

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

Dekel Agri-Vision Plc ('Dekel' or the 'Company')
Full Year 2022 Palm Oil Production Update

Dekel Agri-Vision Plc, the West African focused agriculture company, is pleased to provide a production update for its 100%-owned vertically integrated Ayenouan palm oil project in Côte d'Ivoire ('Palm Oil Operation') for the year ended 31 December 2022.

Key Highlights

Summary - Full year 2022 and 2023 Outlook

- 2022 can be summarised as a year of record Crude Palm Oil ('CPO') and Palm Kernel Oil ('PKO') pricing with strong CPO extraction rates being offset by an unprecedentedly low fresh fruit bunches ('FFB') annual harvest.
- Whilst financial results of the Palm Oil Operation are unlikely to surpass the record 2021 results, the FY 2022 financial results are still expected to be one of the best performing years since inception.
- In the event that production volumes normalise and CPO and PKO prices remain robust, the Directors believe that the Palm Oil operation has the potential to deliver a record financial performance in 2023.

December 2022 Production and Sales

- Dekel achieved a 42.7% improvement in FFB processed as compared to November and there was further improvement in CPO extraction rates to 22.8% as compared to 20.9% last month.
- However, like for like monthly CPO production volumes remained low compared to the December 2021 record monthly production (20.3% lower).
- CPO prices remain robust with prices achieved continuing to be close to all-time highs (€1,102 per tonne). International CPO prices remained steady in December 2022 with prices trading around €1,000 per tonne.

2022 Full Year Production and Sales

- Dekel had a full year production of CPO of 25,751 tonnes and CPO sales of 26,016 tonnes.
- The Company had a record full year CPO price of €1,025 per tonne and a record full year PKO price achieved of €1,381 per tonne.

Further details regarding production and sales for December and for the 2022 full year can be found in the table below.

	Dec-22	Dec-21	Change	FY 2022	FY 2021	Change
FFB processed (tonnes)	10,502	14,395	-27.0%	116,733	190,020	-38.6%
CPO Extraction Rate	22.8%	20.9%	9.1%	22.1%	21.0%	5.2%
CPO production (tonnes)	2,398	3,010	-20.3%	25,751	39,953	-35.5%
CPO sales (tonnes)	2,195	3,225	-31.9%	26,016	39,092	-33.4%
Average CPO price/tonne	€1,102	€968	13.8%	€1,025	€868	18.1%
PKO production (tonnes)	155	239	-35.1%	1,824	2,549	-28.4%
PKO sales (tonnes)	122	168	-27.4%	1,991	2,707	-26.4%
Average PKO price/tonne	€1,143	€1,372	-16.7%	€1,381	€851	62.3%
PKC production (tonnes)	45	369	-87.8%	1,875	4,019	-53.3%
PKC sales (tonnes)	20	356	-94.4%	717	3,076	-76.7%
Average PKC price/tonne	€76	€78	2.6%	€86	€78	10.3%

These figures remain subject to full year audit and year end stock adjustments

Crude Palm Oil Production

- 35.5% decrease in FY2022 CPO production compared to FY2021 driven by an unprecedentedly low FFB harvest year.
- 20.3% decrease in December 2022 CPO production compared to December 2021.

- An improved CPO extraction rate of 22.1% was achieved in FY 2022 (FY 2021: 21.0%).
- Production over the past 2-3 months has normalised compared to historic levels which we are hopeful will continue into the upcoming high season.

Sales and Pricing

- 33.4% decrease in FY2022 CPO sales compared to FY2021 reflecting the lower CPO production volumes.
- 18.1% increase in CPO prices to €1,025 per tonne in FY2022 compared to FY2021 (FY 2022: €868). This represents an annual Company record sales price.
- 13.8% increase in December 2022 CPO prices achieved of €1,102 per tonne compared to December 2021.
- Continued robust CPO pricing bodes well for the upcoming 2023 high season and local demand for CPO remains strong given local supply constraints resulting from the weak harvesting year.

Palm Kernel Oil Production and Sales

- 28.4% decrease in FY 2022 PKO sales compared to FY 2021 reflecting lower production levels.
- Company record PKO price achieved in FY 2022 of €1,381 per tonne. PKO prices have softened in H2 2022 to around €1,100 but still remain at historically high levels.

Issue of Equity

In addition, application has been made to the London Stock Exchange for the admission of a total of 550,323 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 18 January 2023. Following Admission, the Company's issued share capital will consist of 537,955,098 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.

Dekel Executive Director Lincoln Moore said: "2022 was an unprecedentedly low FFB harvest year for the Palm Oil operation. However, a supportive price environment and internal efforts to maximise prices, including utilising regional export markets as well as a strong focus on operational and cost efficiencies, including an improved CPO extraction rate, mean that the expected 2022 financial results of the Palm Oil Operation will still be among the best performing years."

"With the annual high season commencing shortly we are hopeful of improved FFB harvesting volumes. Together with continued robust prices we are well positioned to see a strengthening in financial profitability. We will continue to report the Palm Oil Operation data monthly to ensure our shareholders are well informed during this exciting period for the Company."

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.

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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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