



**ASIA TEAK**  
**TROPICAL**  
**PLANTATIONS**



**FORESTRY REPORT 2014/15**

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Dear All

## **AsiaTeak Forestry Report 2014/15**

Whilst still a young organization, AsiaTeak is proud to be recognised as one of the most respected and well-structured teak plantation management companies operating in South East Asia. Having begun with one small plantation in Sri Lanka in 2010, we now own and manage three sites in Sri Lanka and two in Thailand housing some 50,000 trees of various ages, pre-ordered by a growing international clientele.

When you look at the sites that we own and operate it creates a real sense of achievement, although there is of course plenty of hard work left in order to deliver on our obligations and our promises to our clients over the coming years.

We have always operated each site using only the best and most technically advanced methods to grow the trees. However we are continually looking at new methods and technology that will allow us to improve the growing conditions and this report contains some of the specific measures taken this year. I am happy to report that all of our plantations have shown significant growth, in-line with expectations, over the past year. Tree performance data is detailed in the country specific area of this report.



MD Paul Rockwood with Dr. Boonlert, Thai Forestry Consultant

In common with most companies, our employees are our most important assets and we have continued with our program of training and promoting from within. In addition we also engage with a number of specialist forestry consultants and local market experts to identify the most efficient and profitable ways to run our business with great tree performance ever the goal. Subsequently we are developing a good structure within the organisation and one that will help us to grow as a business.

Our charitable and social responsibilities continue with our sponsorship of Child Vision Lanka and the Thai Royal Princess Teak Trust, both of which have benefited from increased contributions and direct assistance by us, and our in-country associates. I have included a section on this later in the report.

I hope you will find this update interesting and useful and welcome any comments or queries which may be addressed to [info@asiateakgroup.com](mailto:info@asiateakgroup.com). It just remains for me to thank you for your continued support of AsiaTeak, I hope you enjoy the report.

**Paul Rockwood**

**Managing Director**

**March 2015**

## MANAGEMENT REVIEW AND AUDIT (THAILAND)

<b>Plantation Owners</b>	Asia Teak (Thailand) Co, Ltd
<b>Forestry Managers</b>	Thai Orchids Lab, Bangkok, Thailand
<b>Auditors</b>	Austhai Geophysics, Bangkok, Thailand

AsiaTeak has two semi-mature teak plantations in Thailand; one in U-Thong, Suphan Buri province containing 5,415 trees and one in Chon Daen, Petchabun province containing 12,674. These plantations are managed and maintained by AsiaTeak's local partner, Thai Orchids Lab (TOL) under the supervision of CEO Dr. Paiboolya Gavinlertvatania.

AsiaTeak's Managing Director, Paul Rockwood and/or Director of Plantations Mr. J.M.P.H Jayalath visit the plantations every month to monitor growth and management standards and also carry out two official annual reviews. The first usually takes place at the end of March each year to count the trees and audit their annual incremental growth. This review is observed by our auditors, Austhai Geophysical Consultants. The second annual review takes place in October to assess and record the management and maintenance standards in order to prepare the annual Plantation Activity Plan for the following season. In 2014 reviews took place as scheduled and during the management review in October 2014 it was decided it was time to embark on a major program of thinning and pruning which will take place in April/May 2015, therefore the tree count and growth audit for this year will now take place in June 2015.

### General Conditions

The general condition and tree health of both plantations has been very well maintained over past year. All the standard activities such as weeding, fence clearing, fertilizing, irrigation and fire prevention measures were successfully completed as per the plan.



AsiaTeak Audit Team  
U-Thong Estate, Suphan Buri, Thailand  
March 2014

Team includes:  
Paul Rockwood, MD  
Mr. Jayalath, Director of Plantations  
Dr. Nimal, Sri Lanka Forestry Consultant  
Mr. Eranda, Technical Officer  
Tom Rossiter (not shown) HK Agent  
AusThai Geophysics Audit Team  
Drivers & local plantation staff

### Plantation Information – U-Thong

Plantation Location	U-Thong, Suphan Buri
Planting Date	June 2004
GPS coordinates	14-43.900N/99-85.579E
Last Audit Date	March 2014
Average Incremental Growth	7.2 cm pa

### Inventory

Total Current Stock	5415
Trees to be “Thinned Out”	363
Total “Final Harvest” Trees	5052 (100%)
Customer Allocation	4000 (79.1%)



U-Thong Estate, October 2014 showing Plot marker board

### Plantation Information – Chon Daen

Plantation Location	Chon Daen, Petchabun
Planting Date Range	2000 – 2004
GPS coordinates	16-9.288N/100-51.869E
Audit Date	March 2014
Average Incremental Growth	6.6cm pa

### Inventory

Total Planted Stock	12,674
Trees to be “Thinned Out”	660
Total “Final Harvest” Trees	12,014 (100%)
Customer Allocation	8500 (70.8%)



Tall straight teak trees in Chon Daen Estate  
Teak trees are deciduous they drop leaves each year

The growth rates shown above are the average over the entire estates. Growth rates have increased from last year to this year through improved site conditions and simple techniques use such as harrowing, increased fertilizer and partial thinning and pruning. As a result of the thinning schedule the growth rates will see a rapid increase in the coming years.



## MANAGEMENT REVIEW AND AUDIT (SRI LANKA)

<b>Plantation Owners</b>	AsiaTeak Lanka (Pvt) Ltd.
<b>Forestry Managers</b>	Vision Forestry (Pvt) Ltd. Colombo, Sri Lanka
<b>Tree Count/Measurement</b>	Austhai Geophysics, Bangkok, Thailand

AsiaTeak operate three plantations in Sri Lanka, two in the North West, in the towns of Puttalam and Anamaduwa and a third on the East Cost near Batticaloa. AsiaTeak maintain all of our Sri Lankan plantations directly with our own staff. Each site has a dedicated Field Officer in charge who reports to our Director of Plantations, Mr. J.M.P.H. Jayalath. Mr. Jayalath visits each of these sites at least twice per month. In all we have a further twelve full time plantation and security staff plus up to 30 regular casual workers employed as the need arises throughout the various seasons. First stage pruning has taken place on our Puttalam and Anamaduwa sites and in blocks 1 & 2 of the Batticaloa site. This will be an annual on-going activity as and when required. Drainage maintenance, soil improvements and fire prevention activities will continue according to this year's Plantation Activity Plan. Tree count and growth audit will take place in June 2015. Note: growth rates can only be accurately recorded after 3 full years, therefore we have only recorded the Anamaduwa site to date. Puttalam site and Batticaloa Blocks 1 & 2 will be recorded in June 2015.



Palugahayaya Estate  
Anamaduwa, Sri Lanka

### Plantation Information – Anamaduwa

Plantation Location	Palugahayaya Estate, Anamaduwa, Sri Lanka
Planting Date	January 2010
GPS coordinates	7-52.017N/79-58.992E
Last Audit Date	March 2014
Average Incremental Growth	8.66cm pa

### Inventory

Total Planted Stock	4527
Trees to be "Thinned Out"	1358
Total "Final Harvest" Trees	3169
Customer Allocation	2852 (90%)

### Plantation Information – Puttalam

Plantation Location	Sinnanagavillu Estate, Puttalam, Sri Lanka
Planting Date	April 2011
GPS coordinates	8-3.632N/79-51.750E
Last Audit Date	March 2014

### Inventory

Total Planted Stock	5662
Trees to be “Thinned Out”	1699
Total “Final Harvest” Trees	3963
Customer Allocation	3567 (90%)

Sinnanagavillu Estate  
Puttalam, Sri Lanka



### Plantation Information

Plantation Location	Kumburuwella Estate, Batticaloa, Sri Lanka
Planting Date Range	July 2012 to January 2014
GPS coordinates	7-35.692N/81-28.607E
Last Audit Date	March 2014

### Inventory

Total Planted Stock	21355
Trees to be “Thinned Out”	6407
Total “Final Harvest” Trees	14928
Customer Allocation	13454 (90%)

Kumburuwella Estate  
Batticaloa, Sri Lanka



## A SOCIALLY RESPONSIBLE COMPANY

The presence of AsiaTeak's plantations contribute in many ways to the local communities in which we operate. Regions that are suitable for teak growing are by nature remote and in most cases many kilometres from the nearest town. A crucial part of our corporate ethos is that employees, local communities and investors all share in the company's collective success. During this Financial Year the organisation has contributed to the development of these rural communities in the following ways:

### Local Communities

By establishing plantations in remote locations, AsiaTeak has made a long-term commitment to work with and support our local communities. In areas where there is often little or no other work available, AsiaTeak employ full time, part time and casual staff. We require a minimum of 1,000 man-hours per year, per 25 acres, to maintain our plantations to our strict management schedule. By sourcing all of this labour, and as much of our equipment and supplies as we can, locally, we contribute to the net-wealth of these small towns and villages and create employment opportunities.

### Employment

All permanent employees receive above average pay, ethically sound working conditions, workplace insurance and are registered with the relevant in-country labour departments. Some staff are provided with transport and all staff receive on-site meals, rest periods and facilities. Seasonal staff are well paid and receive the same staff welfare and working conditions. AsiaTeak places great importance on the training, education and internal promotion of our valued workforce and strongly believes that such practice results in continuity of staff, producing in turn a higher quality product.

### Infrastructure

Road networks and infrastructure including mains water and electricity are often poor in the remote rural areas where we operate. By making a long-term commitment to the area, AsiaTeak has seen willingness by the local authorities to improve the roads and facilities in order to encourage further growth activity. Similarly, increasing the net-worth of the local community attracts other small businesses to the area as the local spending power and demand for services increases.

### Charitable Contributions

Contributing to local projects and charities in both Thailand and Sri Lanka is a key objective for AsiaTeak. In Thailand, for example, we have generously contributed to the Thai Royal Princess, Teak Reforestation Project. This project aims to plant over 1 million teak trees throughout Thailand in small villages. AsiaTeak has sponsored the planting program in the two villages, U-Thong and Chon Daen where our plantations are located. In Sri Lanka, one organisation in particular, Child Vision Sri Lanka, was brought to the companies attention in Nov 2011. Child Vision has been supporting children with disabilities and advocating for their rights for over 10 years in the areas of child protection, child development and disability management. Throughout 2014/15 Asia Teak has provided practical and financial support to this charity. Key projects include the provision of special needs wheelchairs for disabled children, the creation of a splint and physiotherapy workshop and the further development of their Community Based Rehabilitation Programme.

AsiaTeak Staff repaired this roof for a family with a disabled child





## **AsiaTeak Group**

**Anglo Asia Forestry Co. Ltd.**

**AsiaTeak Group (Hong Kong) Ltd.**

**AsiaTeak Thailand Co. Ltd.**

**AsiaTeak Lanka (Pvt) Ltd.**

**Vision Forestry (Pvt) Ltd.**

**[www.asiateakgroup.com](http://www.asiateakgroup.com)**