

## Price list teak trees – year of planting 2021

(three-year-old trees)

Teak plantation on the Finca Tortuga, Pichincha, Provincia de Manabí, Ecuador

Plot size (units)	Number of teak trees*	Price per tree	Price per unit	For comparison: Price per hectare
0,25 ha	200	CHF 24.70	CHF 4 940	CHF 19 760
0,50 ha	400	CHF 24.40	CHF 9 760	CHF 19 520
0,75 ha	600	CHF 24.10	CHF 14 460	CHF 19 280
1,00 ha	800	CHF 23.80	CHF 19 040	CHF 19 040
2,00 ha	1 600	CHF 23.60	CHF 37 760	CHF 18 880
3,00 ha	2 400	CHF 23.40	CHF 56 160	CHF 18 720
5,00 ha	4 000	CHF 23.20	CHF 92 800	CHF 18 560
10,00 ha	8 000	CHF 23.00	CHF 184 000	CHF 18 400

\* Theoretically, about 820 trees per hectare are planted. This value may vary due to local conditions. Therefore, a maximum of 800 trees per hectare will be charged. The actual number of trees on the respective plot is always specified in the contract.

## Forecast teak revenue per hectare (from conservative to optimistic)

Teak wood prices	Gross proceeds <sup>1</sup>	Net proceeds <sup>2</sup>	Return p.a. (IRR) <sup>3</sup>
with current market prices	CHF 41 150 - 61 250	CHF 27 250 - 41 860	2,2 - 4,6%
with 2% price increase p.a.	CHF 59 450 - 89 000	CHF 40 460 - 62 060	4,3 - 6,8%

<sup>1</sup> Total from thinnings and final harvest

<sup>2</sup> after harvesting costs, taxes in producer country & commission

<sup>3</sup> IRR = Internal Rate of Return

**Note:** The model calculation for teak revenue is based on the Hoppus formula (commercially usable volume), a term of 20 years from the year of planting and a purchase price of CHF 18 000 per hectare for 800 trees. The exact years for the commercial thinnings and the number of trees logged in each thinning depend on the local conditions on the respective plantation. The revenue figures used in the example are merely non-binding guidelines and forecasts which vary according to the situation, market condition as well as exchange rate and cannot be guaranteed.