

Dekel Agri-Vision
November Palm Oil & Cashew Operation Update
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Dekel Agri-Vision Plc / Index: AIM / Epic: DKL / Sector: Food Producers

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

- November 2022 Crude Palm Oil ('CPO') production was slightly lower compared to last month. This is in line with historical trends during this period of the year but 42.5% lower than the unusually high November 2021 CPO production.
- CPO prices remain very strong with prices achieved continuing to be close to all-time highs (€1,043 per tonne). International CPO prices remain robust trading between €1,025 - 1,075 per tonne.
- The Cashew Operation capacity continued to steadily improve in November and is well on track to meet the Company's 2023 objective of processing capacity of 10,000tn of raw cashew nuts ('RCN').
- European feedback following a customer roadshow in Rotterdam has been very positive. In particular, the high quality of Dekel's product has been well noted and significant buyer interest was obtained for 2023 production.

	Nov-22	Nov-21	Change
FFB processed (tonnes)	7,361	13,181	-44.2%
CPO Extraction Rate	20.9%	20.2%	3.5%
CPO production (tonnes)	1,535	2,669	-42.5%
CPO Sales (tonnes)	1,788	1,837	-2.7%
Average CPO price per tonne	€1,043	€956	9.1%
Palm Kernel Oil ('PKO') production (tonnes)	90	212	-57.5%
PKO Sales (tonnes)	Nil	106	n/a
Average PKO price per tonne	n/a	€930	n/a
Palm Kernel Cake ('PKC') production (tonnes)	Nil	298	n/a
PKC Sales (tonnes)	Nil	304	n/a
Average PKC price per tonne	n/a	€80	n/a

CPO Production

- CPO volumes were slightly lower than last month which is typical historically for this time of the year, however CPO volumes were 42.5% lower than the unusually high volumes in November 2021.
- Given the weak production throughout Côte d'Ivoire, competition has been stronger than normal for fresh fruit bunches ('FFB') however this has largely been offset by strong CPO extraction rates and sales prices.
- The CPO extraction rate achieved in November 2022 of 20.9% remained strong for a low season month, in addition to being 3.5% higher than November 2021.

CPO Price

Local CPO prices achieved of €1,043 were 9.1% higher than November 2021. International CPO prices remain strong and are currently trading at €1,025 -1,075 per tonne.

CPO Sales

- November 2022 saw strong CPO sales volumes relative to production which together with continued strong prices resulted in monthly revenue just below November 2021 despite the weak production.
- Local CPO sales demand remains strong. This is clearly partly due to the weak local production this year and the Company expects demand to remain strong during the upcoming high season where local refineries will be keen to replenish their low CPO stock levels.
- PKO and PKC sales are being held to sell in larger batches to maximise prices therefore there were no sales in November.

Cashew Operation

- Further to the Company's announcement on 10 October 2022, the production capacity is tracking well to meet the goal of operating capacity of 10,000tn in 2023. We have been replenishing our stock and currently hold c.1,750tn of RCN. Dekel will also be actively buying stock during the cashew season which runs between February to June each year to fulfil the 2023 production objectives.
- Following the successful first export shipment of cashew last month, we undertook a buyers roadshow in Rotterdam during November. Potential buyers have been very positive regarding the quality of our product which positions us well to maximise our sales prices as we transition into full scale commercial production in 2023.

Lincoln Moore, Dekel's Executive Director, said: *"We look forward to the coming few months. In terms of the Palm Oil Operation, we are optimistic that CPO prices will remain well above long term averages and the local market is hopeful we will see an improvement in high season volumes which sets up the Palm Oil Operation for a strong H1 2023. The Cashew Operation is shaping up well and we are well set to see a material contribution from this operation also in H1 2023."*

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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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