

Dekel Agri-Vision
January Palm Oil and Cashew Operation Update
RNS Number : 7912P
Dekel Agri-Vision PLC
14 February 2023

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

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

- January can be summarised as a month of record January monthly Crude Palm Oil ('CPO') prices and record January CPO extraction rate offset by weak Fresh Fruit Bunch ('FFB') volumes.
- The weak FFB volumes were attributed to unusually high FFB prices paid by one of our competitors which Dekel elected not to match in order to adhere to prices set by the local industry body. FFB prices in early February have normalised.
- Crude Palm Oil ('CPO') prices achieved in January of €1,089 per tonne was a record for the month of January and materially higher than the international CPO price which traded around €950 per tonne.
- The CPO extraction rate of 23% was also a record for January and coupled together with record January prices led to the gross margin percentage remaining strong.
- FFB volumes in February have started quite low as small holders have held back harvesting in an attempt to enhance prices similar to January. However, we are starting to see an uplift in FFB volumes which should continue to increase towards month end.
- With FFB prices now appearing to stabilise, the CPO extraction rate remaining high and CPO selling prices at over €950 per tonne gross margin percentages remain healthy.

	Jan-23	Jan-22	Change
FFB processed (tonnes)	7,892	18,429	-57.2%
CPO Extraction Rate	23.0%	21.3%	8.0%
CPO production (tonnes)	1,818	3,929	-53.7%
CPO Sales (tonnes)	1,693	3,303	-48.7%
Average CPO price per tonne	€1,089	€995	9.5%
Palm Kernel Oil ('PKO') production (tonnes)	82	209	-60.8%
PKO Sales (tonnes)	30	289	-89.6%
Average PKO price per tonne	€1,143	€1,275	-10.4%

Cashew Operation

- The Cashew Operation production is continuing to increase steadily. We are continuing to process material quantities of historical stock which was awaiting final peeling before sale. Once this back log of unpeeled inventory is completed over the next month we will move into a phase of smooth production and we intend to start publishing financial statistics on a quarterly basis at the end of March with the reporting date on or around the 15th following each quarter.
- Cashew sales quantities have increased materially since Q4 2022 and we continue to sell to a number of parties locally and internationally.
- The Raw Cashew Nut ('RCN') buying season will commence shortly. We currently hold approximately 1,800tn of RCN and will be actively seeking to buy over the coming months to support our 2023 processing forecasts.
- The acquisition of the final 29.3% shareholding of the Cashew Operation was successfully completed on 10 February resulting in Dekel achieving 100% ownership.

Lincoln Moore, Dekel 's Executive Director, said: *"High CPO prices and CPO extraction rates continue to underpin the solid financial performance of the Palm Oil Operation. March and April are typically the best FFB volume months and will be important in terms of driving H1 financial performance. The Cashew Operation is now becoming a material contributor to financial performance and we look forward to reporting ongoing quarterly statistics for Q1 2023 onwards."*

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For further information, please visit the Company's website www.dekelagrivision.com or contact:

Dekel Agri-Vision Plc +44 (0) 207 236 1177
Youval Rasin
Shai Kol
Lincoln Moore

WH Ireland Ltd (Nomad and Joint Broker) +44 (0) 20 7220 1666
James Joyce
Megan Liddell

Optiva Securities Limited (Joint Broker) +44 (0) 203 137 1903
Christian Dennis
Daniel Ingram

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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