

Dekel Agri-Vision
February Palm Oil and Cashew Operation Update
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Dekel Agri-Vision PLC
13 March 2023

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

Dekel Agri-Vision Plc
('Dekel' or the 'Company')
February Palm Oil Production Update and Cashew Operation Update

Dekel Agri-Vision Plc (AIM: DKL) , the West African agriculture company focused on building a portfolio of sustainable and diversified projects, is pleased to provide a February production update for its Ayenouan palm oil project in Côte d'Ivoire ('Palm Oil Operation') and an update on progress regarding the ramp-up of production of our large-scale cashew processing plant at Tiebissou, Côte d'Ivoire (the 'Cashew Operation').

Key Highlights

Palm Oil Operation

- As per guidance in last months update, Fresh Fruit Bunch ('FFB') volumes in February did remain lower than prior year. However, the Company saw an increase in volumes in the last 5 days of the month. This increase in volumes has continued into early March and FFB volumes are currently ahead of March volumes produced last year.
- The local market consensus is that the FFB high season did not commence until late February. Whilst there can be no guarantees that higher volumes will be sustained, the Directors are buoyed by the fact that FFB volumes have improved materially over the past 2 weeks.
- The Company is continuing to see strong local Crude Palm Oil ('CPO') demand resulting in CPO sales prices remaining close to record levels at €984 per tonne. Strong local demand is driving a local price premium. During February, the CPO price achieved was c.5% higher than the international CPO price. Palm Kernel Oil ('PKO') prices have decreased from their all time peak levels last year and the international price is currently trading at around €1,025. With regional PKO demand softening, sales are being carefully managed to optimise prices.
- The CPO extraction rate of 23.3% was a record for the month of February and together with the CPO price premium being achieved; the Company's gross margin percentages remain healthy, albeit the Directors would clearly like to see the early March momentum in FFB volumes continue to enhance overall gross margins.

	Feb-23	Feb-22	Change
FFB processed (tonnes)	9,418	13,683	-31.2%
CPO Extraction Rate	23.3%	22.3%	4.5%
CPO production (tonnes)	2,198	3,057	-28.1%
CPO Sales (tonnes)	2,102	3,660	-42.6%
Average CPO price per tonne	€984	€979	1.0%
Palm Kernel Oil ('PKO') production (tonnes)	131	259	49.4%
PKO Sales (tonnes)	Nil	407	n/a
Average PKO price per tonne	n/a	€1,447	n/a

Cashew Operation

- The Raw Cashew Nut ('RCN') buying season has now commenced and the Company is now actively purchasing RCN.
- The backlog stock of unpeeled cashew inventory announced last month is now largely completed and are seeing an uplift in daily production figures. As stated last month, the Company will commence publishing financial statistics on a quarterly basis at the end of March with the reporting date on or around the 15th following each quarter.
- Customer feedback for the Company's cashew products continues to be extremely positive out of Rotterdam and the US which bodes well in terms of maximising prices as production continues to ramp up.

Lincoln Moore, Dekel 's Executive Director said: *"Following a slow start to the Palm Oil Operation high season it is pleasing to see indications in the early March that FFB volumes are lifting. With CPO prices and CPO extraction rates remaining strong we are keen to capitalise on these supportive factors and look forward to reporting stronger results next month for the Palm Oil Operation as well as our first quarterly production report for the Cashew Operation."*

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Notes:

Dekel Agri-Vision Plc is a multi-project, multi-commodity agriculture company focused on West Africa. It has a portfolio of projects in Côte d'Ivoire at various stages of development: a fully operational palm oil project in Ayenouan where fruit produced by local smallholders is processed at the Company's 60,000tpa capacity crude palm oil mill and a cashew processing project in Tiebissou, which is currently transitioning to full commercial production in 2023.

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