High Court sanctioning the Scheme under Chapter 1, Part 9 of the Act;
"**CREST Regulations**"	the UK Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time;
"**CREST**"	the relevant system (as defined in the CREST Regulations) in respect of which EUI is the Operator (as defined in the CREST Regulations);
"**CSD**"	a central securities depositories as defined in Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014;
"**Davy**"	J & E Davy;
"**Delisting**"	the cancellation of the listings of the Company's shares on Euronext Growth and AIM, and "**Delistings**" shall be construed accordingly;
"**Directors**"	the members of the Board;
"**Directors of Dole plc**"	the members of the board of directors of Dole plc;
"**Dole Food Company**"	Dole Food Company, Inc. and all of its subsidiaries;
"**Dole plc**"	being a public limited liability company incorporated in Ireland under registration number 606201 and having its registered address at 29 North Anne Street, Dublin 7, Dublin, D07 PH36, Ireland, D07 PH36;
"**Dole plc's Articles of Association**"	the articles of association of Dole plc as in effect at the completion of the Transaction;
"**DTC**"	The Depositary Trust Company;
"**EB Participants**"	participants in Euroclear Bank, each of which has entered into an agreement to participate in the Euroclear System subject to the Euroclear Terms and Conditions;
"**EBITDA**"	earnings before interest, tax, depreciation and amortisation;
"**EEA**"	European Economic Area;
"**EGM Scheme Resolutions**"	the Resolutions 1 to 3 to be proposed at the EGM for the purposes of approving and implementing the Scheme and changes to the Total Produce Articles;

"**Enlarged Group**"	the combination of the Total Produce Group and the Dole Food Company under the ownership of Dole plc;
"**EU Merger Regulation**"	Council Regulation (EC) No. 139/2004;
"**EU**"	the European Union;
"**EUI**"	Euroclear UK & Ireland Limited;
"**euro**" or "**€**"	the currency unit of participating member states of the European Union as defined in Recital (2) of Council Regulation 974/98/EC on the introduction of the euro;
"**Euroclear Bank**"	Euroclear Bank SA/NV
"**Euroclear Nominees**"	Euroclear Nominees Limited
"**Euronext Dublin**"	the Irish Stock Exchange plc, trading as Euronext Dublin;
"**Euronext Growth**"	the Euronext Growth Market operated by Euronext Dublin;
"**Euronext Growth Rules**"	the Euronext Growth Rules for companies published by Euronext Dublin as in force from time to time;
"**EU-U.K. Agreement**"	the EU-U.K. Trade and Cooperation Agreement dated December 24, 2020;
"**Exchange Act**"	the Exchange Act of 1934 of the United States;
"**Exchange Ratio**"	one share in Dole plc for every seven Total Produce Shares or such other ratio as the Board of Total Produce may resolve to apply for the purpose of effecting the Share Exchange;
"**Expense Reimbursement Agreement**"	the expense reimbursement agreement dated 16 February 2021 between Total Produce Parties, DFC Holdings, Dole and the C&C Parties;
"**Explanatory Statement**"	the explanatory statement prepared by the Company in compliance with Section 452 of the Act and set out in Part 3 (*Explanatory Statement*) of this Scheme Circular;
"**Extraordinary General Meeting**" or "**EGM**"	the extraordinary general meeting of the Total Produce Shareholders (and any adjournment thereof) to be convened in connection with the Scheme, expected to be held as soon as the preceding Second Scheme Meeting shall have been concluded or adjourned (it being understood that if the Scheme Meeting is adjourned, the EGM shall be correspondingly adjourned);
"**FCA**"	the Financial Conduct Authority of the UK;
"**Forms of Proxy**"	the YELLOW form of proxy for the Scheme Meeting and the WHITE form of proxy for the EGM, as the context may require;
"**Goldman Sachs**"	Goldman Sachs International;
"**Governmental Body**"	any Irish, UK or other foreign national or supranational, federal, state, local or other governmental or regulatory authority, agency, commission, board, body, bureau, arbitrator, arbitration panel, or other authority in any jurisdiction, including courts and other judicial bodies, or any competition, antitrust, foreign investment review or supervisory body, central bank or other governmental,

	trade or regulatory agency or body, securities exchange, stock exchange or any self-regulatory body or authority, including any instrumentality or entity designed to act for or on behalf of the foregoing, in each case, in any jurisdiction (provided it has jurisdiction over the applicable person or its activities or property) and including any Tax Authority;
"**Group**"	Total Produce and its subsidiaries;
"**Hearing Date**"	the date on which the Court Order is made;
"**High Court**" or "**Court**"	the High Court of Ireland;
"**Holders**"	in relation to any Total Produce Share, the Member whose name is entered in the Register of Members as the holder of the share, and "**Joint Holders**" shall mean the Members whose names are entered in the Register of Members as the joint holders of the share, and includes any person(s) entitled by transmission;
"**Holding Company**"	the meaning given to the term "holding undertaking" in Section 275 of the Act;
"**Indebtedness**"	the outstanding principal amount of, accrued and unpaid interest on, and other payment obligations arising under any borrowing or guarantee owed to any bank or credit institution or payable under any bond or transferable security;
"**IPO**"	the initial public offering to be undertaken by Dole plc in accordance with the Transaction Agreement;
"**Ireland**"	Ireland excluding Northern Ireland and the word Irish shall be construed accordingly;
"**Irish CGT**"	Irish Capital Gains Tax;
"**Irish Government**"	the Government of Ireland;
"**Irish Holders**"	holders of Total Produce ordinary shares that (a) beneficially own Total Produce Shares; and (i) in the case of individual holders, are resident, ordinarily resident and domiciled in Ireland for the purposes of Irish tax law; or (ii) in the case of holders that are companies, are resident in Ireland for the purposes of Irish tax law; and (b) are not considered resident in any country other than Ireland for the purposes of any double taxation agreement entered into by Ireland;
"**IRS**"	Internal Revenue Service of the United States of America;
"**Latest Practicable Date**"	16 May 2021, being the latest practicable date prior to printing and publication of this Scheme Circular;
"**Law**"	any applicable national, federal, state, local, municipal, foreign, supranational or other law, statute, constitution, principle of common law, resolution, ordinance, code, agency requirement, licence, permit, edict, binding directive, decree, rule, regulation, judgment, order, injunction, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body;
"**London Stock Exchange**"	London Stock Exchange plc;

"**Meetings**"	the Scheme Meeting and the Extraordinary General Meeting and includes a reference to any one or more of them, and "Meeting" shall be construed accordingly;
"**Members**"	members of Total Produce on its Register of Members at any relevant date (and each a "**Member**");
"**Merger**"	has the same meaning as defined in the Transaction Agreement;
"**Minimum Secondary**"	the condition in the Transaction Agreement regarding the C&C Shareholders achieving net proceeds of at least US$50 million in the sale of shares on a secondary basis in conjunction with the IPO;
"**Northern Ireland**"	the counties of Antrim, Armagh, Derry, Down, Fermanagh and Tyrone on the island of Ireland;
"**Option Cash Settlement Facility**"	has the same meaning as in Section 8 (*Total Produce Share Options*) of Part 1 (*Letter from the Chair of Total Produce*) of the Scheme Circular;
"**Outside Date**"	15 November 2021 or such later date as Dole and the C&C Shareholders may agree and the High Court may allow;
"**overseas shareholders**"	Total Produce Shareholders who are resident in, or citizens of, jurisdictions outside Ireland or the United Kingdom
"**Parties**" and "**Party**"	the parties to the Transaction Agreement and each is a Party;
"**PRA**"	the Prudential Regulation Authority of the UK;
"**Register of Members**"	the register of members maintained by Total Produce pursuant to the Act;
"**Registrar of Companies**"	the Registrar of Companies in Dublin, Ireland as defined in section 2 of the Act;
"**Relevant Authority**"	any federal commission, board, body, bureau, or other regulatory authority or agency, including courts and other judicial bodies, or any competition, anti-trust or supervisory body or other governmental, regulatory agency or body or securities exchange including any instrumentality or entity designed to act for or on behalf of any of the foregoing, in each case, in any jurisdiction;
"**Restricted Jurisdiction**"	any jurisdiction in relation to which Total Produce is advised that the release, publication or distribution of the Scheme Circular or the related Forms of Proxy or the issue of the Consideration Shares, would or might infringe the laws of that jurisdiction or would or might require compliance with any governmental or other consent or any registration, filing or other formality that Total Produce is unable to comply with or regards as unduly onerous to comply with;
"**Rule 144**"	Rule 144 under the Securities Act;
"**Scheme**" **or** "**Scheme of Arrangement**"	the proposed scheme of arrangement under Chapter 1 of Part 9 of the Act to effect the acquisition of all Total Produce Shares under the terms of the Transaction Agreement, on the terms (including the Conditions) and for the issue of the Consideration Shares set out in the Announcement and this Scheme Circular and on such other terms as the Parties mutually agree in writing, including any

	revision of the scheme of arrangement as may be so agreed between the Parties and, if required, by the High Court;
"**Scheme Circular**"	this Scheme Circular, dated 19 May 2021;
"**Scheme Meeting**"	the meeting of Total Produce Shareholders convened by order of the High Court pursuant to Chapter 1, Part 9 of the Act to consider and, if thought fit, approve the Scheme, including any adjournment thereof;
"**Scheme Meeting Resolution**"	the resolution to be considered and voted on at the Scheme Meeting proposing the Scheme, with or without amendment (but subject to such amendment being acceptable to each of Total Produce and Dole, except for a technical or procedural amendment which is required for the proper implementation of the Scheme and does not have a substantive consequence on the implementation of the Scheme);
"**Scheme Recommendation**"	the unanimous recommendation of the Board that the Total Produce Shareholders approve the Scheme and the EGM Scheme Resolutions;
"**SDRT**"	Stamp Duty Reserve Tax;
"**Securities Act**"	the US Securities Act of 1933, as amended;
"**Share Exchange**"	the acquisition by Dole plc of 100% of the issued share capital of Total Produce in exchange for issuing shares in itself to the Total Produce Shareholders such that immediately after the Merger and immediately prior to the IPO the Total Produce Shareholders will be holders of 82.5% of Dole plc's share capital (rounded to the nearest whole share) on a fully diluted basis;
"**SIP**"	the Total Produce Share Incentive Plan as adopted on 30 November 2007;
"**subsidiary**" or "**subsidiaries**"	has the same meaning as in Section 7 of the Act;
"**Tax Authority**"	any Governmental Body responsible for the assessment, collection or enforcement of laws relating to taxes or for making any decision or ruling on any matter relating to tax;
"**Total Produce APSS**"	the Total Produce Employee Profit Sharing Scheme constituted by a trust deed dated 2 October 2007 and entered into by the Company and Computershare Trustees (Ireland) Limited;
"**Total Produce Articles**"	the articles of association of Total Produce;
"**Total Produce Directors**" or "**directors of Total Produce**"	the members of the Board;
"**Total Produce Employees' Share Trust**"	the trust constituted by the trust deed dated 5 December 2007 and entered into by the Company and Lloyds TSB Offshore Trust Company Limited;
"**Total Produce Group**"	Total Produce and all of its subsidiaries and affiliates;
"**Total Produce Option Holders**"	the holders of Total Produce Options;
"**Total Produce Parties**"	Total Produce, TP USA and TP-Dole Merger Sub, LLC;

"**Total Produce Share Plans**"	the Total Produce APSS, the Total Produce STIP and the Total Produce SIP;
"**Total Produce Share**" or "**Total Produce Shares**"	the ordinary shares of €0.01 each in the capital of Total Produce;
"**Total Produce Shareholders**"	the holders of Total Produce Shares;
"**Total Produce**" or "**Company**"	Total Produce plc, a company incorporated in Ireland with registered number 427687 and having its registered office at 29 North Anne Street, Dublin 7, D07 PH36, Ireland;
"**TP USA**"	Total Produce USA Holdings Inc.;
"**Transaction Agreement**"	the transaction agreement entered into on 16 February 2021 Agreement and as amended on 23 April 2021 (and from time to time thereafter) between Total Produce, TP USA, TP-Dole Merger Sub, LLC, Dole plc, DFC Holdings and the C&C Parties in relation to the implementation of the Scheme and the Transaction;
"**Transaction**"	the implementation of the Share Exchange, the Merger and the IPO, each as defined in the Transaction Agreement;
"**Treasury Shares**"	any shares held in Total Produce by Total Produce and/or any of its subsidiaries;
"**U.S. GAAP**"	U.S. Generally Accepted Accounting Principles;
"**UK Holders"**	holders of Total Produce ordinary shares that (a) beneficially own Total Produce Shares; and (i) in the case of individual holders, are resident and domiciled in the UK for the purposes of UK tax law; or (ii) in the case of holders that are companies, are resident in UK for the purposes of UK tax law; and (b) are not considered resident in any country other than the UK for the purposes of any double taxation agreement entered into by the UK;
"**United Kingdom**" or "**UK**"	the United Kingdom of Great Britain and Northern Ireland;
"**United States**" or "**US**"	the United States of America;
"**Valuation Floor**"	the condition in the Transaction Agreement regarding the IPO achieving a price per Dole plc share such that the 17.5% of Ordinary Shares in Dole plc to be held by the C&C Shareholders on a fully diluted basis immediately prior to the IPO have an aggregate value of at least US$215 million; and
"**Voting Record Time**"	close of business on the day which is four days prior to the date of the Meetings;

All amounts contained within this Scheme Circular referred to by "EUR" and/or "€" refer to Euro and all amounts contained within this Scheme Circular referred to by "US$" refers to United States Dollars.

Any reference to any provision of any legislation shall include any provision in any legislation which amends, modifies, consolidates, re-enacts, extends or replaces the same.

Words importing the singular shall include the plural and *vice versa* and words importing the masculine gender shall include the feminine or neuter gender.

All times referred to within this Scheme Circular are Irish times unless otherwise stated.

Part 12

NOTICE OF SCHEME MEETING

HIGH COURT

IN THE MATTER OF TOTAL PRODUCE PLC

- and -

IN THE MATTER OF THE COMPANIES ACT 2014

NOTICE IS HEREBY GIVEN that by an Order made in the above matters, the High Court has, in accordance with section 450 of the Companies Act 2014, (the "**Act**") directed that a meeting (the "**Scheme Meeting**") be convened of the holders of all shares ("**Total Produce Shares**") in the capital of Total Produce plc (the "**Company**") for the purpose of considering and, if thought fit, approving a resolution to approve (with or without modification) a scheme of arrangement pursuant to Chapter 1 of Part 9 of the Act proposed to be made between the Company and the holders of all Total Produce Shares (the "**Scheme**") and any motion by the Chair to adjourn the Scheme Meeting, or any adjournments thereof, to another time and place if necessary or appropriate to solicit additional proxies if there are insufficient votes at the time of the Scheme Meeting to approve the Scheme and otherwise (together the "**Scheme Meeting Proposals**") and that such Scheme Meeting be held at 29 North Anne Street, Dublin 7, D07 PH36, Ireland on 17 June 2021 at 11.00 a.m., at which place and time all holders of all Total Produce Shares are invited to attend and vote; such resolution being in the following terms:

"That the Scheme in its original form or with or subject to any modification(s), addition(s) or condition(s) approved or imposed by the High Court be agreed to."

As required by section 449(1) of the Act (as amended by section 1087D of the Withdrawal of the United Kingdom from the European Union (Consequential Provisions) Act 2020) the resolution to approve the Scheme must be approved by a majority representing at least 75 per cent in value of the members present and voting either in person or by proxy at the Scheme Meeting. The quorum for the Scheme Meeting shall be at least two persons holding or representing by proxy at least one-third in nominal value of the issued shares in the Company. The Scheme Meeting Proposals may be voted on in such order as is determined by the Chair of the Scheme Meeting.

A copy of the Scheme and a copy of the Scheme Circular required to be furnished pursuant to Section 452 of the Act are incorporated in the document of which this Notice forms part. Capitalised terms used in this Notice have the meanings given to them in the document of which this Notice forms part (save as otherwise defined in this Notice).

By the said Court Order, the High Court has designated Mr Carl McCann, or, failing him, any other director of the Company as the board of directors of the Company may determine to act as Chair of the Scheme Meeting and has directed the Chair to report the result thereof to the High Court.

Subject to the approval of the resolution to approve the Scheme proposed at the meeting convened by this Notice and the approval of the EGM Scheme Resolutions to be proposed at the extraordinary general meeting of the Company, in each case convened for 17 June 2021, the Company will (subject to availability of the High Court) apply to the High Court to sanction the Scheme and anticipates that the said application will be heard in July 2021.

The Scheme will be subject to the subsequent sanction of the High Court.

Dated: 19 May 2021

Arthur Cox LLP
Ten Earlsfort Terrace
Dublin 2
D02 T380
Ireland

Solicitors for the Company

Statement of Procedures

Availability of documents and information in connection with the Scheme Meeting on Total Produce's Website

1. Information regarding the Scheme Meeting, including the full, unabridged text of the documents and resolution to be submitted to the Scheme Meeting, will be available at https://www.totalproduce.com.

COVID-19 Restrictions

2. The Total Produce Board notes the measures currently in force in Ireland due to the ongoing COVID-19 pandemic. At the time of publication of this Scheme Circular, the Irish Government has prohibited public gatherings, save in certain limited circumstances. In light of these measures, together with the uncertainty as to any additional and/or alternative measures that may be put in place by the Irish Government, and in order to protect the health and safety of the Company's shareholders and directors, we hope that shareholders will understand that Total Produce Shareholders and other attendees may not be permitted to attend the Scheme Meeting in person, save for the Chair, Total Produce's legal advisers and any Total Produce Directors that may be nominated by the Chair.

3. Having regard to the current Covid-19 regulations, all shareholders are advised to complete, sign and return a Form of Proxy as soon as possible but, in any event, so as to reach the Company's Registrar by 11.00 a.m. on 15 June 2021, or by close of business on 11 June 2021 in the case of voting instructions to be given to Broadridge by CDI holders, or by 10.00 a.m. on 15 June 2021 in the case of voting instructions to be given to Euroclear Bank by EB Participants. In the exceptional circumstances of the current Covid-19 pandemic, the Board strongly encourages shareholders to appoint the Chair of the meeting as their proxy, however, a shareholder may appoint another person, who need not be a member(s) of the Company, as a proxy, by electronic means or in writing, to vote some or all of their shares. If a shareholder appoints someone other than the Chair of the meeting to be their proxy, that person is unlikely to be able to attend in person if the prevailing Covid-19 measures require the Company to conduct the Scheme Meeting as a closed meeting.

4. The Company will take all appropriate safety measures as the Directors may in their absolute discretion determine from time to time, and in any individual case, to be necessary or desirable at, during or prior to the Scheme Meeting to ensure the safety of any attendees and others involved with it. Such measures may include, without limitation, the restriction of the number of attendees, and health and/or compliance related checks and requirements.

Instructions for accessing the Virtual Meeting Platform

5. Total Produce Shareholders will be given the opportunity to remotely attend, speak, ask questions and vote at the Scheme Meeting via a virtual meeting platform provided by Lumi AGM UK Limited (the "**Virtual Meeting Platform**") and related teleconference facility.

6. In order to listen to the proceedings of the Scheme Meeting and ask questions at the Scheme Meeting, remote participation will be available by an audio broadcast and also the option of a telephone conference. In order to ask questions, listen to and vote at the Scheme Meeting and the EGM via the Lumi platform, holders of certificated shares or any person acting as a proxy will need to connect to the following site https://web.lumiagm.com. Lumi is compatible with the latest browser versions of Chrome, Firefox, Internet Explorer 11 (Internet Explorer V10 and lower are not supported), Edge and Safari and can be accessed using any web browser, on a PC or smartphone device. Once shareholders have accessed https://web.lumiagm.com from a web browser on a tablet or computer, they will be asked to enter the Lumi Meeting ID which is **100-861-321**. Shareholders will then be prompted to enter a Shareholder Reference Number (SRN) and a PIN. The Shareholder Reference Number (SRN) and PIN can be found on the top of the Form of Proxy. Access to the Lumi platform for the purpose of the Scheme Meeting and the EGM will be available from 60 minutes before meeting start time. During the Scheme Meeting and the EGM, you must ensure you are connected to the internet at all times in order to listen to the Chair and ask questions. Therefore, it is your responsibility to ensure connection to the internet for the duration of the Scheme Meeting and the EGM. A user guide to the audio webcast is available on our website at: www.totalproduce.com. A duly appointed proxy or corporate representative should contact their nominee in order to access the Lumi platform. CDI holders or EB Participants (or underlying beneficial holders)

wishing to access the Lumi platform must arrange to have themselves appointed as their own proxy as explained above.

7. Access to the Scheme Meeting will be available from 10.00 a.m. on 17 June 2021, although the voting functionality will not be enabled until the Chair of the relevant Meeting declares the poll open.

8. Once the Chair of the meeting has formally opened the Scheme Meeting, he/she will explain that voting will take place by poll and outline the voting procedure. Voting will be enabled on the Scheme Meeting resolution on the Chair's instruction. This means that attendees may, at any time while the poll is open, vote electronically on the Scheme Meeting resolution.

9. Once the Scheme Meeting resolution has been proposed, it will appear along with the voting options available. Select the option that corresponds with how you wish to vote, "FOR", "AGAINST" or "WITHHELD". Once you have selected your choice, the option will change colour and a confirmation message will appear to indicate your vote has been cast and received – there is no submit button. If you make a mistake or wish to change your vote, simply select the correct choice, if you wish to "cancel" your vote, select the "cancel" button. You will be able to do this at any time whilst the poll remains open and before the Chair announces its closure at the end of the Scheme Meeting.

10. During the Scheme Meeting, you must ensure you are connected to the internet at all times in order to vote when the Chair commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the Scheme Meeting via your wireless or other internet connection. The Virtual Meeting Guide contains further information on remotely accessing and participating in the Scheme Meeting via the Virtual Meeting Platform and related teleconference facility and is available on Total Produce's website at www.totalproduce.com.

11. The COVID-19 situation is constantly evolving, and the Irish Government may change current restrictions or implement further measures relating to the holding of shareholder meetings during the affected period. Any changes to the arrangements for the Scheme Meeting will be communicated to Total Produce Shareholders before the Scheme Meeting, including through our website www.totalproduce.com and by announcement through a Regulatory Information Service.

Appointment of Proxies

12. Total Produce Shareholders are strongly encouraged to submit proxy appointments and instructions for the Scheme Meeting as soon as possible, using any of the methods (by post, online or electronically) set out below. Total Produce Shareholders are also strongly encouraged to appoint "the Chair of the meeting" as their proxy. If any other person is appointed as proxy, he or she may not be permitted by the prevailing COVID-19 restrictions to attend the Scheme Meeting in person, but will be able to attend, speak, ask questions and vote at the Scheme Meeting remotely via the Virtual Meeting Platform and teleconference call as described above. If you intend to appoint a proxy other than the Chair of the Scheme Meeting, we would ask that, as a contingency measure, you would additionally appoint the Chair of the Scheme Meeting as an alternative in the event the initially intended proxy is unable to attend for any reason. This will facilitate your vote being included in a wider range of contingent scenarios.

13. It is required that forms appointing proxies be lodged with the Company's Registrars, Computershare Investor Services (Ireland) Limited, at PO Box 13030, Dublin 24, Ireland (if delivered by post) or at 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82, Ireland (if delivered by hand) not less than 48 hours before the time appointed for the said meeting. However, if not so returned, this Form of Proxy (together with such authority, if applicable) may be handed to the Chairman of the Scheme Meeting or Computershare, on behalf of the Chairman of the Scheme Meeting before the start of the Scheme Meeting. Alternatively, you may submit your Forms of Proxy via the internet by accessing the Company's Registrars' website www.eproxyappointment.com. To appoint a proxy on this website shareholders need to enter a Control Number, a Shareholder Reference Number (SRN), and PIN and agree to the terms and conditions specified by the Company's Registrar. The Control Number, the Shareholder Reference Number (SRN) and PIN can be found on the top of the Form of Proxy.

14. In the case of voting instructions to be given to Broadridge by CDI holders, such instructions must be lodged with Broadridge by the appropriate deadline which is expected to be close of business on 11 June 2021.

15. In the case of voting instructions to be given to Euroclear Bank by EB Participants, such instructions must be lodged with EB by the appropriate deadline which is expected to be 10.00 a.m. on 15 June 2021.

16. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose, seniority will be determined by the order in which the names stand in the Register of Members of the Company in respect of the joint holding.

17. If the Form of Proxy is properly executed and returned, it will be voted in the manner directed by the shareholder executing it, or if no directions are given, will be voted at the discretion of the Chair of the Scheme Meeting or any other person duly appointed as proxy by the shareholder. A proxy shall be bound by the Total Produce Articles.

18. In the case of a corporation, the Form of Proxy must be either under its Common Seal or under the hand of an officer or attorney, duly authorised.

19. By the said Order, the High Court has appointed Carl McCann, Chair of Total Produce, or, failing him, such other director or officer of Total Produce as the board of directors of Total Produce may determine, to act as Chair of the said meeting and has directed the Chair to report the result thereof to the High Court.

Voting Record Time

20. Entitlement to attend and vote at the meeting, or any adjournment thereof, and the number of votes which may be cast thereat, will be determined by reference to the Register of Members of the Company at the close of business on 13 June 2021 or, in the event that this meeting is adjourned, at the close of business on the day that is four days before the time of any adjourned meeting. In each case, changes to the Register of Members of the Company after such time shall be disregarded.

21. The said scheme of arrangement will be subject to the subsequent sanction of the High Court.

Questions

22. Before the meeting, in the likely event of a closed meeting, a Shareholder may also submit a question in writing, to be received at least two business days before the meeting (i.e. by 11.15 a.m. on 15 June 2020) by post to the Company Secretary at Total Produce plc, 29 North Anne Street, Dublin 7, D07 PH36, Ireland or by email to jdevine@totalproduce.com. All correspondence should include sufficient information to identify a Shareholder on the Register of Member.

Part 13

NOTICE OF EXTRAORDINARY GENERAL MEETING

OF

TOTAL PRODUCE PLC

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING ("**EGM**") of Total Produce plc (the "**Company**") will be held at 29 North Anne Street, Dublin 7, D07 PH36, Ireland on 17 June 2021 at 11.15 a.m. (or, if later, as soon thereafter as the Scheme Meeting (as defined in the document of which this Notice forms part) shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolutions of which Resolutions 1 and 5 will be proposed as ordinary resolutions and Resolutions 2 and 3 as special resolutions (Resolutions 1 to 3 are hereinafter referred to as the "**EGM Scheme Resolutions**") and Resolution 4 will be proposed as a non-binding advisory resolution. The EGM Scheme Resolutions may be voted on in such order as is determined by the Chair of the EGM. Capitalised terms used in this Notice have the meanings given to them in the document of which this Notice forms part (save as otherwise defined in this Notice).

1. **Ordinary Resolution: Approval of the Transaction**

That, subject to the approval of the Scheme of Arrangement at the Scheme Meeting by the requisite majorities, the Scheme of Arrangement (a copy of which has been produced to this meeting and for the purposes of identification signed by the Chair thereof) in its original form or with or subject to any modification, addition or condition approved or imposed by the High Court be approved and the directors of the Company be authorised to take all such action as they consider necessary or appropriate for carrying the Transaction into effect as defined in the Scheme Circular containing the Notice of this resolution.

2. **Special Resolution: Amendment of the Articles of Association**

With effect from the passing of this Resolution, the Articles of Association of the Company be amended by the deletion of Article 14 and the insertion of the following new Articles 14 and 15 in its place and the consequent renumbering of the Articles:

"14. **Share Exchange pursuant to the Scheme of Arrangement**

(a) In this Article, the "Scheme" means the scheme of arrangement between the Company and the holders of Ordinary Shares (which comprise the Ordinary Shares of €0.01 each in the capital of Company that are transferred under the Scheme pursuant to or by virtue of Chapter 1, Part 9 of the Companies Act 2014 (as amended) ("**Act**")) as set out in the circular (the "**Scheme Circular**") issued by the Company as required under Section 452 of the Act and dated 19 May 2021 in its original form or with or subject to any modification, addition or condition approved or imposed by the High Court. Expressions defined in the Scheme Circular shall have the same meanings in this Article.

(b) Notwithstanding anything else in these Articles, if the Company allots and issues any Ordinary Shares on or after the Voting Record Time, such shares shall be allotted and issued subject to the terms of the Scheme and the holder or holders of those shares shall be bound by the Scheme accordingly.

(c) To give effect to the Share Exchange, each Holder is deemed to have consented and agreed to the following:

(i) the Company is irrevocably instructed to appoint any person (including any officer or employee of the Company, the Registrar, Euroclear Bank and/or EUI) as attorney or agent for the Holders to do everything necessary to complete the transfer of all of the Ordinary Shares to Dole plc (or such other nominee(s) of Dole plc as it may notify the Company in writing) and do all such other things and execute and deliver all such documents and electronic communications as may be required by Dole plc or as may, in the opinion of such attorney or agent, be necessary or desirable to vest all of the Ordinary Shares in Dole plc (or such other nominee(s) of Dole plc as it may notify the

Company in writing) and, pending such vesting, to exercise all such rights attaching to all of the Ordinary Shares as Dole plc may direct;

(ii) the Registrar and/or the Secretary may complete the registration of the transfer of all of the Ordinary Shares as described in this Article by registering all of the Ordinary Shares in the name of Dole plc (or such other nominee(s) of Dole plc as it may notify the Company in writing) without having to furnish the former Holders of all of the Ordinary Shares with any evidence of transfer or receipt;

(iii) the Registrar, the Secretary, Euroclear Bank and/or EUI releasing such personal data of the Holders of all of the Ordinary Shares to the extent required by DTC and Cede & Co and/or EUI to effect the Share Exchange and the issue of the Consideration Shares as contemplated by the Scheme;

(iv) the Registrar and/or the attorney or agent appointed pursuant to this Article is empowered:

(A) to give such instructions to Euroclear Bank, EUI or otherwise as are necessary or desirable to give effect to the Share Exchange:

(B) withdraw any Ordinary Shares from the Euroclear System and from CREST and instruct the Registrar, the Secretary and/or EUI to do all that is necessary so that the register of members shall record such Ordinary Share as in the name of Dole plc or such other nominee(s) of Dole plc as it may notify the Company in writing;

(C) execute and deliver a form or forms of transfer or other instrument(s) or instruction(s) of transfer on behalf of the Holders of all of the Ordinary Shares in favour of Dole plc or such other nominee(s) of Dole plc as it may notify the Company in writing; and

(D) execute and deliver such agreements or other documentation, electronic communications and instructions as may be required in connection with the issue of the Consideration Shares to Cede & Co.

15. Central Securities Depository

(a) Notwithstanding anything in these Articles to the contrary and subject to the rules of the applicable Central Securities Depository, the Directors may permit any class of shares to be held, and trades in those shares to be settled, through a Securities Settlement System operated by a Central Securities Depository. Without prejudice to the generality and effectiveness of the foregoing:

(i) the Directors may make such arrangements or regulations (if any) as they may from time to time in their absolute discretion think fit for the purpose of implementing and/or supplementing the provisions of this Article and the Share Exchange and the facilities and requirements of the Securities Settlement System and such arrangements and regulations (as the case may be) shall have the same effect as if set out in this Article;

(ii) the Directors may utilise the Securities Settlement System to the fullest extent available from time to time in the exercise of the Company's powers or functions under the Acts or these Articles or otherwise in effecting any actions;

(iii) for the purposes of Article 116, any payment in the case of shares held through a Securities Settlement System may be made by means of the Securities Settlement System (subject always to the facilities and requirements of the Securities Settlement System) and without prejudice to the generality of the foregoing, the making of a payment in accordance with the facilities and requirements of the Securities Settlement System concerned shall be a good discharge to the Company;

(iv) where any class of shares in the capital of the Company is held through a Securities Settlement System and the Company is entitled under any provisions of the Acts, or the rules made and practices instituted by the Central Securities Depository or under these Articles, to dispose of, forfeit, enforce a lien or sell or otherwise procure the sale of any such shares, such entitlement (to the extent permitted by the Acts and the rules made and practices instituted by the Central Securities Depository):

(A) shall include the right to require the Central Securities Depository of such Securities Settlement System to take such steps as may be necessary to sell or transfer such shares and/or to appoint any person to take such other steps in the name of the central securities depository (or its nominees(s)) as may be required to effect a transfer of such shares and such steps shall be as effective as if they had been taken by the Central Securities Depository (or its nominee(s)); and

(B) shall be treated as applying only to such shares held by the Central Securities Depository or its nominee(s) and not to any other shares held by the Central Securities Depository or its nominee(s)."

3. **Special Resolution: Cancellation of Euronext Growth and AIM Listings**

That the listing of the Company's share on Euronext Growth and AIM be cancelled with effect from the completion of the Transaction as defined in the Scheme Circular containing the Notice of this resolution.

4. **Non-Binding Advisory Resolution: Creation of Distributable Reserves in Dole plc**

That the reduction of all of the share premium of Dole plc resulting from the issuance of Consideration Shares (as defined in the Scheme Circular containing the Notice of this resolution) pursuant to the mandatory share exchange arrangement (adopted as part of the Scheme of Arrangement) and the issuance of Ordinary Shares to the C&C Parties pursuant to the Merger (as defined in the Scheme Circular containing the Notice of this resolution), in order to create distributable reserves of Dole plc be approved.

5. **Ordinary Resolution: Section 238 Approval of the Option Cash Settlement Facility**

That the Option Cash Settlement Facility (as defined in the Scheme Circular in which the Notice of this meeting is contained) be approved for the purpose of Section 238 Companies Act 2014 so that it may apply to all Total Produce Options (as defined in the Scheme Circular in which the Notice of this meeting is contained).

By order of the Board

Jacinta Devine
Company Secretary
Total Produce plc
29 North Anne Street
Dublin 7
D07 PH36
Ireland
Dated: 19 May 2021

Statement of Procedures

Availability of documents and information in connection with the EGM on Total Produce's Website

1. Information regarding the EGM, including the full, unabridged text of the documents and resolutions to be submitted to the EGM, will be available at https://www.totalproduce.com.

COVID-19 Restrictions

2. The Total Produce Board notes the measures currently in force in Ireland due to the ongoing COVID-19 pandemic. At the time of publication of this Scheme Circular, the Irish Government has prohibited public gatherings, save in certain limited circumstances. In light of these measures, together with the uncertainty as to any additional and/or alternative measures that may be put in place by the Irish Government, and in order to protect the health and safety of the Company's shareholders and directors, we hope that shareholders will understand that Total Produce Shareholders and other attendees may not be permitted to attend the EGM in person, save for the Chair, Total Produce's legal advisers and any Total Produce Directors that may be nominated by the Chair.

3. Having regard to the current Covid-19 regulations, all shareholders are advised to complete, sign and return a Form of Proxy as soon as possible but, in any event, so as to reach the Company's Registrar by 11.15 a.m. on 17 June 2021, or by close of business on 11 June 2021 in the case of voting instructions to be given to Broadridge by CDI holders, or by 10.00 a.m. on 15 June 2021 in the case of voting instructions to be given to Euroclear Bank by EB Participants. In the exceptional circumstances of the current Covid-19 pandemic, the Board strongly encourages shareholders to appoint the Chair of the meeting as their proxy, however, a shareholder may appoint another person, who need not be a member(s) of the Company, as a proxy, by electronic means or in writing, to vote some or all of their shares. If a shareholder appoints someone other than the Chair of the meeting to be their proxy, that person is unlikely to be able to attend in person if the prevailing Covid-19 measures require the Company to conduct the EGM as a closed meeting.

4. The Company will take all appropriate safety measures as the Directors may in their absolute discretion determine from time to time, and in any individual case, to be necessary or desirable at, during or prior to the EGM to ensure the safety of any attendees and others involved with it. Such measures may include, without limitation, the restriction of the number of attendees, and health and/or compliance related checks and requirements.

Instructions for accessing the Virtual Meeting Platform

5. Total Produce Shareholders will be given the opportunity to remotely attend, speak, ask questions and vote at the EGM via a virtual meeting platform provided by Lumi AGM UK Limited (the "**Virtual Meeting Platform**") and related teleconference facility.

6. In order to ask questions, listen to and vote at the Scheme Meeting and the EGM via the Lumi platform, holders of certificated shares or any person acting as a proxy will need to connect to the following site https://web.lumiagm.com. Lumi is compatible with the latest browser versions of Chrome, Firefox, Internet Explorer 11 (Internet Explorer V10 and lower are not supported), Edge and Safari and can be accessed using any web browser, on a PC or smartphone device. Once shareholders have accessed https://web.lumiagm.com from a web browser on a tablet or computer, they will be asked to enter the Lumi Meeting ID which is **100-861-321**. Shareholders will then be prompted to enter a Shareholder Reference Number (SRN) and a PIN. The Shareholder Reference Number (SRN) and PIN can be found on the top of the Form of Proxy. Access to the Lumi platform for the purpose of the Scheme Meeting and the EGM will be available from 60 minutes before meeting start time. During the Scheme Meeting and the EGM, you must ensure you are connected to the internet at all times in order to listen to the Chair and ask questions. Therefore, it is your responsibility to ensure connection to the internet for the duration of the Scheme Meeting and the EGM. A user guide to the audio webcast is available on our website at: www.totalproduce.com. A duly appointed proxy or corporate representative should contact Computershare before 11.00 a.m. on 16 June 2021 by emailing clientservices@computershare.ie for unique log-in credentials in order to access the Lumi platform. CDI holders or EB Participants (or underlying beneficial holders) wishing to access the Lumi platform must arrange to have themselves appointed as their own proxy as explained above. In order to listen to the proceedings of the EGM and ask questions at the EGM, remote participation will be available by an audio broadcast and also the

option of a telephone conference. The Lumi Platform will provide the facility to type in your questions or if you wish to speak then please dial the telephone number provided on the home screen displayed once you have accessed the EGM via the website (as described above). At the appropriate time during the EGM, attendees will be invited to ask any questions or speak by dialling *9, whereupon they will enter a queue and then be asked to speak one at a time once they have been unmuted. Further instructions will be given during the EGM on the conference call. If you are unable to access your SRN, please contact Computershare Investor Services (Ireland) Limited on +353 1 447 5527. Lines are open from 9.00 a.m. to 5.00 p.m. Monday to Friday (excluding public holidays in Ireland). Please note that calls may be monitored or recorded and Computershare Investor Services (Ireland) Limited cannot provide legal, tax or financial advice or advice on the merits of the Transaction or the Scheme.

7. Access to the EGM will be available from 10.15 a.m. on 17 June 2021, although the voting functionality will not be enabled until the Chair of the EGM declares the poll open.

8. Once the Chair has formally opened the Meeting, he/she will explain that voting will take place by poll and will outline the voting procedure. Voting will be enabled on all resolutions on the Chair's instruction. This means that attendees may, at any time while the poll is open, vote electronically on the EGM resolutions.

9. Once the EGM resolutions have been proposed, they will appear along with the voting options available. Select the option that corresponds with how you wish to vote, "FOR", "AGAINST" or "WITHHELD". Once you have selected your choice, the option will change colour and a confirmation message will appear to indicate your vote has been cast and received – there is no submit button. If you make a mistake or wish to change your vote, simply select the correct choice. If you wish to "cancel" your vote, select the "cancel" button. You will be able to do this at any time whilst the poll remains open and before the Chair announces its closure at the end of the EGM.

10. During the EGM, you must ensure you are connected to the internet at all times in order to vote when the Chair commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the relevant Meeting via your wireless or other internet connection. The Virtual Meeting Guide contains further information on remotely accessing and participating in the EGM via the Virtual Meeting Platform and related teleconference facility and is available on Total Produce's website at https://www.totalproduce.com the ("**Virtual Meeting Guide**").

11. The COVID-19 situation is constantly evolving, and the Irish Government may change current restrictions or implement further measures relating to the holding of shareholder meetings during the affected period. Any changes to the arrangements for the EGM will be communicated to Total Produce Shareholders before the EGM, including through our website https://www.totalproduce.com and by announcement through a Regulatory Information Service.

Appointment of Proxies

12. Total Produce Shareholders are strongly encouraged to submit proxy appointments and instructions for the EGM as soon as possible, using any of the methods (by post, online or electronically) set out below. Total Produce Shareholders are also strongly encouraged to appoint "the Chair of the meeting" as their proxy. If any other person is appointed as proxy, he or she may not be permitted by the prevailing COVID-19 restrictions to attend the EGM in person, but will be able to attend, speak ask questions and vote at the EGM remotely via the Virtual Meeting Platform and teleconference call as described above. If you intend to appoint a proxy other than the Chair of the EGM we would ask that, as a contingency measure, you would additionally appoint the Chair of the EGM as an alternative in the event the initially intended proxy is unable to attend for any reason. This will facilitate your vote being included in a wider range of contingent scenarios.

13. It is required that forms appointing proxies be lodged with the Company's Registrars, Computershare Investor Services (Ireland) Limited, at PO Box 13030, Dublin 24, Ireland (if delivered by post) or at 3100 Lake Drive, Citywest Business Campus, Dublin 24, D24 AK82, Ireland (if delivered by hand) not less than 48 hours before the time appointed for the said meeting. Alternatively, you may submit your Forms of Proxy via the internet by accessing the Company's Registrars' website www.eproxyappointment.com. To appoint a proxy on this website shareholders need to enter a Control Number, a Shareholder Reference Number (SRN), and PIN and agree to the terms and conditions specified by the Company's Registrar. The Control Number, the Shareholder Reference

14. In the case of voting instructions to be given to Broadridge by CDI holders, such instructions must be received by the appropriate deadline which is expected to be close of business on 11 June 2021.

15. In the case of voting instructions to be given to Euroclear Bank by EB Participants, such instructions must be received by the appropriate deadline which is expected to be 10.00 a.m. on 15 June 2021.

16. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose, seniority will be determined by the order in which the names stand in the Register of Members of the Company in respect of the joint holding.

17. If the Form of Proxy is properly executed and returned, it will be voted in the manner directed by the shareholder executing it, or if no directions are given, will be voted at the discretion of the Chair of the EGM or any other person duly appointed as proxy by the shareholder. A proxy shall be bound by the Total Produce Articles.

18. In the case of a corporation, the Form of Proxy must be either under its Common Seal or under the hand of an officer or attorney, duly authorised.

Voting Record Time

19. Entitlement to attend and vote at the EGM, or any adjournment thereof, and the number of votes which may be cast thereat, will be determined by reference to the Register of Members of the Company at the close of business on 13 June 2021 or, in the event that this meeting is adjourned, at the close of business on the day that is four days before the time of any adjourned meeting. In each case, changes to the Register of Members of the Company after such time shall be disregarded.

Questions

20. Before the meeting, in the likely event of a closed meeting, a Shareholder may also submit a question in writing, to be received at least two business days before the meeting (i.e. by 11.15 a.m. on 15 June 2020) by post to the Company Secretary at Total Produce plc, 29 North Anne Street, Dublin 7, D07 PH36, Ireland or by email to jdevine@totalproduce.com. All correspondence should include sufficient information to identify a Shareholder on the Register of Member.