

Bunge Global SA

Third Quarter 2026 Earnings Release Conference Call

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CORPORATE PARTICIPANTS

Mark Haden - *Vice President, Investor Relations*

Greg Heckman - *Chief Executive Officer*

John Neppi - *Chief Financial Officer*

PRESENTATION

Operator

Good day and welcome to the Bunge Global SA Third Quarter 2026 Earnings Release and Conference Call. All participants will be listen-only mode. Should you need assistance, please signal a conference specialist by pressing the star key followed by zero.

After today's presentation, there will be an opportunity to ask questions. To ask a question, you may press star then one on your telephone keypad. To withdraw your question, please press star then two. Please note this event is being recorded.

I would now like to turn the conference over to Mark Haden, IR. Please go ahead.

Mark Haden

Thank you, Keith, and thank you all for joining us this morning for our third quarter 2026 earnings call. Before we get started, I want to let you know that we have slides to accompany our discussion. These can be found at the Investor Center on our website at [Bunge.com](https://www.bunge.com) under Events and Presentations. Reconciliations of our non-GAAP measures to the most directly comparable GAAP financial measure are posted on our website as well.

I'd like to direct you to slide two and remind you that today's presentation includes forward-looking statements that reflect Bunge's current view with respect to future events, financial performance, and industry conditions. These forward-looking statements are subject to various risks and uncertainties. Bunge has provided additional information in its reports on file with the SEC concerning factors that could cause actual results to differ materially from those contained in this presentation, and we encourage you to review these factors.

On the call this morning are Greg Heckman, Bunge's Chief Executive Officer, and John Neppl, Chief Financial Officer. I'll now turn the call over to Greg.

Greg Heckman

Thank you, Mark, and good morning, everyone. I'd like to start by acknowledging the extraordinary work of our teams around the world in what remains a highly dynamic environment. Geopolitical tensions, evolving government policies, and global weather patterns continue to change agricultural flows, and our team navigated it successfully with discipline and focus. They stayed close to our customers, responding quickly to changing conditions and delivered strong third-quarter results.

I want to spend a moment on what makes that possible. Our competitive advantage in this environment is not simply the scale of our physical network, it's the flexibility that scale gives us as we connect supply with demand, adapting as market conditions change. When farmers need additional routes to market or customers at the other end of the value chain need alternative sources of supply, our expanded network gives us more options while our integrated operating model allows us to act on them quickly.

We can redirect crop flows, work around physical constraints, and keep supply connected to demand across regions while taking a level of risk appropriate for the environment. That combination of scale, connectivity, and flexibility becomes more valuable the more complex the environment gets, and this quarter was another good example of those capabilities at work.

We also continued to make progress on the opportunities created by our combination with Viterra, where our work is increasingly shifting from integration to value creation. We are successfully capturing the cost savings we targeted while embedding the commercial and network opportunities we identified into how we operate, supporting better decisions, improved asset utilization, and more coordinated customer coverage. These improvements are becoming part of how we run the business every day, and we expect their contributions to compound over time.

Additionally, our investment cycle is reaching an important inflection point. To expand our capabilities and strengthening the products and services we provide to customers, we made the decision several years ago to invest across a number of large greenfield projects. The first to come online was our Morristown, Indiana, soy protein plant. Earlier this month, our joint venture with Chevron commissioned its new multi-seed processing facility in Destrehan, Louisiana. We also started up our barge unloader located at the same complex.

That leaves just one major project yet to come online, our multi-oil refinery in Westzaan, Netherlands, which we expect to start up in the first quarter of 2027. As these projects ramp up, the regular course commissioning and startup costs will increasingly give way earnings growth from capital that has already been deployed. We also continued to sharpen our portfolio, reaching an agreement earlier this month to sell two non-core sugar mills in Brazil that became part of Bunge through the Viterra combination.

Turning to our operating outlook, based on what we can see today, including our results through the first nine months of the year, current market conditions, and the forward curves, we are maintaining our full year adjusted EPS range of \$9.25 to \$9.75. While the environment remains difficult to predict, we're confident in our ability to deliver as conditions evolve.

With that, I'll turn it over to John for a deeper look at our financial results and outlook.

John Neppi

Thanks, Greg, and good morning, everyone. Let's turn to the earnings highlights on slide five.

Our reported third quarter earnings per share was \$1.64 compared to \$0.86 in the third quarter of 2025. Our reported results included an unfavorable mark-to-market timing difference of \$0.28 per share and an unfavorable impact of \$0.64 from notable items consisting of \$0.43 per share related to the announced sale of two sugarcane mills in Brazil, \$0.11 per share related to charges resulting from the Ukraine-Russia conflict, and \$0.10 per share related to Viterra integration costs.

Adjusted EPS was \$2.56 in the third quarter versus \$2.27 in the prior year. Adjusted segment earnings before interest and taxes, or EBIT, was \$997 million quarter versus \$924 million last year.

In the soybean processing and refining segment, North America was the largest contributor to the improved performance, driven by stronger processing results partially offset by lower refining. In South America, improved performance reflected stronger processing results in Argentina and Brazil, partially offset by lower fertilizer refining results in both countries.

Within the destination value chain, stronger processing results in Europe were partially offset by lower origination as well as lower processing results in Asia. Global soybean oil merchandising

results were lower than last year. Lower processing volume in South America and Asia were partially offset by higher volumes in Europe. Processing volume in the U.S. was in line with last year.

In the softseed processing and refining segment, all regions performed well, with North America processing and refining activities being the primary driver of improvement. In Europe, strong processing results were partially offset by lower refining and biodiesel results. In Argentina, processing and refining results were lower. Global distribution results declined, partially offset by stronger canola origination in Canada and Australia. Softseed oil merchandising improved compared to last year. Softseed processing volumes increased across all regions, supported by the more favorable margin environment.

In the tropical oils and specialty ingredients segment, results were lower in North America, Europe and Asia, primarily driven by near-term margin impacts associated with geopolitical trade disruptions, along with commissioning, ramp up, and plant transition costs related to both our tropical oils and soy protein concentrate businesses. Results from global tropical oils merchandising activities were higher than last year.

In the grain merchandising and milling segment, higher results in global grain merchandising and commercial services were more than offset by lower results in ocean freight, sugar, and wheat milling.

The decrease in corporate expenses was primarily driven by performance-based compensation and favorable foreign exchange impacts. Lower Other results were largely related to our captive insurance program. Net interest expense of \$188 million was up in the third quarter compared to last year, primarily due to higher net debt and lower interest income, partially offset by lower borrowing costs.

Let's turn to slide six, which shows our adjusted EPS and EBIT trends over the past four years and trailing 12 months. The improving trend reflects much improved market conditions in soy and softseed processing and benefits of synergy capture from our combination with Viterra.

Slide seven details our capital allocation. Year-to-date, we've generated just over \$2 billion of adjusted funds from operations. After allocating \$410 million to sustaining CapEx, which includes maintenance, environmental health, and safety, we had approximately \$1.6 billion of discretionary cash flow available. We paid \$414 million in dividends to shareholders, invested \$753 million in growth and productivity related CapEx, invested \$105 million in the first quarter to acquire IFF's soy protein concentrate and processing businesses, and repurchased approximately \$250 million in Bunge shares. This resulted in \$77 million of retained cash flow.

Moving to slide eight, at quarter-end, net debt exceeded readily marketable inventories, or RMI, by \$1.2 billion. Our adjusted leverage ratio, which reflects our adjusted net debt to adjusted EBITDA, was 1.9 times at the end of the third quarter. The higher level of RMI we hold in support of our processing and merchandising activities, which primarily reflect higher average commodity prices compared to both last year and second quarter.

Slide nine highlights our liquidity position, which remains strong. At the end of the third quarter, we had committed credit facilities of approximately \$9.7 billion, of which approximately \$8.5 billion was unused and available. We also had approximately \$900 million of our \$3 billion commercial paper program available, providing ample liquidity to manage our ongoing needs.

Please turn to slide 10. For the trailing 12 months, adjusted ROIC was 8.8% and ROIC was 7%, both exceeding their respective costs of capital.

Moving to slide 11, for the trailing 12 months, we've produced discretionary cash flow of approximately \$1.95 billion and a cash return on equity of 12%, compared to our cost of equity of 7.2%.

Please turn to slide 12 and our 2026 outlook. Taking into account Q3 results, the current margin and macroenvironment, and forward curves, we continue to expect full year 2026 adjusted EPS in a range of \$9.25 to \$9.75. As Greg mentioned in his remarks, the environment remains highly dynamic with elevated uncertainty.

For the full year compared to our previous outlook, soybean processing and refining segment results are forecasted to be lower, slightly lower. Softseed processing and refining segment results are forecasted to be unchanged. Tropical oils and specialty ingredients results are forecasted to be lower. Grain merchandising and milling segment results are forecasted to be higher. Corporate and other results are expected to be unchanged.

Additionally, we now expect the following for 2026: an adjusted annual effective tax rate in the range of 23% to 25% compared to our previous range of 22% to 26%; net interest expense in the range of \$640 to \$670 million, which is up from our previous range of \$620 to \$660 million; capital expenditures toward the higher end of our \$1.5 to \$1.7 billion range, reflecting the timing of spending on major projects nearing completion, as Greg discussed earlier; and depreciation and amortization of approximately \$975 million.

With that, I'll turn things back over to Greg for some closing comments.

Greg Heckman

Thanks, John. Before turning to Q&A, I want to leave you with three takeaways from the quarter to tie back to the value creation framework we presented at our Investor Day earlier this year.

First, our results reflect both strong execution and the advantages of the company we have built. Our value is not only the size and scale of our footprint, it is also the local granularity and capillarity of our origination and distribution and our ability to operate that entire footprint as one connected network. By bringing together marketing insight, physical assets, and disciplined risk management across origins and destinations, we can identify alternatives and act with agility. That helps provide farmers with access to markets, maintains reliable supply for downstream customers, and creates value as product flows adjust.

Second, we're moving into the next stage of value creation from the Viterro combination. Beyond capturing ongoing cost savings, we are achieving closer coordination across origination, processing, logistics, distribution, and customer relationships, allowing us to utilize assets more effectively, improve product flows, and take a broader view of the margin opportunity across the network. We still have meaningful work ahead of us, but the progress to date reinforces our confidence in the cost, commercial, and network opportunities made possible by the combination.

Third, our investment cycle is reaching an important inflection point. For the past year, our greenfield projects carried start up costs without providing their full commercial contribution. As these assets come online and ramp, the upfront costs will give way to higher production, improved efficiency, and a stronger product mix as we combine them with our network.

While the external environment will continue to change, we remain confident about the opportunity in front of us and our team's ability to execute. The long-term demand drivers for our business remain strong, and our global footprint and diversified value chains give us the tools to continue delivering value for our stakeholders: farmers and customers across the food, feed, and fuel industries in any environment.

With that, we'll turn to Q&A.

QUESTION AND ANSWER

Operator

Yes. Thank you. We will now begin the question and answer session. To ask a question, you may press star then one on your telephone keypad. If you are using a speakerphone, please pick up your handset before pressing the keys. If at any time your question has been addressed and you would like to withdraw it, please press star then two. At this time, we will pause momentarily to assemble the roster.

And the first question comes from Matthew Blair with Tudor, Pickering, Holt.

Matthew Blair

Thanks and good morning, and congrats on the results here. I wanted to ask about the soy crush markets in South America. It looks like some of the benchmark indicators in Argentina and Brazil have been improving so far in Q4 relative to Q3. Is that flowing through on your end? Are you seeing the same thing in your cash margins? And if so, what's driving that, and does that give you more confidence on the 2027 outlook for South America? Thank you.

Greg Heckman

Yeah, thank you. Good morning. Yeah, if you remember, one of the things that we were really pleased about as we put the combination of Viterra and Bunge together was the balance that it gave us regionally, and especially the stronger Argentine footprint. And then we were really already very strong in Brazil, but rounded that out as well. So, we are just a much more complete origination, domestic crushing, as well as export system in both countries. I think the agility and ability to adapt to that is much different than in the past.

Argentina was better than Q2. Brazil was a little lower. Of course, the way the FX is moving since the elections has been helpful to lower some costs, and also we've seen some improved farmer selling. Overall the environment is good there, and the team's been executing very well.

Matthew Blair

Sounds good. And then you had another big use of working capital in the third quarter that weighed on your free cash flow. Is this because you're seeing opportunities to put this working capital to use? And do you have any indication on when the working capital might come back Q4, or do you think that'd be later in 2027?

John Neppi

Yeah, Matt. This is John. A lot of the increase in working capital's driven just purely by price. I think volume's up slightly, but price certainly has been the bigger driver of the increase as we close Q3. And I think we'll see -- we expect to see elevated levels of working capital through the end of the year and likely early into next year.

Generally, when we see higher use of working capital, that usually points to better earnings opportunity later. As you know, handling commodities is a big part of what we do. And if we can get -- obviously, the more volume we can run through the machine, usually that's generally positive for us. Through the end of the year, through Q1, we expect to be using quite a bit more working capital than the prior year.

Greg Heckman

And some of that's the seasonality, of course, as the Australian crop comes in and the Northern Hemisphere crop comes in. So, it's an important time of year for us to get our system loaded the right way.

Matthew Blair

Great. Thanks for your comments.

John Neppi

Thanks, Matt.

Operator

Thank you. And the next question comes from Ben Theurer with Barclays.

Ben Theurer

Hey, good morning, Greg, John. Thanks for taking my question. So, first of all, looking at the environment, and maybe if we kind of back out what you're expecting for the fourth quarter, implied, obviously, still a relatively wide range. So, maybe help us frame a little bit the higher end versus the lower end for the fourth quarter. Don't get me wrong, still very strong growth on a year-over-year basis, but just understanding what are you seeing and also how that compares to what you saw three months ago when you actually expected 3Q a little softer than it came out in the end. So, what are the puts and takes for the guidance?

Greg Heckman

If we look at Q4, some of the big flags, of course we continue to have the conflicts in the Middle East and the Black Sea. I think overall this is probably about as complicated a setup as any of us can remember. And we're real glad to be running the footprint we are with the talented team that we have, and that complexity really plays to our strengths.

We've got the crop in Australia that is coming in. And of course, the timing of how that crop is affected by any weather on what happens between Q4 and Q1 will be key to watch. We continue to have concerns about the weather overall and what that is doing to the behavior of the end users. At this point, with the conflicts that we've talked about and a lot of the uncertainty, everyone's been very spot, both sellers and the consumers and buyers.

And then, of course, you've got the U.S.-China trade out there. The timing of that matters and the magnitude of that matters, the effect that that can have on the market and the flows of some of the rerouting of origins and destinations. But that being said, I think we're in a good position. I think that's what you saw again in Q3, where the environment probably wasn't as good towards the end of the quarter as we expected and versus Q2, but the team executed very, very well and delivered another strong quarter.

John Neppi

Ben, I'd maybe just add that, if you look at Q4 and the implied decrease in the outlook based on us holding the full year, at the operating profit line, we're actually pretty flat. The driver for Q4 is

principally two things. One is higher interest cost driven by carrying a lot more working capital than maybe what we originally had projected, which we mentioned our range has gone up on our interest expense for the year. And then our tax rate is slightly up for Q4, our effective tax rate.

So, those two things are the primary driver of the implied decline. The rest of it, we talked about forward curve is a little bit softer when we looked at those in Q4 relative to prior, but then expecting better performance on the merchandising and milling side.

Ben Theurer

John, you just responded to my follow-up, so that gives me another follow-up. Thanks for that. You read my mind here. Now, just looking as we think about the setup and some of the projects that come to play, right, you've said you're finishing some of those internal projects. You expect to be at the higher end of the CapEx range, so closer to the 1.7, so probably fair to assume that CapEx in coming years comes down.

How confident are you as it relates to the ramp-up of these new facilities and then ultimately to drive those, what you described at the Investor Day a few months ago, the in-flight contribution, right, these projects that are coming in? I think it was \$1.00 or \$1.50 or something like that to EPS. What is your timing expectation based now that you're getting closer to completion on some of those projects?

John Neppi

Yeah. Thanks, Ben. So, three of our four major CapEx projects are up and running. Morristown has gotten through commissioning and they're now in the customer qualification phase. And as you know, in the food industry, it takes a little bit longer to get that stuff rolling. But we're producing product and meeting with customers and starting to fill up the plant, so we're feeling good about that. Won't be much of a contribution in '26, but we expect it to start contributing here as we move into 2027.

Destrehan, it's a big addition to the existing crush plant. That's in our joint venture with Chevron, so half those earnings are ours, but that's up and running. Again, not a meaningful contribution in '26 because of the cost for the first three quarters and then really the commissioning here as we get through -- into and through Q4, but we'll hit the ground running next year.

And then finally, the barge unloader that's now up and running, again, just started up recently. As you look for the full year, really not a meaningful contribution on those three projects. But as we look forward west on into Q1 next year, when we bucket all that together, we look at our growth CapEx into next year, we expect about a \$0.50 a share improvement in earnings contribution from those particular projects.

Ben Theurer

Awesome.

Greg Heckman

And then, this one's smaller, but another was our Avondale, Louisiana plant, where we increased some capacity and some capabilities there on the tropical oil side. So, that also will be an improvement next year in '27 as that comes out.

John Neppi

That's part of the \$0.50, yeah. Thanks, Greg.

Ben Theurer

Awesome. Well, thank you very much. Very clear. Congrats.

Operator

Thank you. The next question comes from Manav Gupta with UBS.

Manav Gupta

Good morning. I actually just wanted to understand the third quarter operating environment just a little better, because there is a lot of uncertainty around small refinery exemptions. And then in the end, it actually worked out very favorably with 100% reallocation. But I'm just trying to understand, during that quarter, did that uncertainty hurt the demand a little? And now that all that has cleared up, are you seeing a stronger buying pattern from the renewable diesel producers?

Greg Heckman

I would say getting clarity around the biofuel policy is definitely going to be good for demand and good for the market overall. It's definitely created some -- as you called out, created some volatility. We do appreciate the administration's reallocation plan, and we look forward to getting that done and starting to move forward and work towards Set 3. It's important policy for farmers and for the industry around fuel security, so we look forward to that.

It wasn't -- while it did create some volatility -- it probably wasn't the big driver in Q3. For us, it was really execution. It's really what the teams did, and probably especially here in North America. And I think a great example of some of the commercial synergies is we have the origination now that came with Viterro. And we're looking at the full system through our processing and looking at the full system margin as we do our planning and make our plans looking at the S&Ds not only in the local and regional markets, but understanding how that can be affected by the global markets.

And the tightness in the Western soy crush there at the end of old crop, I think our team executed and we ran as well as anybody in the industry in the West. Very proud of that. We're able to get products to our customers because we had the beans, we had the right qualities and quantities, and we saw a tighter meal market and were able to capitalize on those margins there at the end of the quarter. And we didn't have a lot of open capacity, but what we did, we improved on that as we executed the physical.

John Neppi

Manav, maybe just a couple points on the -- you mentioned the SREs. I think one of the things to watch here in Q4, obviously, after midterms is going to be the reallocation decision. So, are they going to be reallocated over '26, '27 or both years? And so, we're watching that. Could have an impact on the market.

And I'd also say in Q3 the RD guys were a bit spot, I think just given the dynamics in the market, and then there's some usual plant downtime relative to maintenance and things. So, it affected demand a little bit in Q3. I think we still see tight oil demand going forward into next year, and so I think things are setting up okay.

Manav Gupta

Thank you so much. I'll turn it over.

Operator

Thank you. And the next question comes from Tom Palmer with JPMorgan.

Tom Palmer

Good morning. Thanks, guys, for the question. I wanted to maybe just start off asking on the merchandising dynamic. At least relative to consensus estimates, Q3 did come in a little bit light, but at the same time raising the full year outlook relative to your prior. So, maybe a little detail on kind of, one, was -- Q3, how did it compare to your expectations? And then two, this ramp up here as we move into Q4, the key drivers.

Greg Heckman

I'll start, John. You can come on. I think, one, Q3 as the harvest starts, always a bit tough to look at the exact timing. I think we saw -- in the U.S., we ended up seeing bigger stocks, more corn out there. The market reacted to that. But at the same time, and I think what gave us the confidence to raise things, one, very big crop coming in in Australia, big crops coming in in Canada.

And then we've got, unfortunately, the Black Sea conflict. Our number one priority continues to be keeping our employees safe, but the situation there is as complex and difficult as at any time during the Black Sea conflict. And so, with Russia and Ukraine together being about 25% of global exports on wheat, that slowed down. As the seaborne has been forced to go over land, it's less competitive, less volume getting out. And as that's constricted, that's pulling on a lot of other origins.

Luckily, Bunge operates in those other origins, Europe, Australia, Canada, Argentina, to continue to serve our customers, but that's pulling stocks down around the world. So, you've got a little different situation on the S&Ds and what we see forward. So, glad we've got those big crops coming in other parts of the world. The other thing that's done in the Black Sea there on the sun seeds -- sun seed oil exports are down. And of course, we've had to fill those from Argentina, when that works seasonally, and now from other origin and other oils.

And then on the corn, it's about 15% of global exports out of the Black Sea area there. It's been less of an issue, but we'll need to see the Brazilian safrinha production be right. And that's one to, medium term, keep an eye on for the merch.

Tom Palmer

Got it. Thanks for all the detail there. Switching over to the soybeans segment, the volume was down a bit year-over-year, I think more than maybe we'd expected. Any color on kind of what drove this and how you're looking at the dynamic in 4Q there?

John Neppi

This is John. I don't think we looked at that as a meaningful decline. I think we still -- we're running at very good utilization rates going forward here. I think sometimes there's timing on when we're down in maintenance. Customer demand can fluctuate things.

But overall, I think we're looking going forward at pretty robust demand and volume everywhere, absent the normal downtimes. And occasionally, bean tightness can affect us at times. But we feel like, going forward, we're going to be in pretty good position to ramp up the utilization rates and stay at a pretty high rate going into next year.

Tom Palmer

Understood. Thanks, guys.

Operator

Thank you. And the next question comes from Stephen Haynes with Morgan Stanley.

Stephen Haynes

Hey, good morning. Thanks for taking my question. Wanted to ask on softseed in Argentina. I think the press release kind of called out that it was down year-over-year. Was that just really strong results in the year-ago period? Thought that the environment there is pretty favorable, particularly given your comments just now on the Black Sea. So, yeah, maybe walk through that and then also just the outlook going forward. Thank you.

Greg Heckman

Yeah, you're correct. It was a tough comp from a year ago. And then, as we've talked in the past couple of quarters with what's been going on in the Black Sea, Argentina sun crush has been running very hard and had been very important to serving customers with sun oil globally. And then we started to see -- as we get to the end of the crop year, seeing that pull down. But it was a tough comp versus last year.

Stephen Haynes

Okay, thank you. And then when we're thinking about the startup cost headwind in '26, is it roughly equivalent to the \$0.50 contribution that you're expecting in '27 on the earnings side of it? I'm just trying to understand maybe what the headwind to '26 was on the cost side related to your project startup.

John Neppl

Yeah, it was a slight drag really more on the interest cost side. At the operating profit line, probably a push because we had some costs early in the year, obviously, and we're contributing slightly here in the latter part of the year. So, overall for the year, largely a push. But again, '27, we're going to be starting out of the gate operating, and looking forward to seeing the contribution from those facilities.

Stephen Haynes

Okay. Thank you.

Operator

Thank you. And the next question comes from Pooran Sharma with Stephens Inc.

Pooran Sharma

Good morning and thanks for the question. I wanted to understand, with kind of the recent weakness we've seen in the Brazilian real, are you starting to see acceleration in farmer selling? And what does this mean for Chinese demand particularly shifting toward Brazil? Could that lead to a better domestic soy crush environment than what board crush implies for the next few quarters?

Greg Heckman

Yeah, the farmer selling had slowed down a little bit with their planning. And then with the move in the FX, we did see farmer selling pick back up, as it lowers costs for them and the industry.

Yeah, as you know, Brazil has become an important supplier to China. And the economics, when the economics work, that's where it'll go. Now, that being said, the U.S.-China trade, as

we've seen, is driven by some commitments that sometimes are different than economics, but it is key. And as I said earlier, the timing matters and the magnitude matters for exactly what you called out, because then the adjustments need to be made on where the crush is globally.

And that's why we love our balanced footprint on our crush. If it's pulled down in the U.S., then that probably is going to be an advantage for us in Brazil or in Argentina, where we have big crush footprints, and so we'll have the benefit of that. So, putting our system to work as needed and where the margins are best to be able to serve the customers; we really like our footprint.

John Neppi

I think the one thing that we'll be watching is China still has a balance remaining on their 25 million ton commitment. I think they're at about 17 million tons today on the 25 million ton commitment to U.S. So, that may be timing. Certainly, as Greg pointed out, Brazil's going to be the primary provider to China, but timing between the two countries we'll be watching.

Pooran Sharma

Okay, great. Appreciate the color there. And I guess just for the follow-up, you talked about how you're progressing with the synergies. Just wanted to get a sense, as you're gaining more experience with this combined network, it sounds like you could be potentially identifying additional opportunities. Is it anything beyond the cost synergies that you have previously mentioned? And any more color into the network and commercial synergy opportunity would be helpful. Thanks.

John Neppi

Maybe just a quick comment from me on the cost side and maybe how we're looking at it from an earnings perspective into next year, and then Greg can talk about some examples on the commercial side.

But you may recall we increased our forecast for cost synergies from \$250 million to \$350 million that we'd get eventually, and I think we're well on our way. We had previously talked about \$190 million of savings in 2026. I think we're going to be just a little north of \$200 million for the year. But the step change into next year, with the projects we have in place and our expected execution, we expect a contribution about \$0.50 a share in '27 related to additional cost synergies over 2026.

So, good momentum. I think the teams are remaining very focused on it. And then Greg'll talk about some commercial examples. But on that side of it as well, we're expecting a contribution in '27 over '26 of about another \$0.50 a share there, so good momentum from our perspective. And I'll let Greg comment on some of the things we're working on.

Greg Heckman

Thanks, John. As we talked about some of the commercial synergies, of course I talked about the tightness in the Western soybean supply this year. There at the end of old crop was one. And then if you look at Brazil, we're running a combined wheat milling footprint that's much larger.

And so, as we've connected to our wheat value chains to supply that, you look at a year like this year, where you've got more quality challenges on the Brazilian supply, we're able to feed it from our larger origination footprint in Argentina as well as Australia or wherever else works to get the right quantities and qualities in there to our milling platform. We also have a much more

balanced customer coverage across not only the industrial customers, B2B, but the retail customers on the B2C. We've got some nice brands.

And one example would be the Rosa Branca brand that came with Viterra. Very strong retail brand, and we were able to immediately put that across our expanded footprint and extend that brand across Brazil. So, there's just a number of those things that, as the team executes, it may take time, but we start to see the benefit.

And then, if you think about our cotton business, you look at the Brazil origination on cotton, you had existing Bunge customers, decades-long relationships, important soybean and corn suppliers to Bunge who are growing more and more cotton, and we were able to take those existing capabilities that Viterra has, their existing cotton business, and expand that cotton supply base to serve those end customers and get our farmers to market. So, that's been a great fit and, again, a business that continues to grow and expand.

And then, of course, there's just the vertical nature of this combination, as we talk about. There wasn't much overlap. It was putting primarily Bunge processing with Viterra's origination. And you get the benefit of that whether you're going to the ports, whether you're serving your processing. It's just a more complete network. We were looking at the value chain margins, where is the best margin end to end and how do we best put those assets to work.

We're growing our direct origination, managing our qualities better into our processing plants, better planning on logistics, which means avoiding demurrage costs, lower freight costs where possible. And all that in a more complex environment, it gives us that optionality of all those physical flows and that big physical footprint and the flexibility to be able to react and serve customers.

And last but certainly not least, while we have a very balanced and complete global soy origination, crushing, refining, distribution footprint, the combination of the softseeds between Viterra and Bunge really put our softseeds platform now on par with our soy crushing platform globally. And just the origination, processing, refining, and distribution capabilities we have to manage that system is really unmatched.

So, those are the kind of commercial synergies the team is just doing a fantastic job of working through day to day. And as the teams get more reps and see each of the seasonal challenges and opportunities that develop, we'll only get better over time.

Pooran Sharma

Great. Thank you for the color.

Operator

Thank you. And the next question comes from Heather Jones with Heather Jones Research.

Heather Jones

Morning. Thanks for the question. I wanted to start out with guidance. And for your merchandising business, do you believe it's possible for the full year to exceed '25? And just broadly on your guidance reaching the high end versus the low end, do you think that's more dependent on what merchandising does, or do you think there's some variability in how you anticipate the softseed side?

John Neppi

I'll start, Heather, and Greg can jump in, certainly. We do expect improvement year-over-year. Our forecast includes a good outlook for Q4, and we expect year-over-year improvement from 2025 in merch.

I would say that, as part of the upside, merchandise is always a bit of a challenge to forecast, but I think we feel pretty good about the strong outlook for Q4 and even into Q1 for that business. I think a lot of the dynamics we're going to see are going to be driven by some of this geopolitical uncertainty. And certainly, we're going to be watching and managing as best we can around the forward curves on the crush side, as that'll continue to be, dynamic through the balance of the year. But overall with respect to merch, I think we feel pretty good about the volumes we have on and how we see Q4 playing out.

Greg Heckman

And we've got a big Australian harvest coming in, a big Canadian harvest coming in. We've got good origination storage networks there. And then John mentioned the complexity that the Black Sea's creating and our ability to use our network to solve those issues.

And then remember we're running a very large ocean transportation capability. And I think that also, in a time like this, allows us to be able to serve the customers and create some opportunities. So, we've got the capability, we've got the open capacity to serve those needs as they come up, and looks like it should be a pretty dynamic year.

Heather Jones

Okay. Thank you for that. And then my follow-up is on the EU deforestation regime. So, given y'all's global diverse footprint, I guess I was just wondering if you could just walk us around your footprint and how -- because it seems like it's actually going to get implemented this time and not delayed, and so how you see that playing out for Bunge. And is it a net benefit or what? Thank you.

Greg Heckman

Yeah, I think we believe that implementation by year-end is going to happen. That's our working assumption. We've worked productively with the regulators all the way through, providing input and working through the review process and trying to seek clarification exactly how it's going to work.

But you're exactly right. This'll be complex. And no one has the flexible footprint or has the scale to serve this that we do. So, we're going to be able to meet our customers' needs. We are going to be ready. I'm glad we have the footprint that we do and the capabilities in Brazil but also in Argentina, because I think Argentina will play a big role in this, and then of course balancing what North America and the U.S. is going to play.

So, as you can imagine, our teams were working on this a long time, doing a lot of scenario analysis. And we're able to take our best practices and our knowledge everywhere globally and apply it across our entire system. So, I do think it'll be complex, but I think we're in as good a position as anybody. And as I said, we'll be ready to meet customer needs.

Heather Jones

Wonderful. Thanks so much.

Greg Heckman

Yeah. Thank you.

Operator

Thank you. And the next question comes from Andrew Strelzik with BMO.

Andrew Strelzik

Hey, good morning. Thanks for taking the questions.

Greg Heckman

Yeah. Good morning.

Andrew Strelzik

Morning. We continue to get a lot of questions about the impact of higher energy prices on your fundamentals and the margin structure. So, as you get more months operating in that type of environment, how are you evaluating that now and the impact it's having, and maybe the risk to the margin structures if energy prices were to come back down?

John Neppi

Thanks, Andrew. This is John. If you look back over the course of this year, there's no doubt that, early in the year when RVOs were uncertain, that soybean oil in particular and other vegetable oils were moving with the price of crude oil. There was a lot of uncertainty about where RVO was going to come out, what demand was going to be. But as we got toward mid-year, you saw a decoupling, really, of the veg oil complex from energy prices.

And we've seen that kind of behavior kind of the balance of the year as RVO got finalized and things got more clear. And as we look forward, fundamentally the crush margin, the oil price, the demand for veg oils isn't going to be, in our view, driven by energy prices. It's going to be driven by more the S&Ds within the industry and the demand for renewable diesel production.

The plants are running at full to meet RVO requirements, and we expect to see oil continue to be fairly tight. You got Brazil moving off of B15. Of course, in the U.S. you've got a reallocation of SREs coming. We think it's going to be very supportive and even into '27. And so, we don't expect, even if energy prices come off -- which at some point, when things get resolved between the Black Sea and the Middle East, maybe we'll see those come off, we really don't fundamentally expect that to change the S&Ds within our industry, just given the demand.

Andrew Strelzik

Okay, that's helpful. And my second question, I know you were not really guiding for '27, but I know investors are kind of thinking forward about the puts and takes and how that's going to play out. And I guess just from a high level, you just outlined good crush fundamentals. Merchandising is getting better. Brazil has room to improve. Sounds like a big year next year for kind of internal drivers with the synergies and capital projects and presumably buybacks.

I'm looking at kind of a back half run rate that seems to imply something around \$11.00. And I'm thinking about those drivers, and it seems like you could be decently potentially above that run rate. So, I guess how are you thinking about the puts and takes? Anything I'm missing that would maybe keep you from kind of growing off of that base? Thanks.

John Neppi

I'm happy to start there and then Greg can jump in. But, yeah, look, I think there's a lot of things that we're able to focus on for '27 that we can control, and that's the things around the cost side, the commercial synergies Greg gave examples of, the in-flight projects moving along. All that's

moving in the right direction, and we feel very good about where we are there and what we can control.

There's still a lot of unknowns. We're entering into next year with about as complicated an environment as we've seen in a long time, and so there are things that can move either direction. I'd say what we can control we feel very good about. We feel good about the momentum. But certainly, there's a lot of factors to watch.

Greg Heckman

I think John said it well. We expect the team to execute very well against the things that we can control. We're at a very interesting time in the company's life cycle.

Now, that being said, it's still pretty dynamic with what's going on with geopolitics, trade, trade policy. Some of the places around the world on fuel policy, it's still got to sort out, like Brazil moving maybe onto B16 and maybe B17. It's tough on the farm economics right now, fuel costs, fertilizer costs, what that means to crop mix, what that can mean ultimately to yields, and the weather and how that'll play out. The curves, they are telling us one thing, and then how it'll actually play out will be quite another.

But the thing I am confident in, and I think that we've continued to show not only the last few years and the last few quarters with this combined platform and its very talented team, is that we will get the most out of it and that we will execute on the things that we can control. And I think we do a really good job of analyzing the possible outcomes of the things that we can't control and protecting ourselves where we need to, but also leaving parts of our system unlocked and available for part of those things that can happen so that we can capitalize on them. And that's what you saw a little bit on the timing on delivering Q3. And we'll continue to work hard and look for those opportunities to over-deliver, and I got a lot of confidence in this team.

Andrew Strelzik

Great. Thank you very much.

Greg Heckman

Thank you.

Operator

Thank you. And this concludes our question and answer session. I will return the conference back over to Greg Heckman for any closing comments.

CONCLUSION

Greg Heckman

I'd just like to thank everybody for joining us today, and thanks for your interest in Bunge. And we look forward to speaking with you very soon. Have a great day.

Operator

Thank you. The conference has now concluded. Thank you for attending today's presentation. You may now disconnect your lines.