

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR'). Upon the publication of this announcement via a Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain.

Dekel Agri-Vision Plc / Index: AIM / Epic: DKL / Sector: Food Producers

Dekel Agri-Vision Plc ('Dekel' or the 'Company')

Q1 Quarterly Update

Dekel Agri-Vision Plc, the West African focused agriculture company, is pleased to provide its first quarterly update covering activities across its portfolio of multi-commodity projects in Côte d'Ivoire. This incorporates the Company's regular production and sales update for its 100%-owned vertically integrated Ayenouan palm oil project ('Ayenouan' or the 'Project') for the three months ended 31 March 2020.

Overview

Palm Oil

- Fruit purchasing, logistics and milling operations at Ayenouan continued with relatively minimal disruption during Q1 2020 despite COVID-19 outbreak
 - 12,081 tonnes of CPO produced in Q1 2020 (Q1 2019: 14,921 tonnes) due to peak harvest season commencing later than previous year
 - 11,047 tonnes of CPO sold at average prices of €664 per tonne in Q1 2020 compared to Q1 2019's 12,009 tonnes of CPO sold at €520 per tonne
- Positive EBITDA recorded at Ayenouan in Q1 tracking higher than Q1 2019

Cashew

- Work has continued uninterrupted throughout Q1 2020 at Tiebissou project site where the Company is developing a large-scale cashew processing operation
- Manufacturing of the milling equipment in Italy continued until mid-March but work has since been suspended due to COVID-19
- Commencement of production may see some delay from original target date of January 2021

Corporate

- Proactive measures being taken to reduce costs and near-term capex commitments during COVID-19 outbreak

Palm Oil: Ayenouan

Q1 2020 Production & Sales

| Q1 2020 | Q1 2019 | Increase/ (decrease) |
|----------------|----------------|---------------------------------|
|----------------|----------------|---------------------------------|

| | | | |
|-----------------------------|--------|--------|--------|
| FFB collected (tonnes) | 55,895 | 69,340 | -19.4% |
| CPO production (tonnes) | 12,081 | 14,921 | -19.0% |
| CPO sales (tonnes) | 11,047 | 12,009 | -8.0% |
| Average CPO price per tonne | €664 | €520 | 27.7% |
| PKO production (tonnes) | 771 | 943 | -18.2% |
| PKO sales (tonnes) | 523 | 933 | -43.9% |
| Average PKO price per tonne | €675 | €593 | 13.8% |
| PKC production (tonnes) | 1,169 | 1,276 | -8.4% |
| PKC sales (tonnes) | 827 | 1,211 | -31.7% |
| Average PKC price per tonne | €62 | €55 | 13.3% |

Production

- Fresh Fruit Bunches ('FFB') purchasing, logistics and milling operations continued with relatively minimal disruption during Q1 2020
 - 12,081 tonnes of CPO produced in Q1 2020 (Q1 2019: 14,921 tonnes)
- Year on year reduction in Q1 production due to peak harvest season commencing later than the previous year (as previously announced) which led to lower CPO volumes produced in Jan / Feb 2020 and a strong uptick in production in March 2020:
 - January 2020: 2,152 tonnes CPO produced (Jan 2019: 3,421 tonnes)
 - February 2020: 3,615 tonnes CPO produced (Feb 2019: 5,322 tonnes)
 - March 2020: 6,314 tonnes CPO produced (Mar 2019: 6,178 tonnes) – record March in terms of fruit processed
- Company expects the late start to the high season will result in a stronger Q2 than last year although it is too early to predict with certainty as the major gains would be achieved in the back end of the quarter
- Extraction rate of 21.6% (Q1 2019: 21.8%)

Sales and Pricing

- 11,047 tonnes of CPO sold at average prices of €664 per tonne in Q1 2020 compares to Q1 2019's 12,009 tonnes of CPO sold at €520 per tonne
- 27.7% increase in CPO prices achieved in Q1 2020 compared to Q1 2019
- While operations have up until now continued as normal, the COVID-19 outbreak has adversely affected global CPO pricing benchmarks
- Having traded as high as US\$850 per tonne as recently as January 2020, CPO prices have since moved lower to the US\$615 per tonne level, primarily due to:
 - weakening global end market demand resulting from the extreme measures being adopted around the world to suppress the spread of the virus
 - the sharp fall seen in crude oil prices adversely impacting demand for biofuel and in turn CPO, which is a key feedstock for biofuel
- Due to the five-week lag it generally takes for local pricing to fully reflect moves in international benchmarks, and the predicted late start to the high season, the Company's key months of production, being March and April, are coinciding with weaker pricing

- Higher like for like Q1 EBITDA recorded at Ayenouan in the first quarter in spite of COVID-19's impact on sales prices and to a lesser degree sales volumes

Cashew: Tiebissou

- Work on developing a large-scale cashew processing project has continued uninterrupted at the site throughout Q1 2020
 - Ground works are now focused on preparation for the concrete works
- Manufacturing of milling equipment in Italy continued until mid-March but is now suspended due to the severity of the outbreak in the country
- Dekel is currently working on the assumption that the target date of January 2021 for the commencement of production may be delayed by up to three months
- Key objective is to ensure processing can commence during the Cote d'Ivoire cashew high season which operates from February to May although there is the option of storing raw cashew nuts if there are further delays

Other Projects

- Discussions with government regarding the development of an initial 35-36MW HCTPP in Côte d'Ivoire, potentially at Ayenouan, have progressed well
 - Government direction has been to present a proposal supporting an application for permit initially focused on the 5-6MW biomass project
 - HCTPP to be developed under JV Agreement with Green Enesys Holdings Ltd
- Internal feasibility studies on potential fourth project in Cote d'Ivoire nearing completion
 - Feasibility on at least one of these is highly encouraging and a further update to be provided in due course
- The Board emphasises that these projects will be progressed slowly with full focus currently on optimising the palm oil operations and progressing Tiebissou to first production

Corporate Update & Response to COVID-19

Given the uncertainty surrounding the length of the outbreak and the timescales of measures being taken to suppress the spread of the virus, the Board is working on the basis that continued business disruption is likely to continue, both internationally and in Côte d'Ivoire. With this in mind, management is taking every measure, both operationally and financially, to prepare for this scenario. The conservation of cash across the Company's operations is being prioritised to minimise pressure that may arise on its working capital position. In line with this, cost reduction initiatives are being implemented where possible. The Company also maintains a regular dialogue with its funding partners, all of whom remain supportive during COVID-19.

Dekel Agri-Vision Executive Director Lincoln Moore said, "As anticipated, Q1 was a period of profitable trading for the Company. What was not anticipated was the COVID-19 induced reversal in CPO prices that prevented Ayenouan's Q1 performance from being as strong as it

could have been. Having commenced the year on course to test previous record levels of full year profitability at Ayenouan, the Company's focus has adjusted to preserve value given the uncertain market conditions so that, once conditions around the world normalise, Dekel is in as strong a position as possible to kickstart growth plans at the Tiebissou cashew project and beyond, including its growing pipeline of additional projects.

"Clearly these are unprecedented times which call for unprecedented measures across society as a whole. The Company takes health and safety very seriously and at all times we will adhere to the prevailing advice and guidance of the relevant government authorities in order to help ensure the wellbeing of all our staff and the local communities in which we operate in. We will endeavour to provide regular updates during this challenging and highly fluid situation."

**** ENDS ****

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Notes:

Dekel Agri-Vision Plc is a multi-project, multi-commodity agricultural company focused on West Africa. It has a portfolio of projects in Côte d'Ivoire at various stages of development. At present the two key projects are a fully operational palm oil project in Ayenouan where fruit produced by local smallholders is processed at the Company's crude palm oil mill and a cashew processing project in Tiebissou, which is due to commence production in early 2021.