

VALUE PROPOSITION



Dendrotonics Corp

Dendro : trees | Tonics : health

We make land profitable and sustainable thru biodiversity restoration technology

www.dendrotonics.com info@dendrotonics.com

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INTRODUCTION

The Philippines is losing 12,853 hectares of forest cover per year¹. The good news is that in 600 years when it is all gone, we won't be there to suffer this catastrophe. The bad news is that our next generations will have to suffer for this disaster. Our conservation efforts do not appear to slow it down. Losing 12,853 hectares of forest cover per year means loss of biodiversity. Loss of biodiversity on a larger scale, leads to climate change catastrophes. Climate change impact is not a theoretical threat, it is tangible with a corresponding valuation in terms of economic losses brought about by the ever-increasing typhoons and droughts. According to the Climate Change and the Philippines Executive Brief 2018-01 "The country stands to lose 6% of its GDP annually by 2100 if it disregards climate change risks". This 6% has a 2020 equivalent of 22.6 billion US dollars or 1.13 trillion Philippine Pesos. Furthermore, "This same study found that if the Philippines invests 0.5% of its GDP by 2020 in climate change adaptation, it can avert losses of up to 4% of its GDP by 2100."

Zoonosis is another emergency attributed to biodiversity loss. Zoonosis is "an infection that has jumped from a non-human animal to humans. Zoonotic pathogens may be bacterial, viral or parasitic, or may involve unconventional agents and can spread to humans through direct contact or through food, water or the environment"². Zoonosis includes diseases like HIV/AIDS, Dengue, Malaria, African Swine Fever, SARS and COVID-19. As of August 2021, the estimated global loss in economic output due to COVID-19 is 92.3 trillion US Dollars or 5,071 trillion Philippine Pesos³. The rest of the zoonoses mentioned also exert considerable burden on the economy. Land use changes is the most common cause of zoonosis. This includes deforestation, illegal logging and kaingin. The fourth most common cause of zoonosis is Agricultural industry changes. This category includes rampant pesticide use and introduction of exotic species⁴. Following the discussion, zoonosis therefore is the cause of epidemics and pandemics, with pandemics having a larger, global scale.



The mathematics is simple, to prevent epidemics, pandemics and climate change, the causes need to be addressed. A conservative and regenerative approach to biodiversity has to be established with the utmost priority for native species. Now, if our conservation efforts are not slowing down our country's rate of deforestation, then we should intensify our propagation efforts. Propagation, as an intervention, is a step higher than conservation.

The development, therefore, of businesses centering around biodiversity restoration is not an option, it is an emergency. It is mandatory for survival.





THE BOTTOM LINE & THE HIGHER CALLING

Dendrotonics is a biodiversity restoration technology company. Biodiversity restoration means improving the local ecosystems. This involves re-establishing the native habitats of all life in a specified area. Everything starts with propagation and re-establishment of the Philippine native trees (PNT) as habitats. This consequently causes all other life forms to thrive, from the smallest of microbes, to animals, and most important of all, man.

The company was developed to address the unmet needs in climate change mitigation and biodiversity restoration. This includes sustainable development in terms of industry advancement, trickle down benefits like services and products creation, and livelihood generation.



Wood is one of the most sustainable resources in the planet. Its value never depreciates and we can create an infinite amount for an unlimited demand. The Philippines has the potential to develop more than a 6.4B USD per year wood-based industry⁵ using fast growing and highly valuable native timber species. Dendrotonics provides end to end services from sourcing to sales for this business line.

Tree parks improve health and quality of life. Tourism can bring in yearly revenues of 6B USD⁷ for the country. Dendrotonics provides the technology for developing our very own Sakura parks using native species. These parks can provide attractive blooms for the majority of the year.

Conservative estimates computes profits for Agarwood production at 83M Php/hectare after 5 years. Agarwood is one of the most expensive raw materials with price ranges of 9,700.00 to 100,000.00 USD^{8,9} per kilogram. Dendrotonics provides exclusive research-based technology for high-quality, high-volume agarwood production in the shortest amount of time. The company also provides end to end services from production to sales.

Profitability ensures sustainable restoration efforts. The company focuses on developing our own:

- **1.** Agarwood production industry
- 2. Philippine Sakura park industry using native species
- **3.** Philippine timber industry

By focusing on these three, Dendrotonics leverages on the bottom lines to achieve the higher calling in using technology to make the land profitable.





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