

Dekel Agri-Vision
Full Year Production Update

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Dekel Agri-Vision Plc ('Dekel' or the 'Company')
Full Year 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 ('Ayenouan' or the 'Project') for the year ended 31 December 2020. Following a strong year on year Crude Palm Oil ('CPO') production and sales price performance in Q4 2020, the Company has finished the year with strong momentum and the Board remains confident that FY 2020 financial results will show a material improvement on FY2019 and expect these to be in line with market expectations.

Further details regarding production and sales at the Project for Q4 and FY 2020 can be found in the table below.

	Q4 2020	Q4 2019	Change	FY 2020	FY 2019	Change
FFB processed (tonnes)	24,720	19,437	27.18%	154,151	176,019	-12.42%
CPO production (tonnes)	4,840	3,912	23.72%	34,002	37,649	-9.69%
CPO sales (tonnes)	4,824	3,873	24.55%	34,008	37,713	-9.82%
Average CPO price/tonne	€664	€534	24.34%	€602	€491	22.60%
PKO production (tonnes)	379	339	11.80%	2,516	2,773	-9.27%
PKO sales (tonnes)	662	262	152.67%	2,207	2,621	-15.80%
Average PKO price/tonne	€575	€529	8.70%	€597	€551	8.35%
PKC production (tonnes)	524	623	-15.89%	4,045	4,305	-6.04%
PKC sales (tonnes)	438	624	-29.81%	3,892	4,357	-10.67%
Average PKC price/tonne	€61	€58	5.17%	€60	€56	7.14%

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

Crude Palm Oil Production

- 34,002 tonnes of CPO produced in 2020 (FY 2019: 37,649 tonnes)
- A 24% increase in Q4 CPO volumes compared to Q4 last year helped offset lower year on year production in H1, which was caused by a region-wide drop in FFB harvested during the peak harvest season
- 17% increase in CPO produced to 1,492 tonnes in December 2020 follows strong improvements in production volumes for the months of October and November 2020 compared to the equivalent periods in 2019
- 22.1% extraction rate achieved in FY 2020 (FY 2019: 21.4%) due to higher oil content of fruit delivered to the mill for processing

Sales and Pricing

- 23% increase in CPO prices to €602 per tonne in FY2020 (FY 2019: €491) offset lower volumes sold - FY 2020: 34,016 tonnes of CPO sold (FY 2019: 37,713 tonnes)
- Strong recovery in global CPO prices and sales in Q4 2020 due to restocking post-COVID lockdowns by key buying nations, including China
- low stock levels in major producing countries such as Malaysia
- High current pricing bodes well for local pricing during the upcoming 2021 high season
- International CPO prices are currently trading at over US\$1,000 per tonne, a more than 100% increase on the pricing lows seen during the Q2 2020 COVID lockdown period
- CPO sales prices continued the trend of month on month increases with December CPO prices of €700 per tonne, compared to €664 in November 2020
- CPO prices mechanically lag the international price for 4-6 weeks and, based on the recent improvement in international prices, there will be a further material increase in January CPO

- prices as the high season commences
- Local demand for CPO remains very strong even after taking into account the high current prices
- The Board believes palm oil's widespread use in everyday essential products supports continued higher pricing levels

Palm Kernel Oil ('PKO') Production and Sales

- 153% increase in PKO sales in Q4 as stock on hand at H1 2020 continued to unwind
- The Company believes local demand for premium PKO oil continues to be impacted by COVID-19 and the continued strengthening in international PKO prices is not yet reflected in the local PKO prices
- Whilst local prices are gradually improving, the Company is assessing opportunities to export PKO to obtain access to international prices and will update the market in relation to any material changes to its PKO client base

DekelOil Executive Director Lincoln Moore said: *"The last three months of 2020 saw double-digit increases in CPO production, sales and prices achieved at Ayenouan and as a result we believe FY 2020 financial results are on course to show a material improvement on FY 2019. Furthermore, with CPO prices continuing to rise to levels we have not seen since Ayenouan commenced production in 2014, we are looking forward to the upcoming high season in Cote d'Ivoire, which typically runs from around late Jan through to May. Together with the commencement of our high margin cashew project at Tiebissou, which remains on track for Q2 2021, we are confident that the year ahead will see a further material uplift in our financial performance. We look forward to providing updates on further progress."*

Production Updates

The Company will continue issuing CPO production figures on a monthly basis to provide shareholders with increased visibility on operations and trading during the global COVID-19 pandemic.

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.

**** ENDS ****

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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 crude palm oil mill; a cashew processing project in Tiebissou, which is due to commence production in Q2 2021.

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