

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

H1 2022 Operating 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 its half year production update for the period ending 30 June 2022 ('H1 2022') on the 100%-owned Ayenouan palm oil project in Côte d'Ivoire (the 'Palm Oil Operation') and an update on the ramp-up of production of our large-scale cashew processing plant at Tiebissou, Côte d'Ivoire (the 'Cashew Project').

Highlights

- Despite unusually low high season volumes, the record high prices of Crude Palm Oil ('CPO') and Palm Kernel Oil ('PKO') and strong extraction rates achieved mean H1 2022 financial results of the Palm Oil Operation have remained strong with increased gross margin percentage largely offsetting lower volumes
- 36.3% decrease in CPO production to 16,893 tonnes in H1 2022 compared to 26,515 in H1 2021
- 24.0% increase in average realised CPO prices to a record level of €1,013 per tonne in H1 2022 (H1 2021: €817)
- 83.6% increase in average realised PKO prices to a record level of €1,454 per tonne in H1 2022 (H1 2021: €792)

Lincoln Moore, Dekel's Executive Director, said: "We remain optimistic that the strong current international CPO prices will continue to trade at levels above historical averages of €750 per tonne. In addition, given the high levels of oil palm estates planted over the past 5-10 years in our region, we expect the current low levels of fresh fruit bunches ('FFB') volumes are a temporary agronomic variation. Therefore, together with continued high prices, the Palm Oil Operation is well-positioned to deliver a sustained period of operating profitability.

"We are also pleased to confirm that the remaining key shipments for the Cashew Operation, most notably the outstanding shelling machines, have taken place. We remain on track to meet market expectations of cashew production forecasts in 2022 and will provide a detailed update on the Cashew Operation in due course as we continue the final assembly process and move towards full production capacity".

	H1 2022	H1 2021	Change
FFB processed (tonnes)	75,448	123,684	-39.0%
CPO production (tonnes)	16,893	26,515	-36.3%
CPO Extraction Rate	22.4%	21.4%	4.7%
CPO Sales (tonnes)	16,996	24,784	-31.4%
Average CPO price per tonne	€1,013	€817	24.0%
PKO production (tonnes)	1,162	1,554	-25.2%
PKO Sales (tonnes)	1,180	1,223	-3.5%
Average PKO price per tonne	€1,454	€792	83.6%
PKC production (tonnes)	1,762	2,428	-27.4%
PKC Sales (tonnes)	692	1,707	-59.5%
Average PKC price per tonne	€86	€77	11.7%

* Numbers subject to half-year interim audit including final audit cut-offs

Crude Palm Oil

- Production: 36.3% decrease in CPO production to 16,893 tonnes in H1 2022 compared to H1 2021
 - The typical high season, which normally takes place from February to May, was at historically low levels
 - CPO extraction rate in H1 2022 increased to 22.4% (H1 2021: 21.4%), partially offsetting 39% lower FFB quantities compared to H1 2021
- Sales: 31.4% fall in CPO sales to 16,996 tonnes in H1 2022 (H1 2021: 24,784 tonnes) largely due to the lower CPO production
- Prices: 24.0% increase in average realised CPO prices to a record level of €1,013 per tonne in H1 2022 compared to H1 2021
 - International CPO prices have steadied but continue to trade at multi-year highs of approximately €1,150 - 1,250 per tonne

Palm Kernel Oil ('PKO')

- Production: H1 2022 PKO production 25.2% lower than H1 2021 due to lower FFB volumes
- Sales: 3.5% decrease in H1 2022 compared to H1 2021 as a patient sales approach is adopted to capitalise on rising PKO prices
- Prices: 83.6% higher in H1 2022 (€1,454) than H1 2021 (€792), which is a record half-year average price achieved
- The high prices reflect the successful strategy to export a significant amount of PKO production in regional Africa to gain access to higher international prices

Palm Kernel Cake ('PKC')

- Similarly to PKO, we are also taking a patient approach to sales prices to capitalise on rising PKC price levels
- Dekel currently holds approximately 2,100 tonnes of stock at the end of H1 2022 which we expect to sell gradually in H2 2022 to take advantage of rising PKC prices
- Prices: 11.7% increase in average realised PKC prices to €86 per tonne in H1 2022 compared to €77 per tonne in H1 2021

Cashew Project

- As announced on 13 June 2022, the colour sorter arrived on 12 June and the remaining shelling machines have now been shipped. This will enable the Company to significantly expand its production capacity and we will provide material updates regarding the assembly milestones over the coming weeks.

Issue of Equity

In addition, application has been made to the London Stock Exchange for the admission of a total of 306,334 ordinary shares of €0.0003367 each ("Ordinary Shares") issued to certain advisers in settlement of fees for services provided ("Admission"). It is expected that Admission will become effective on or around 15 July 2022. Following Admission, the Company's issued share capital will consist of 537,404,775 Ordinary Shares which may be used by shareholders as the denominator for the calculations by which to determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure and Transparency Rules.

This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended ("MAR"). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

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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 commenced production in early January 2021.

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