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Attribution

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CFA Institute Research Challenge
hosted by
Cambodia Community of Investment Professionals
Team C

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ROYAL GROUP PHNOM PENH SEZ

INVEST NOW, OWN THE ZONE

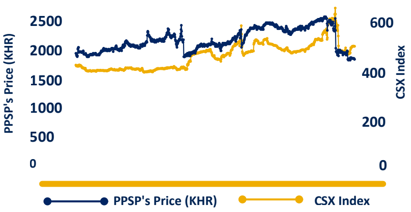
EXECUTIVE SUMMARY

Figure 1: Valuation Summary

Recommendation	BUY
Stock Exchange	Cambodia Security Exchange
Ticker Symbol	PPSP
Industry	Real Estate Management & Development
Market Price	KHR 2,080
Date	30 January 2026
Target Price	KHR 2,607
Exchange Rate	KHR 4,026/USD
Upside	25%
Share Outstanding	71,875,000
52 Week High	KHR 2,200
52 Week Low	KHR 2,030

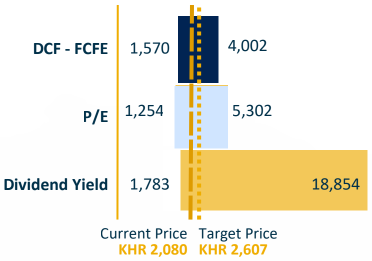
Source: CSX, PPSP, Team Analysis

Figure 2: PPSP's Share Price Performance 2021 - 2025



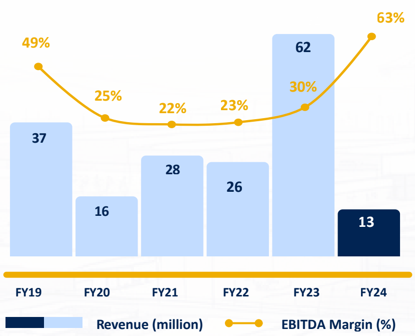
Source: CSX, Team Analysis

Figure 3: Football Field Price Projection (KHR)



Source: Team Analysis

Figure 4: PPSP Profitability Trend (2019 - 2024)



Source: Team Analysis

Rising industrial demand in Cambodia supports PPSP's SEZ development in Kandal, Poipet, and potentially Kampong Thom, creating a key growth catalyst for the company's earnings trajectory. We initiate a "**BUY**" on Royal Group Phnom Penh Special Economic Zone (PPSP) with a 12-month target price of KHR 2,607, implying a 25% upside from the current price of KHR 2,080 (as of January 30, 2026). Our DCF–FCFE valuation reflects improving earnings quality and a more resilient business model.

FAVORABLE INDUSTRIAL DEMAND AND MACRO TAILWINDS DRIVE LONG-TERM GROWTH

The country continues to attract foreign direct investment as manufacturers diversify supply chains across ASEAN, driven by cost competitiveness, improvements in infrastructure, and government incentives under the "A&E Roadmap" **(Figure 15)**. The IMF projects GDP growth to rise from 4.8% in FY25 to 5.5% by FY28, driven mainly by goods exports and tourism **(Figure 11)**. To encourage investment, the government offers generous QIP incentives, including tax holidays of up to nine years, customs duty and VAT exemptions, full foreign ownership, and long-term land leases **(Figure 34)**. These incentives, together with regional supply-chain diversification, underpin sustained demand for SEZs, a core pillar of Cambodia's growth with total capital investment of USD 13 bn, contributing 26% of exports in FY25 **(Figure 10)**. PPSP's SEZ platform, supported by strong logistics connectivity and integrated infrastructure, is well-positioned to capture this demand, while expansion into Kandal, Poipet, and Kampong Thom, SEZs provides additional long-term growth optionality aligned with emerging industrial corridors **(Figure 20)**. Importantly, PPSP's growth is driven by tenant utilization and expansion rather than speculative land monetization, linking earnings more directly to underlying industrial activity and Cambodia's structural industrial growth.

STRATEGIC ADVANTAGES POSITION PPSP FOR SUSTAINABLE, LONG-TERM VALUE CREATION

PPSP's competitive positioning is anchored in its successful long-standing SEZ and mature SEZ platform offering integrated SEZ infrastructure with reliable utilities, ready-built facilities, and strong logistics connectivity, which reduces tenants' setup costs and supports high tenant retention, resulting in stable occupancy and predictable cash flows **(Appendix C1)**. ESG-focused initiatives funded by green bonds further enhance competitiveness by lowering compliance risk, improving regulatory alignment, and increasing access to long-term capital **(Figure 30)**. Strategically located along Cambodia's industrial corridors **(Appendix H)**, PPSP's SEZs provide access to ports, labor, and transport networks, while expansion into Kandal, Poipet, and potentially Kampong Thom diversifies occupancy risk, adds growth optionality, and reinforces revenue stability, margin expansion, and resilient long-term value creation **(Figures 37)**.

PPSP'S STRUCTURAL SHIFT TOWARD RECURRING REVENUE ENHANCES EARNINGS AND VALUE

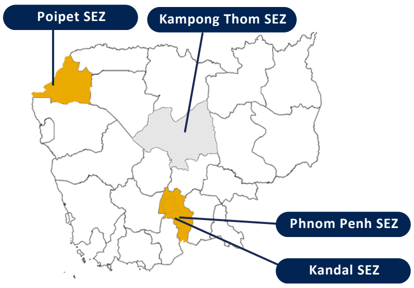
PPSP has undergone a major structural shift from a historically volatile, land-sale-driven model where land accounted for 88% of revenue in 2019 to amore stable recurring-income platform built on rentals, construction, and services, which grew at a 23% CAGR between FY19 and FY24 **(Figure 8)**. This transition has improved earnings quality and reduced business cyclicality. In 2023, a one-off boost from 530,538 sqm of land sales which made up 76% of total revenue lifted profitability to its highest level since 2019, with gross margin reaching 38%, operating margin 26%, EBITDA margin 30%, and net margin 20% **(Figure 38)**. In contrast, 2024 saw minimal land sale causing recurring revenue to reach 90% of revenues although profitability remained healthy due to the a one-off gain from investment property disposal. Looking ahead, projections for 2025–2029 indicate that even without lower land-sale contributions, PPSP can maintain profitability near 2023 highs sustaining gross margins in the 40s, operating margins above 20%, EBITDA margins of 27–32%, and net margins of 13–21%, with ROE at 6–12% and ROA at 3–8% **(Figure 39)**. This performance demonstrates that recurring income has provided PPSP a stronger cash-flow visibility, lower volatility, and a more resilient foundation for long-term value creation.

Figure 5: Financial Highlight	2019A	2020A	2021A	2022A	2023A	2024A	2025F	2026F	2027F	2028F	2029F
Total Revenue (USD million)	37	16	28	26	61	13	40	24	43	32	57
Gross Profit Margin	61%	49%	39%	40%	38%	65%	43%	48%	44%	47%	41%
Net Profit Margin	41%	6%	7%	8%	19%	30%	19%	13%	20%	17%	21%
EPS (KHR)	845	40	109	117	676	217	441	186	475	302	670
EBITDA Margin	49%	25%	22%	23%	30%	63%	31%	27%	31%	30%	32%
Operating Profit Margin	45%	15%	15%	14%	26%	44%	26%	20%	27%	24%	28%
Interest Coverage Ratio	14x	2x	3x	2x	14x	5x	9x	4x	8x	5x	10x
ROE	26%	2%	3%	4%	18%	6%	10%	4%	10%	6%	12%
ROIC	18%	3%	5%	4%	16%	6%	13%	6%	13%	8%	15%
Debt-to-Equity Ratio	0.30	0.31	0.28	0.33	0.22	0.26	0.20	0.23	0.21	0.22	0.21

Source: PPSP, Team Analysis

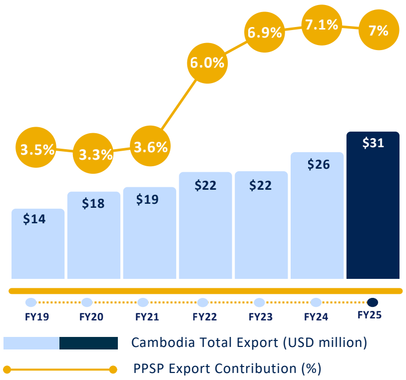
BUSINESS OVERVIEW

Figure 6: PPSP's Geographic Presences



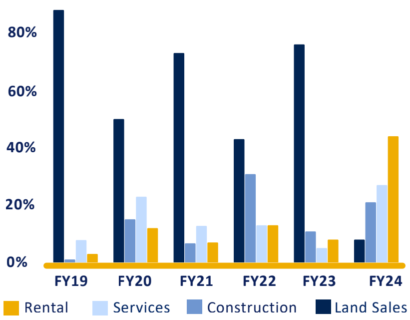
Source: PPSP, Team Analysis

Figure 7: PPSP Export Relative to Cambodia



Source: CDC, PPSP

Figure 8: PPSP's Revenue Composition



Source: PPSP, Team Analysis

Figure 9: Numbers of Investors by Countries in PPSP

Source: EuroCham Cambodia, Team Analysis

Founded in 2006 and listed in 2016, Royal Group Phnom Penh SEZ Plc. (PPSP) is Cambodia's second-largest multi-product SEZ developer with a market cap of $37m. It has a strategic footprint in Phnom Penh, Kandal, and Poipet **(Figure 6)** and a total landbank of 357ha in operation plus 120ha in pipeline, of which 100% has been under construction. Anchored in the capital city, PPSP hosts 119 corporations from 15 countries, employing more than 50,000 workers. It serves as a key export hub, generating $2.1bn of exports in FY25, which is 7% of Cambodia's total export **(Figure 7)**, supported by $859m in cumulative FDI. The company's core business is to develop industrial land for sale/lease and provide integrated services and facilities within the SEZ, while zone investors benefit from competitive incentives including exemptions from customs, income, and other taxes free for up to nine years, and direct access to dry ports, maintenance services, and on-site infrastructure positioning PPSP as a preferred base for light manufacturing serving Southeast Asia and beyond.

BUSINESS MODEL

Operation & Revenue Stream: PPSP reported Q3 FY25 revenue already reaching $37m, almost threefold from $13M in FY24. The company generates income from four main sources: land sales (outright or long-term lease), rental, construction, and services rendered **(Figure 8)** under a vertically integrated model supported by its subsidiaries, which provide utilities, infrastructure maintenance, advisory and administrative support, and wastewater treatment **(Appendix B2-B3)**. Moreover, the revenue mix has shifted materially: land sales, previously the dominant contributor, averaging 78% from FY15 to FY19, declined to 54% of total revenue from FY20 to Q3 FY25, while rental, services, and construction income increased to 46%, moving toward more stable, recurring revenue streams **(Figure 8)**.

Target Market: PPSP targets light to medium, labor-intensive industries, with a diversified tenant base led by electronics and electricals, followed by food and beverage, and garments & textiles **(Figure 31)**. The investor profile is highly international, with Japanese and Chinese companies accounting for roughly 40% and 30% of zone tenants, respectively **(Figure 9)**. Its value proposition is underpinned by a strategic location and a supportive operating environment, including comprehensive on-site services and an integrated dry port, which together enhance operational efficiency and reliability for investors.

BUSINESS STRATEGY

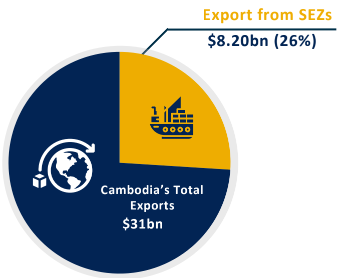
Land Expansion: With 357ha of land and a 99% occupancy rate, PPSP is pursuing landbank expansion via acquisitions, reclamation of existing plants, and MOUs to secure future land availability. The company is developing a new 120ha SEZ in Kandal province, connected to the existing PPSP **(Appendix B1)**. All of which has already been under construction, alongside interest from new corporates, evidencing strong underlying demand. In addition, the signing of an MOU with the Kampong Thom Provincial Administration opens the door to a potential expansion into Kampong Thom. This supports PPSP's strategy to scale its landbank, underpin revenue growth, and reinforce a more sustainable, long-term business model.

Growth with BTS: Since FY20, PPSP has repositioned its model to offer Build-to-Suit (BTS) rental solutions alongside traditional land sales, allowing tenants to reduce upfront CAPEX while PPSP retains land ownership and locks in recurring rental income. With occupancy at 99% in FY24, rental income has become the dominant revenue driver, contributing close to 50% of total revenue and broadening the recurring revenue base **(Figure 8)**. The BTS strategy enhances earnings visibility, strengthens balance sheet resilience, and supports PPSP's positioning as a preferred platform for a diversified investor base. However, the BTS model is more capital-intensive, requiring higher upfront investment and potentially increasing financing costs.

Service-Driven Recurring Revenue: PPSP's strategy is to deepen integration with tenants by bundling value-added services with core industrial infrastructure. Through its subsidiaries, the company provides utilities, administration, construction, logistics and transport services, as well as on-site dry port operations **(Appendix B2)**. Key assets include an independent water supply system, water-cycle infrastructure, a power plant, and a fully operational dry port, all of which support reliable and efficient tenant operations while generating recurring service income. From FY21–FY24, services rendered contributed an average of 26% of total revenue, reinforcing PPSP's recurring income profile and supporting sustainable long-term growth.

INDUSTRY OVERVIEW AND COMPETITIVE POSITIONING

Figure 10: SEZs' Share of Cambodia's Total Exports in FY25

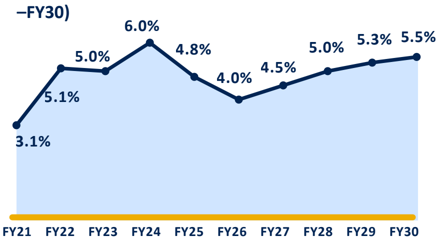


Source: GDCE, CDC, Team Analysis

CAMBODIA MARKET DYNAMICS

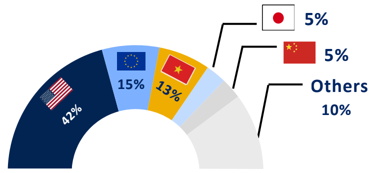
FDI Strengthens Amid Infrastructure Transformation: Cambodia remains a small but fast-growing, export-oriented economy. The IMF projects real GDP growth of about 4.8% in 2025 and rising to 5.5% in FY30, driven mainly by goods exports (Garments, Footwear, and Travel Goods) and tourism **(Figure 11)**. To this, SEZs have become a core pillar of this growth model. As of December 2025, the Council for the Development of Cambodia (CDC) reports there are 32 operating SEZs, 1032 investment projects, a total investment capital of around $13bn, and 230k workers. In FY25, SEZs contributed $8.20bn to total exports of Cambodia of USD 31bn, implying SEZs account for approximately 26% of national exports **(Figure 10)**. This export is heavily concentrated in the US **(Figure 12)** and on garments, footwear, and travel goods.

Figure 11: Cambodia GDP Growth Forecast (FY25–FY30)



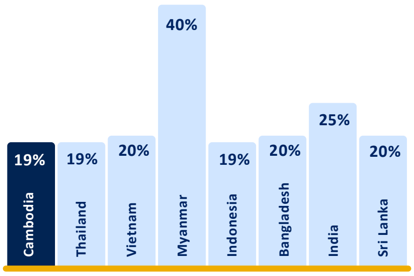
Source: IMF, Team Analysis

Figure 12: Export by Country



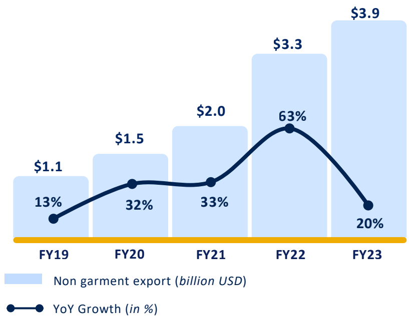
Source: GDCE, Team Analysis

Figure 13: US Reciprocal Tariff Rate Comparison



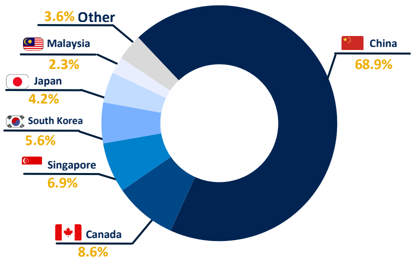
Source: White House, Team Analysis

Figure 14: Non-Garment Exports and YoY Growth



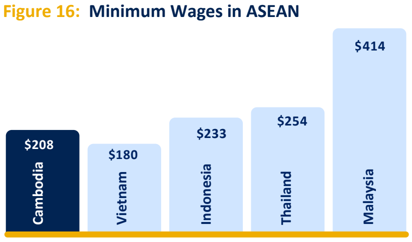
Source: Cambodia GDCE, Team Analysis

Figure 15: FDI Inflows by Source Country in FY24



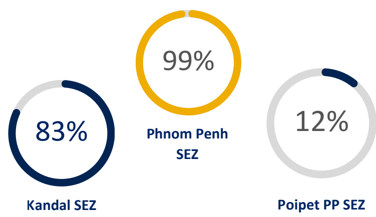
Source: National Bank of Cambodia, Team Analysis

Figure 16: Minimum Wages in ASEAN



Source: MLVT, ASEAN briefing, VN briefing, Team Analysis

Figure 17: PPSP Occupancy Rate



Source: PPSP, EuroCham Cambodia, Team Analysis

Garments have consistently represented 70% of the industrial export share since FY09, and GFT exports reached about $13.74bn in FY24, up 23.8% YoY **(Figure 32)**. This concentration exposes SEZ-based manufacturing to external shocks, such as recent U.S. tariff moves on Cambodian GFT products, even though a negotiated 19% U.S. tariff rate has so far prevented a collapse of the sector, allowing Cambodia to maintain a competitive reciprocal tariff rate relative to key ASEAN peers and other Garment-Centric rivals **(Figure 13)**. At the same time, Cambodia is actively using SEZs to diversify into non-garment manufacturing including automotive, electronics, tires, and bicycles, which are growing quickly from a small base. This industrial growth is further supported by a parallel infrastructure transformation such as the Phnom Penh–Sihanoukville Expressway, Techo International Airport, and Techo Funan Canal, which improve connectivity, lower logistics costs, and boost Cambodia's appeal to foreign investors.

Rising Demand with Fragmented SEZ Industry: Investor appetite for Cambodia's SEZs has strengthened over the past two years, with SEZ project approvals more than tripling from 38 in FY22 to 227 in FY25, driven by sustained foreign interest, competitive labour costs, and a supportive incentive regime. Over the same period, the SEZ footprint expanded from 36 to 67 designated zones (+86%), while the number of operating SEZs increased from 17 to 32, indicating both pipeline depth and operational scale-up. We expect this momentum to continue, underpinning further growth in Cambodia's SEZ platform. Despite that, while the sector appears fragmented on paper, it is effectively oligopolistic, with a handful of large parks competing for tenants and defending share **(Appendix C1)**. In the first 11 months of FY24, SEZ exports totaled USD 5.4bn, heavily concentrated in Sihanoukville SEZ (USD 1.49bn), PPSP (USD 1.08bn), and Manhattan Svay Rieng SEZ (USD 0.6bn), highlighting export centralization **(Figure 33).**

Sector mix in SEZs: Cambodia's manufacturing is still dominated by garment and footwear, but SEZs are the focal point for diversification. Garment and footwear accounted for about 80% of exports in FY22, but new industries such as electronics, automotive parts, tires, and bicycles are gaining traction and attracting increasing FDI. Non-garment manufacturing exports reached about $3.92bn in FY23, up 20% YoY **(Figure 14)**, indicating a rapid shift towards higher diversification. For example, in FY24, car-tyre exports surged 129.7%, from $380.6m in FY23 to $874.6m in FY24, driven by output from six SEZ-based tire plants. PPSP alone targets automotive components, electronics, textiles, and food processing, hosting tenants such as DENSO and Yamaha **(Appendix C3)**. This is driven by the Cambodian government's ambitious goals through its "Automotive & Electronics Roadmap," targeting $500m in exports by FY27 and the creation of 10,000 jobs. **(Appendix C2)**

REGULATORY, TAX, AND CUSTOMS INCENTIVES - POSITIVE

Attractive and Competitive Incentive Regime: The Cambodian government offers a broad incentive package for QIPs, including those located in SEZs, encompassing tax and customs relief, secure land access, full foreign ownership, relatively flexible labour regulations, and streamlined operating procedures. Compared with regional peers exporting similar products, Cambodia's fiscal incentives are more generous **(Figure 34)**, with corporate income tax holidays of up to nine years and a gradual phase-in thereafter, alongside exemptions from customs duties, VAT, and specific taxes on imported equipment and production inputs. Foreign investors can lease industrial land for up to 50 years on a functional, serviced basis **(Figure 35)**, retain 100% equity ownership, and freely repatriate profits and salaries. SEZ developers also support a more employable and semi-skilled workforce through on-site training and facilitation. These measures, underpinned by the government's pro-growth stance, are designed to sustain FDI inflows and industrial expansion over the medium term.

SEZ-Specific Advantages: For SEZ investors, the legal framework further provides customs duty and VAT exemptions on imports into the zones and simplified customs procedures via on-site "one-stop" service centres staffed by government officials. While core fiscal incentives (tax holidays, duty exemptions) are largely aligned for QIPs inside and outside SEZs, the SEZ value proposition lies in non-fiscal advantages: higher-quality infrastructure, integrated utilities, streamlined logistics, and on-site administration that collectively reduce frictional costs and improve ease of doing business.

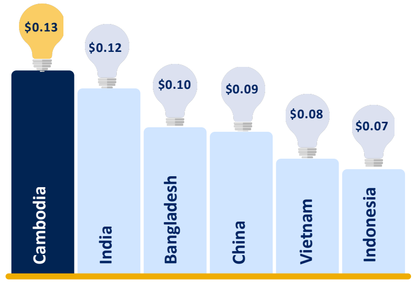
INDUSTRY DYNAMICS - POSITIVE

Recent developments: BYD started construction of a passenger vehicle plant in the Sihanoukville SEZ in FY25, with planned capacity of 10K vehicles per year on a 12ha site, signaling an escalation from component assembly to complete vehicles, underscoring the move into higher value-added manufacturing. Investments in the automotive sector overall have reportedly reached around $746m, with exports surpassing $1.1bn as of FY24. China has announced plans for two additional SEZs in Cambodia, one focused on high-tech industries, which would further deepen the industrial base if executed.

Investor profile: SEZ tenants are primarily foreign manufacturers: Japanese and Chinese companies dominate many zones (e.g., Sihanoukville SEZ is majority Chinese; Phnom Penh SEZ has strong Japanese presence) **(Figure 9)**. Overall, Chinese-related factories now account for more than half of Cambodia's industrial base, reflecting the broader FDI pattern **(Figure 15)**.

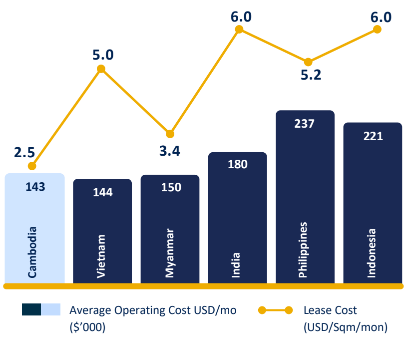
OPERATIONAL COST - NEUTRAL

Figure 18: Electricity Price Comparison (*USD/Kwh*)



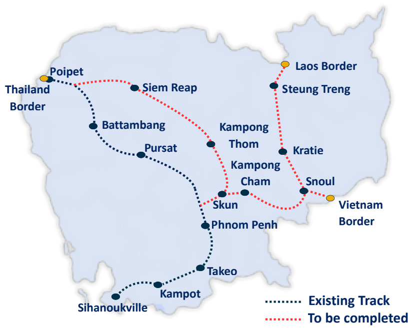
Source: CSEAS, Global Petrol Price, Team Analysis

Figure 19: Operating Cost and Lease Cost in ASEAN



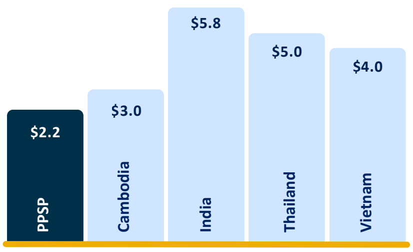
Source: TMX, Team Analysis

Figure 20: Cambodia Railway Network



Source: MPWT, Team Analysis

Figure 21: Lowest Monthly BTS Price Among SEZ (*UDS/m²*)



Source: JLL, CBRE, Parksguru, Team Analysis

Labor: Cambodia's main cost advantage remains relatively low wages. The FY26 minimum wage for the garment, textiles, footwear, travel goods, and bag sectors is set at $210/month for regular workers (up from $208 in FY25). Including allowances (attendance bonuses, transport/meal), the effective cash cost per worker is higher but still competitive compared to some ASEAN peers **(Figure 16)**. However, wages have grown steadily over the past decade, and the sector is now facing margin pressure. Together with escalating compliance requirements and potential tariff shocks, the pure "low-cost labour" story is weakening.

Energy: Industrial electricity prices in Cambodia are among the highest in the region, with average tariffs around $0.137/kWh, and commercial users in Phnom Penh often pay $0.20–0.25/kWh depending on usage. In some provincial areas, rates can reach up to $0.75/kWh, though SEZs typically negotiate discounted rates (e.g., PPSP has historically gone from $0.29 to $0.18 in special deals) **(Figure 18)**. High energy costs materially erode Cambodia's attractiveness for very energy-intensive manufacturing, especially compared with Vietnam and Thailand.

Logistics and other operating costs: SEZs are generally sited near ports, airports, or border crossings (e.g., Sihanoukville SEZ near Sihanoukville port; border SEZs at Poipet and Bavet), reducing inland transport time and cost. The Phnom Penh–Sihanoukville expressway, inaugurated in FY22, has cut road travel time to the port roughly in half, lowering logistics risk for SEZ exporters.

Cambodia still offers cheap labor, lower overall operating cost **(Figure 19)** but expensive electricity; for low-margin, energy-intensive industries, this mix is unfavorable. Logistics have improved markedly, but port congestion, border procedures, and corridor bottlenecks can still delay shipments, especially outside the main SEZs. Firms with higher value-added, less energy-intensive operations (e.g., assembly of high-value components) are better placed to absorb these costs than commodity-type textile producers.

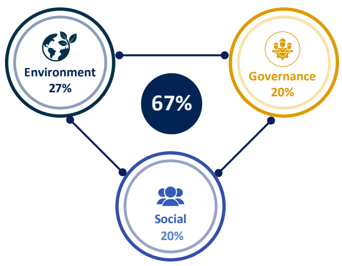
COMPETITIVE POSITIONING

Geographical Advantage: PPSP is a prime capital-region industrial hub, located on National Road 4 and 18km from the city centre, with direct connectivity to Phnom Penh River Port and the Phnom Penh–Sihanoukville expressway to Sihanoukville deep-sea port. With 357ha of multi-product industrial land, PPSP ranks among Cambodia's largest SEZs and is a national leader by number of investors, total investment and employment, benefiting from proximity to Phnom Penh's labour pool, services and government agencies. Recent infrastructure additions like the expressway and the Techo International Airport (KTI) in Kandal further enhance PPSP's logistics profile, reinforcing its position as a preferred base for investors seeking a strategically located, talent-rich and well-connected platform.

Integrated Railway System & Dry Port: PPSP's logistics edge extends beyond its location to its integration within Royal Group's infrastructure platform, anchored by an on-site dry port that provides container handling, storage, and customs services directly inside the zone. The facility is well-positioned to benefit from the government rail upgrades of the Phnom Penh–Sihanoukville line and the new development line toward Vietnam by FY33, supporting long-term connectivity and growth **(Figure 20)**. JICA identifies the PPSEZ dry port as a key node for pilot container traffic on the Northern rail corridor to Poipet. PPSP also stands to benefit from existing block-train services between Phnom Penh Dry Port and Sihanoukville Autonomous Port and from Cambodia's 21-dry-port network. Unlike rivals such as Manhattan SEZ and Tai Seng Bavet SEZ, which rely mainly on road and would need meaningful CAPEX for rail access, PPSP can plug into Royal Group's network at low incremental cost. This creates a differentiated multi-modal platform that reduces time, congestion and logistics risk versus road-dependent industrial sites.

ENVIRONMENTAL, SOCIAL & GOVERNANCE

Figure 22: PPSP's ESG Score



Source: Team Analysis

Figure 23: UN SDGs Achieved by PPSP

Source: PPSP

PPSP's moderate ESG score of 67% (6.7/10) reflects mixed performance across environmental, social, and governance dimensions. **(Figure 22)**. PPSP's operations demonstrate alignment with several priority UN Sustainable Development Goals (SDGs) **(Figure 23)**. However, its low environmental score indicates early-stage progress in emissions reduction, energy transition, and climate-risk management, with limited long-term decarbonization targets.

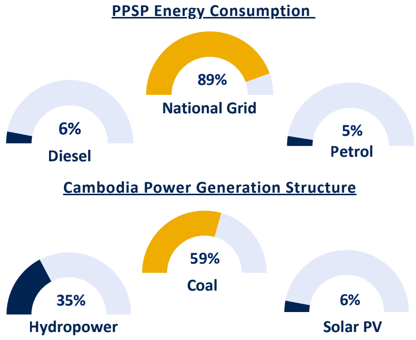
Socially, PPSP shows strengths in community investment, stakeholder engagement, and female representation in senior roles, but its lower score points to gaps in systematic CSR reporting, workforce diversity, and employee wellbeing programs. In governance, PPSP benefits from a compliant structure and diverse board composition, but weaknesses in board independence, committee activity, and executive compensation transparency lower its overall score, highlighting areas for improvement in governance practices.

ESG PERFORMANCE ANALYSIS - ENVIRONMENT (E)

Biodiversity and Land Use: With 119 corporations and a 99% occupancy rate, PPSP's expansion into 120ha of land in Kandal SEZ poses risks to local biodiversity, particularly from land conversion, which could disrupt water reservoirs, lead to flooding, and harm local ecosystems. Tenant operations generate both hazardous (e.g., fuel) and non-hazardous waste, with risks of contamination to land and water of not properly managed.

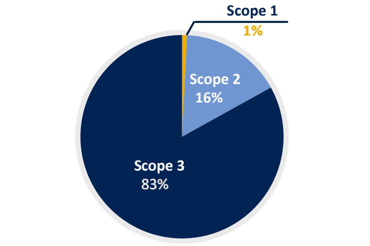
Resource Consumption & Emissions: PPSP's tenants require high energy use for industrial activities. The company's reliance on conventional energy sources exacerbates its carbon

Figure 24: PPSP Energy Use & Cambodia Electricity Generation Mix



Source: PPSP, IEA, Team Analysis

Figure 25: Greenhouse Gas Emissions by Scope



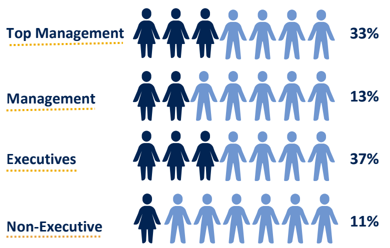
Source: PPSP, Team Analysis

Figure 26: PPSP CSR Summary

Year	Initiatives	Amount (USD)
FY25	Displaced Family Donations	3,000,000
FY25	Khmer Artist Association	100,000
FY24	Solar Light	5,420
FY23	CSX Hope of Life	1,000
FY21	Kindergarten Project	10,759
FY20	Gravel Road	10,270

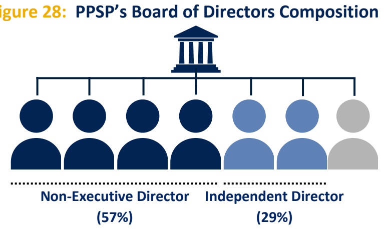
Source: PPSP, Team Analysis

Figure 27: Percentage of Female in PPSP in FY24



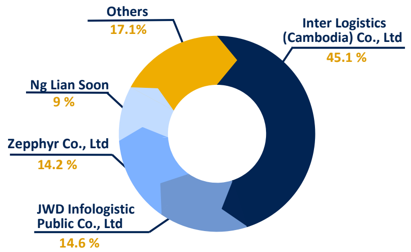
Source: PPSP, Team Analysis

Figure 28: PPSP's Board of Directors Composition



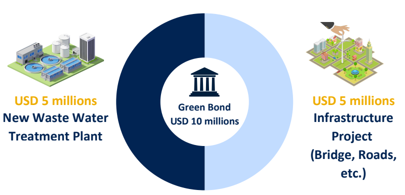
Source: PPSP, Team Analysis

Figure 29: PPSP's Shareholding Structures



Source: PPSP, Team Analysis

Figure 30: Green Bond Issue



Source: PPSP, Team Analysis

footprint **(Figure 24)**. High energy consumption and resulting GHG emissions from tenant activities further strain the environment, with total GHG emissions of 6,933 tCO_2e **(Figure 25)**. Construction and operational noise from tenant activities could also impact surrounding communities, contributing to environmental disruption beyond the SEZ boundary. Without effective management, these issues could negatively impact PPSP's operations.

Water Management: To mitigate water-related impacts, PPSP operates two centralized water treatment plants, alongside systems for water purification, rainwater collection, and groundwater pumping, addressing both water usage and wastewater management. PPSP has partnered with GOMI Recycle Co., Ltd. for a centralized recycling system, adhering to Cambodian regulations and promoting circular economy practices through waste reduction. PPSP has raised $10 million through a green bond for a new wastewater treatment plant, enhancing its environmental management **(Figure 30).** Moreover, PPSP has invested in a 0.126 MW solar system to provide clean energy to its water treatment plant and administrative buildings, but renewable energy adoption remains limited.

PPSP's limited disclosure on technology adoption and digitalization further hampers its long-term environmental performance, contributing to a suboptimal 27% in its Refinitiv ESG score.

ESG PERFORMANCE ANALYSIS - SOCIAL (S)

Community Impact: PPSP plays a key social role in Cambodia by acting as a large-scale employment absorber, particularly during periods of geopolitical and economic disruption. Following recent tensions with Thailand, approximately 1 million returning migrant workers faced job uncertainty, and PPSP has worked closely with the Ministry of Labour to facilitate job placements by integrating them into its SEZ tenant network. By generating around 10,000 new jobs annually through sustained tenant expansion, PPSP supports household income stability, reduces structural unemployment risk, and strengthens Cambodia's broader macroeconomic resilience. In addition to its labor-market role, PPSP also undertakes different community initiatives. During the recent border conflict, PPSP contributed $3 million toward humanitarian assistance for displaced families. In 2025, PPSP allocated $100,000 (2.6% of FY24 PAT) to the Khmer Artists Association under a five-year commitment. In FY24, the company donated 100 solar lights ($5,420) to villages in Kandal province and $1,000 to the CSX Hope of Life program supporting orphans in Phnom Penh **(Figure 26)**. Earlier initiatives include an $11,000 kindergarten project in FY23 and support for flood relief and local infrastructure in FY20. However, CSR disclosures remain inconsistent, with no reported projects in FY22.

Employee Welfare and Diversity: As of FY24, PPSP employs 123 staff, with women representing 21% of the workforce, 37% of executives, and 33% of top management, meeting its target of having at least one female senior manager **(Figure 27)**. While female representation in non-executive roles remains low at 11%, PPSP supports employee welfare through on-site clinics, dormitories, training, and quarterly HR meetings, and actively promotes women's career advancement through leadership development and family-friendly policies, including dedicated breastfeeding facilities.

Customer Engagement: PPSP fosters tenant engagement through a 5-session program in collaboration with CAMFEBA to enhance staff skills. Other community-building activities include Cleaning Day, which promotes environmental awareness within the SEZ. The company ensures transparent communication with investors and stakeholders through formal disclosures, online updates, and mitigating misinformation risks. **(Appendix G)**

PPSP's overall social performance receives a 20% out of 25% in its Refinitiv ESG score, reflecting strong community contributions but highlighting the need for more consistent CSR reporting and greater diversity in non-executive roles.

ESG PERFORMANCE ANALYSIS - GOVERNANCE (G)

Board Structure: PPSP's board meets Cambodian regulations, with 57% non-executive and 29% independent directors **(Figure 28)**. However, concerns include a long-serving independent director, the Chairman's absence from meetings, and the failure of key committees to meet in FY24. The board is diverse, with multinational and professional backgrounds, but gender diversity is low (14% female) and director compensation lacks transparency.

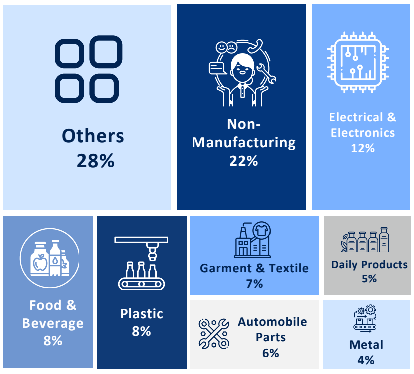
Shareholder Structure: PPSP's ownership is concentrated, with 45.1% held by Inter Logistics (Cambodia) Co., Ltd. (Royal Group) and other corporate shareholders holding significant stakes **(Figure 29)**. Minority shareholders are not explicitly represented on the board, potentially prioritizing corporate shareholders' interests. Shareholder rights include one-share-one-vote, pre-emptive rights on new issues, and the right to dividends, with AGMs achieving about 90% quorum.

Transparency: PPSP publishes annual reports on time and issued its first sustainability statement for FY24, disclosing key data like GHG emissions and electricity usage. While this marks a positive step, the statement lacks external assurance. Disclosure on the green bond remains limited. While USD 5 million is reported as allocated to wastewater treatment, the use of the remaining USD 5 million for infrastructure lacks clear detail and transparency. Although the board publishes its self-evaluation results, it does not provide a detailed rationale, but this remains a positive transparency move.

Eventually, this led to PPSP to receive 20% out of 30% on the governance aspect in Refinitiv scoring.

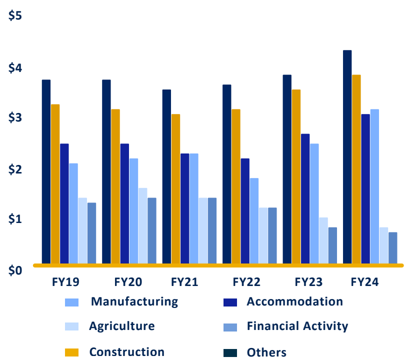
INVESTMENT SUMMARY

Figure 31: **Companies by Industry in PPSP**



Source: PPSP, Team Analysis

Figure 32: **FDI Inflow by Sectors (USD Billions)**

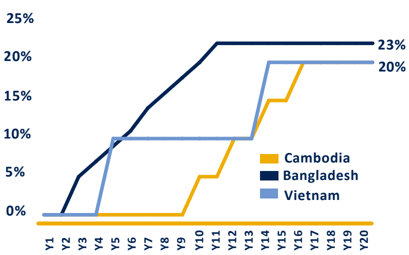


Source: NBC, Team Analysis

Figure 33: **SEZ Market Share by Export Value for the First 11 Months of FY24**

Source: CDC, Team Analysis

Figure 34: **Corporate Income Tax Rate Comparison**



Source: PWC, BEZA, Vietnam Briefing, Team Analysis

Figure 35: **Integrated Infrastructure in SEZ**

Source: CDC, Team Analysis

THESIS 1: FAVORABLE INDUSTRIAL DEMAND AND MACRO TAILWINDS DRIVE LONG-TERM GROWTH

1.1 Cambodia's Industrial Growth and Rising SEZ Demand: Cambodia continues to attract FDI **(Figures 15 & 32)** as manufacturers diversify supply chains across ASEAN, supported by cost competitiveness, improvement in infrastructure, and government incentives to achieve the objectives of the "Automotive & Electronic Roadmap". The IMF projects GDP growth at 4.8% in FY25 to 5.5% by FY30, driven mainly by exports and tourism **(Figure 11)**. To encourage investment, the government offers generous QIP incentives, including tax holidays of up to nine years, customs duty and VAT exemptions, full foreign ownership, and long-term land leases **(Figure 34)**. These, together with regional supply-chain diversification, drive sustained demand for SEZs, a core pillar of Cambodia's growth with total capital investment of $13 bn, contributing 26% of exports in FY25 **(Figure 10)**. Meanwhile, PPSP is well positioned to capture demand through its strong logistics connectivity and integrated infrastructure, while expansion into Kandal, Poipet, and potentially Kampong Thom offers extra long-term growth along emerging industrial corridors **(Figure 20)**.

1.2 More Stable Earnings Driven by Tenant Expansion and Macroeconomic Support: Importantly, PPSP's growth is increasingly driven by tenant utilization and expansion rather than speculative land monetization, linking earnings more directly to underlying industrial activity. Supported by strong logistics connectivity, improving regional integration, and government commitment to industrialization, PPSP is positioned to deliver sustained long-term growth. These macro and industry dynamics underpin a favorable demand outlook that reinforces the company's investment case beyond near-term cyclical considerations.

THESIS 2: STRATEGIC ADVANTAGES POSITION PPSP FOR SUSTAINABLE LONG-TERM GROWTH

2.1 Integrated Infrastructure and ESG Strategy Create Competitive Moat: PPSP's competitive positioning is anchored in its long-standing status in Cambodia and a mature SEZ platform with integrated infrastructure, offering reliable utilities, ready-built facilities, and strong logistics connectivity. These features reduce tenant setup costs and support high retention, resulting in stable occupancy and predictable recurring inflows **(Appendix C1)**. PPSP's ESG-focused development strategy further strengthens competitiveness, as green bond–funded sustainability initiatives lower environmental compliance risk, enhance regulatory alignment and improve access to long-term capital, an increasingly important factor for multinational tenants **(Figure 31)**. Combined with PPSP's long operating history and proven track record, these advantages create meaningful barriers to entry, reinforcing premium positioning and long-term earnings durability.

2.2 Strategic Locations Support Occupancy Resilience and Growth Optionality: PPSP is strategically located along Cambodia's key industrial and logistics corridors, providing strong access to ports, labor pools, and transport infrastructure **(Appendix H)**. Expansion into Kandal, Poipet and Kampong Thom SEZs extends geographic reach, diversifies occupancy risk, and adds growth optionality. These prime locations support high occupancy, strong tenant retention, and phased development upside, enhancing revenue stability and long-term value creation **(Figure 37)**.

THESIS 3: PPSP'S STRUCTURAL SHIFT TOWARD RECURRING REVENUE ENHANCES EARNINGS AND VALUE

3.1 Revenue Structure Transformation Enhances Earnings Quality: PPSP has transformed its revenue model, significantly improving earnings quality. The company's revenue base has transformed materially over the past five years. While land sales accounted for 88% of revenue in FY19 **(Figure 8)**, recurring income (rent, services, and construction) exceeded 90% by FY24 **(Figure 17)**. Rental income grew at a 43% CAGR (FY19–FY24), while construction income expanded at a 47% CAGR, reflecting rising tenant expansion. Moreover, land sales are forecasted to average 48% between 2025F and 2029F, further highlighting the declining importance of land sales in the company's business model, becoming a source of upside optionality rather than a core earnings dependency. As PPSP matures, recurring income will anchor performance, ensuring economic resilience and a high-quality earnings profile comparable to long-term infrastructure operators.

3.2 Margin Recovery Reflects Operational Improvement: PPSP's profitability profile reflects a recovery and a shift toward recurring revenue streams. PPSP experienced margin compression during the pandemic, with gross margin declining from 61% in FY19 to 39% in FY21 as lower transaction volumes intensified fixed-cost pressure. Operating Margin similarly fell from 45% in FY19 to around 15% in FY21, while net margin dropped to 6%. However, from FY22 onward, profitability recovered gradually and gained momentum in FY23 as industrial activity normalized. Gross margin stabilized near 40%, operating margin improved to approximately 26%, and net margin rose to nearly 20%, the highest level since FY19. EBITDA Margin, which fell to 22% in FY21 due to depressed revenue, recovered to 29% in FY23 and is projected to reach 38% by FY27 **(Figures 27-28)**. Looking ahead, margins are expected to remain strong as recurring income, which is significantly less-cost-intensive than land sales, becomes a larger share of the revenue mix.

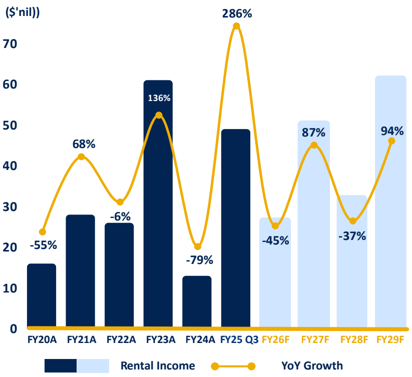
3.3 Operating Leverage Drives Sustainable Value Creation: Return metrics reflect improved capital efficiency. ROE rebounded to 18% in FY23, stabilizing at 12% by FY29F, while ROA targets 8–9% medium-term **(Figure 37)**. This signals better asset utilization and cost competitiveness aligned with the shifting revenue mix **(Figure 40)**. This upward trend highlights PPSP's improved operating discipline and economies of scale are now driving sustainable, recurring-income–led value creation.

Figure 36: **Key Financial Ratio**

Financial Ratio	2019A	2020A	2021A	2022A	2023A	2024A	2025E	2026F	2027F	2028F	2029F
Return Ratio											
Return on Equity	26%	2%	3%	4%	18%	6%	10%	4%	10%	6%	12%
Return on Assets	16%	1%	2%	2%	11%	4%	7%	3%	7%	4%	8%
Profitability Ratio											
Gross Margin	61%	49%	39%	40%	38%	65%	43%	48%	44%	47%	41%
Operating Margin	45%	15%	15%	14%	26%	44%	26%	20%	27%	24%	28%
Net Margin	41%	6%	7%	8%	19%	30%	19%	13%	20%	17%	21%
EBITDA Margin	49%	25%	22%	23%	30%	63%	31%	27%	31%	30%	32%
Leverage Ratio											
Debt-to-Equity Ratio	0.3x	0.3x	0.3x	0.3x	0.2x	0.3x	0.2x	0.2x	0.2x	0.2x	0.2x
Debt-to-Capital Ratio	0.2x	0.2x	0.2x	0.3x	0.2x	0.2x	0.2x	0.2x	0.2x	0.2x	0.2x
Debt-to-EBITDA Ratio	1.0x	4.5x	2.7x	3.1x	0.8x	2.2x	1.2x	2.6x	1.3x	2.1x	1.1x
Liquidity Ratio											
Current Ratio	4.8x	5.1x	2.9x	2.1x	2.2x	2.4x	2.8x	2.8x	2.9x	2.9x	2.9x
Quick Ratio	2.1x	2.0x	1.2x	0.8x	1.5x	1.7x	2.1x	2.0x	2.2x	2.1x	2.2x
Interest Coverage Ratio	14.2x	1.7x	2.9x	2.4x	14.0x	4.7x	8.2x	4.0x	7.9x	5.2x	9.8x
Efficiency Ratio											
Asset Turnover Ratio	0.4x	0.2x	0.3x	0.2x	0.6x	0.1x	0.4x	0.2x	0.3x	0.2x	0.4x
Investor Ratio											
Dividends Payout Ratio	4%	0%	0%	56%	8%	49%	20%	20%	20%	20%	20%

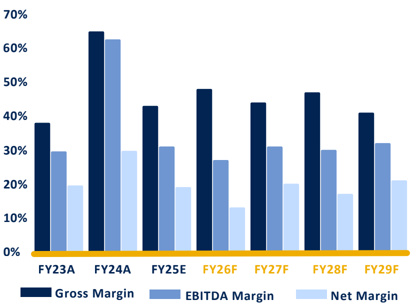
Source: Team Analysis

Figure 37: **PPSP Revenue Quality Transformation**



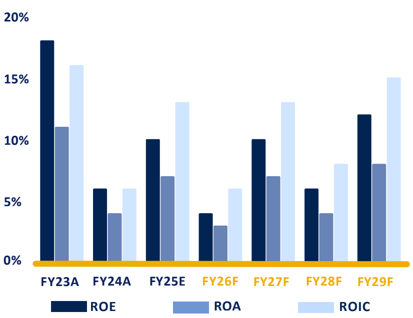
Source: PPSP, Team Analysis

Figure 38: **Recovery and Margin Expansion**



Source: PPSP, Team Analysis

Figure 39: **Return Ratios**



Source: PPSP, Team Analysis

SHIFT TO RECURRING REVENUE TO ENHANCED RESILIENCE

PPSP's revenue mix has shifted from a land-sale dominated model to a more stable, recurring-income structure. In FY19, land sales represented 88% of total revenue, exposing PPSP to significant volatility, as seen in the 75% drop in FY20 and a 47% decline in FY22. While land sales rebounded by 153% in FY21, this cyclical volatility reflected broader economic trends and investor sentiment. From FY22, PPSP began diversifying its revenue streams. Rental income grew at a 43% CAGR from FY19–FY24, driven by higher occupancy, while services rendered reached 27% of revenue in FY24 **(Figure 37)**. Construction revenue surged at a 47% CAGR, underscoring the growing in SEZ infrastructure development. At that year, land sales contributed just 8%, with rentals (44%), services (27%), and construction (21%) becoming the core drivers. Although land sales will continue to generate periodic revenue spikes, such as the extraordinary 318% growth in FY23 from 530,538 sqm of land sales. Going forward into the future, these transactions will no longer dictate earnings volatility. In long term, PPSP's revenue base will reflects a platform business with enhanced cash flow visibility and improved year-to-year stability.

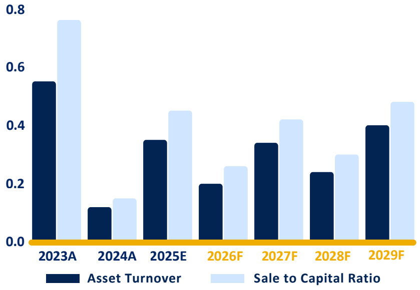
RECOVERY AND MARGIN EXPANSION POST-PANDEMIC

PPSP's profitability trends show a recovery from the pandemic-driven margin compression, during which gross margin fell from 61% in FY19 to 39% in FY21, operating margin dropped from 45% to 15%, and net margin declined to 7% as reduced transaction volumes weakened fixed-cost absorption, typical for SEZ operators. From FY22 onward, margins rebounded, and by FY23 gross margin stabilized around 40%, operating margin rose to 26%, net margin reached nearly 20%, and EBITDA margin recovered from its FY21 low of 22% to 30% **(Figure 38)**. FY24 stands out as an exceptional year, with operating margin temporarily elevated due to a one-off gain from the disposal of investment property and unusually low land sales, which inflated margin levels beyond their structural norm. Looking ahead, margins are expected to remain resilient comparable to FY23 high, with gross margin projected to reach 41% while Operating margin and net margin at 28% and 21% respectively by FY29, supported by continued growth in recurring rental and utility income that strengthens PPSP's long-term stability and profitability.

TRANSITION TOWARD SUSTAINABLE VALUE CREATION AMID EFFICIENCY GAINS

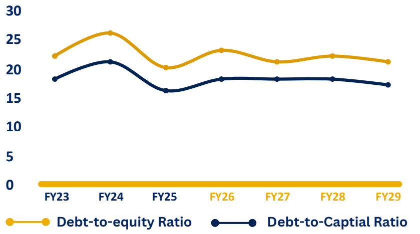
PPSP's return profile illustrates a clear transition from volatile, transaction-driven returns toward more sustainable capital productivity. Historically, elevated ROE of 25–32% in FY19 was driven by outsized land transactions and proved unsustainable during periods of weaker land turnover. The pandemic sharply compressed returns, with ROE falling to 1–3% in FY20–21 and ROA to 1–2%, reflecting revenue cyclicality and limited fixed-cost absorption. As industrial activity normalized post-pandemic, return metrics rebounded materially. ROE recovered to approximately 18% in FY23, while ROA exceeded 10%, signaling improved profitability and asset

Figure 40: Improved Efficiency



Source: PPSP, Team Analysis

Figure 41: Conservative Leverage Level



Source: PPSP, Team Analysis

utilization **(Figure 39)**. Efficiency indicators reinforce this improvement. Asset turnover and sales-to-capital ratios show a recovery from FY24 lows and a structurally higher trajectory over the forecast period **(Figure 40)**, reflecting better deployment of infrastructure assets and rising utilization across PPSP's SEZ platform. These gains are underpinned by the growing contribution of recurring revenues, which generate incremental income at relatively low marginal cost. Looking ahead, ROE is forecast to stabilize around 12% and ROA at 8% through FY29, indicating PPSP's progression into a phase of consistent, recurring-income–driven value creation with strengthening operating leverage.

A MATURING SEZ PLATFORM POSITIONED FOR LONG-TERM VALUE CREATION

PPSP has been able to sustain positive earnings through cyclical downturns while maintaining investment capacity for new expansion at Kandal and Poipet. The stability of returns post FY22 indicates that the company's capital structure is neither overly aggressive nor constraining, enabling continued growth without undue risk **(Figure 41)**. Across profitability, returns, efficiency, and leverage indicators, PPSP demonstrates clear financial maturation. The company evolved from reliance on highly volatile land sales toward a balanced, recurring-income-driven model with stronger margins and more sustainable returns. This transformation materially enhances revenue quality, cash flow stability and overall investment attractiveness. PPSP's financial trajectory positions well for long-term value creation as industrial demand in Cambodia expands, SEZ utilization deepens, and recurring income continues to scale. For institutional investors, PPSP now represents a more predictable, resilient, and fundamentally sound infrastructure platform capable of delivering stable and attractive returns in the medium to long term.

VALUATION ANALYSIS

Figure 42 : Cost of Equity

DESCRIPTION	RATE	BASIS
Industry Unlevered Beta	0.68	Derived from Average Daily 3 years Beta of Local Peer Group **(Bloomberg)**
PPSP Levered Beta	0.82	Bottom up relevered beta: Industry unlevered beta* (1+ (1- tax rate)(D/E))
Risk Free Rate	3.4%	Weighted average btw Spot rate & 5-year average of US 5y Treasury Bond
US Equity Risk Premium	4.5%	Damodaran estimates of US equity risk premiums updated January 2026
Cambodia Risk Premium	7.1%	Damodaran estimates of country risk premiums updated January 2026
Cost of Equity (Ke)	**14.2%**	

Source: Bloomberg, Team Analysis

Figure 43: Terminal Growth Rate

DESCRIPTION	RATE	WEIGHT
GDP Growth	4.9%	40%
Inflation	2.6%	60%
Terminal Growth Rate	**3.5%**	

Source: IMF, Team Analysis

Figure 44 : Monte Carlo Parameter

PARAMETERS	VALUES
Simulation Trials	**10,000**
Target Price	KHR 2,607
Average Intrinsic Value	KHR 2,809
Min. Intrinsic Value	KHR 1,108
Max. Intrinsic Value	KHR 4,135
Probability of Downside Risk	**3%**

Source: Team Analysis

We issue a **BUY** recommendation on PPSP with a one-year target price of ***KHR 2,607, implying a 25% upside from the closing price of KHR 2,080 as of January 30, 2026.*** This valuation is based on a discounted cash flow (DCF) approach using free cash flow to equity (FCFE), structured under a two-stage growth model. In the first stage, we project a five-year forecast spanning FY25–FY29, followed by a second stage incorporating a terminal growth rate of 3.48%. We attribute the BUY recommendation for PPSP to several key factors: **(1)** PPSP has structurally shifted from volatile land-sale driven revenue to a predominantly recurring-income model, significantly improving earnings quality, cash flow visibility, and resilience across economic cycles; **(2)** As recurring revenues scale, margins have recovered and expanded, operating leverage has strengthened, and returns have stabilized, marking a transition from transaction-driven volatility to sustainable, long-term value creation; **(3)** Supported by strong industrial demand, FDI inflows, and favorable macro tailwinds, PPSP's SEZ platform is positioned for durable long-term growth increasingly tied to real industrial activity rather than speculative land monetization. To assess the robustness of our DCF assumptions and incorporate the key risks outlined in the subsequent sections, we performed both sensitivity testing and a Monte Carlo simulation. These results are further supported by our relative valuation analysis, strengthening the basis for our BUY recommendation.

DCF VALUATION

We applied a 100% DCF model to estimate PPSP's intrinsic share value. As PPSP is shifting towards recurring revenue structure, the cash flows forecast became more predictable due to its revenue growth and profitability trends. For our valuation analysis, we have used Free Cash Flow to Equity (FCFE), as PPSP operates with a low leverage that relies primarily on equity financing to maintain its stable capital structure with rather irregular dividend payment. The FCFE valuation is based on a cost of equity (Ke) of 14.2% and a terminal growth rate of 3.5% **(Figure 42-43)**.

COST OF EQUITY

To estimate PPSP's cost of equity (Ke), we apply a modified Capital Asset Pricing Model (CAPM). The risk-free rate is derived as a weighted average of the five-year historical average and the current spot yield of the U.S. 5-year Treasury bond as at 30 January 2026, using weights of 30% and 70%, respectively. After adjusting for the US default spread of 0.23%, this results in a risk-free rate of 3.4%. Due to the limited liquidity of the Cambodia Securities Exchange (CSX), a reliable regression beta for PPSP is not feasible. Instead, we adopt the higher value between Damodaran's sector beta and the three-year average daily regression beta of local peers from Bloomberg, yielding an unlevered beta of 0.68. This beta is then re-levered based on PPSP's 2024 book-value debt-to-equity ratio of 26%, resulting in a levered beta of 0.82. Incorporating Damodaran's January 2026 Country Risk Premium (CRP) of 7.1% for Cambodia and the U.S. Equity Risk Premium (ERP) of 4.5%, we estimate PPSP's cost of equity at 14.2% **(Figure 42)**. This rate reflects both the operational risks inherent in real estate development and the company's financial structure.

TERMINAL GROWTH RATE INPUT

The terminal growth rate of 3.5%, effective post-2029, is derived using a weighted average of two key macroeconomic indicators: Cambodia's projected average GDP growth rate and inflation rate for the 2025–2029 period **(Figure 43)**. Given that PPSP's revenue is closely linked to Cambodia's trade and economic activities, GDP growth is a relevant indicator for the future expansion. As GDP grows alongside higher imports and exports, foreign direct investment is expected to rise, which directly supports higher occupancy rates and recurring revenue for PPSP. In addition, as PPSP is shifting towards the recurring revenue model, inflation significantly influences PPSP through its impact on fees charged to tenants, operating and financing costs for future expansion. Accordingly, a weighted approach of 40% GDP growth and 60% inflation is adopted. This weighting reflects PPSP's revenue structure, where contract pricing and fee escalation are closely linked to inflation, while GDP growth assists in identifying underlying demand and expansion potential.

SENSITIVITY ANALYSIS

We identified Ke and the terminal growth rate as the key drivers of PPSP's intrinsic value. To quantify their impact on the target price, we conducted a sensitivity analysis using a range of assumptions for these variables. The analysis varies terminal growth rates from 0.48% to 7.48% and cost of equity from 9.67% to 18.67%, examining the effects of +/-1.5% fluctuations for Ke and +/-1% for terminal growth. As shown in **(Figure 47)**, the average intrinsic value remains around KHR 2607 across most plausible scenarios, with values consistently above the current market price of KHR 2,080. Even under more conservative assumptions where the cost of equity increases to 18.67% and the terminal growth rate decreases to 0.48%, PPSP's intrinsic value is still at 10% downside, demonstrating minimal downside risk, even under less favorable conditions. The analysis reinforces PPSP's attractive risk-to-reward profile, with a solid margin of safety, supporting our Buy recommendation. The sensitivity to changes in both variables suggests that PPSP's valuation remains robust under a variety of market and macroeconomic conditions.

Figure 47: Sensitivity Analysis

TERMINAL GROWTH	COST OF EQUITY						
KHR	9.67%	11.17%	12.67%	14.17%	15.67%	17.17%	18.67%
0.48%	3,178	2,812	2,535	2,317	2,141	1,996	1,874
1.48%	3,399	2,964	2,644	2,398	2,203	2,045	1,913
2.48%	3,681	3,151	2,775	2,494	2,275	2,100	1,956
3.48%	4,055	3,387	2,934	2,607	2,359	2,164	2,006
4.48%	4,573	3,693	3,133	2,744	2,457	2,237	2,062
5.48%	5,337	4,107	3,386	2,912	2,575	2,323	2,127
6.48%	6,581	4,697	3,722	3,124	2,719	2,425	2,202

TERMINAL GROWTH	COST OF EQUITY						
%	9.67%	11.17%	12.67%	14.17%	15.67%	17.17%	18.67%
0.48%	53%	35%	22%	11%	3%	-4%	-10%
1.48%	63%	43%	27%	15%	6%	-2%	-8%
2.48%	77%	51%	33%	20%	9%	1%	-6%
3.48%	95%	63%	41%	25%	13%	4%	-4%
4.48%	120%	78%	51%	32%	18%	8%	-1%
5.48%	157%	97%	63%	40%	24%	12%	2%
6.48%	216%	126%	79%	50%	31%	17%	6%

Source: Team Analysis

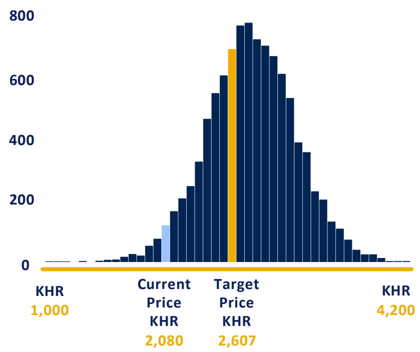
MONTE CARLO SIMULATION

We conducted a Monte Carlo simulation with 10,000 iterations to assess the sensitivity of PPSP's intrinsic value to changes in key variables, including cost of equity, terminal growth, revenue growth, land sale shares and the changes in COS shares **(Figure 44)**. The simulation generated a range of intrinsic values from KHR 1,108 to KHR 4,135, with an average intrinsic value of KHR 2,809, closely aligning with the target price. The distribution of results, shown in **(Figure 45)**, follows a normal distribution, with the highest frequency of results clustered between KHR 2,400 and KHR 3,200. This indicates that, under most scenarios, PPSP's intrinsic value is likely to fall within this range, reinforcing the stability of the valuation. Importantly, the probability of downside risk is extremely low, at just 3%, with the probabilities of Hold and Sell being 7% and 1% respectively, suggesting that the likelihood of a significant price decline is minimal. This confirms that PPSP presents a strong risk-to-reward profile, with a high probability of positive returns. The overall analysis supports a Buy recommendation, as the stock's intrinsic value remains consistently above its current market price.

BULL AND BEAR ANALYSIS

We conducted a Bull and Bear scenario analysis based on a defined set of assumptions to assess potential deviations from our base-case valuation. For both scenarios, the proportion of land sales to the total revenue are assumed to remain unchanged. Under the Bull case, the terminal growth rate is increased by 1%, while for revenue streams besides land sales are assumed to grow by 3% on top of the base growth rate. At the same time, COS and operating expenses are reduced by 3%. Conversely, under the Bear case, the terminal growth rate is reduced by 1%, non-land revenue streams decline by 3%, and cost of sales and operating expenses increase by 3%, reflecting weaker operating conditions and the rising of cost like land price, etc. These variations are driven by **(a)** changes in the macroeconomic environment, **(b)** shifts in regulatory, legal, and SEZ-related policies, and **(c)** differences in operating efficiency. As a result, the Bull case implies an upside potential of 92% relative to the base case at the share price of KHR 4,002, while the Bear case indicates a downside risk of 25% at the share price of KHR 1,570 **(Figure 46)**.

Figure 45: Monte Carlos Simulation



Source: Team Analysis

Figure 46: Bull & Bear Scenario Analysis

PPSP (2029E)	Bull	Base	Bear
Terminal Growth Rate	4%	3%	2%
Service Rendered (YoY growth)	13%	10%	8%
Rental Income (YoY growth)	21%	18%	16%
Construction Contracts (YoY growth)	13%	10%	8%
COGS (% of revenue)	56%	59%	62%
Operating Expense (% of revenue)	10%	13%	16%
Upside/(Downside)	92%	25%	-25%

Source: Team Analysis

Figure 48: Relative Valuation Input

P/E	
Industry Average	12.93
Relative Value	KHR 2,812
PPSP Price	KHR 2,080
Upside	**35.18%**
Recommendation	**BUY**

Dividend Yield	
Industry Average	3.45%
Relative Value (USD)	54,966,863
Number of Share	71,875,000
Relative value	KHR 3,079
PPSP Price	KHR 2,080
Upside	**47.78%**
Recommendation	**BUY**

Source: Team Analysis

Figure 49: Free Cash Flow to Equity Model

Year	FCFE
2025	14,679,109
2026	5,629,146
2027	(142,845)
2028	2,735,834
2029	2,214,009

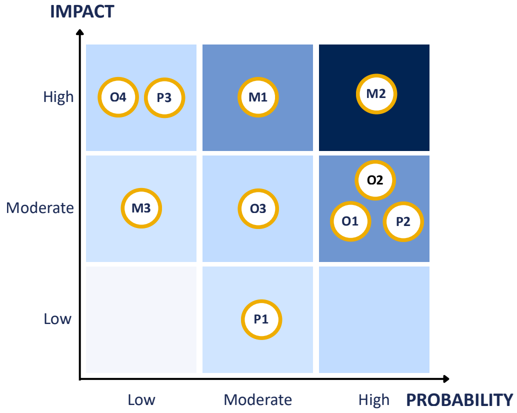
Source: Team Analysis

RELATIVE VALUATION

To further support our recommendation, we conducted a relative valuation using the Price-to-Earnings (P/E) ratio, and Dividend yield. However, this approach is subject to several inherent limitations: **(1)** the scarcity of directly comparable listed SEZ operators in Cambodia, which necessitates the use of regional peers across different countries; and **(2)** structural differences in macroeconomic conditions, regulatory environments, taxation systems, and capital structures, which weaken the reliability of cross-market multiple comparisons. Despite these constraints, our P/E, and dividend yield based valuation multiples imply relative values of KHR 2,812, and KHR 3,079, respectively, indicating that PPSP is currently trading at a discount of 35.18%, and 47.78%. While secondary to our intrinsic valuation framework, these methods further reinforce our BUY recommendation **(Figure 48)**.

INVESTMENT RISKS

Figure 50: **PPSP Risk Matrix**



Source: Team Analysis

POLITICAL RISKS

[P1] Trade Barrier Risk: Trump's 2025 "reciprocal tariff" framework imposes a 19% tariff on Cambodian exports, raising landed costs for U.S.-bound goods. While Cambodia is not uniquely targeted which help limiting large-scale relocation, policy uncertainty, including potential escalation linked to Thailand–Cambodia tensions, may cause some export-oriented tenants (notably Japanese and Chinese manufacturers) to delay expansion or land purchases at PPSP. A 3% decline in overall revenue from this will result in a 19% decline in target price. **Mitigation**: PPSP can mitigate tariff risk by actively diversifying its tenant mix toward ASEAN, EU, and domestic-market manufacturers, reducing reliance on U.S.-bound exports. In parallel, the SEZ can support local and regional supplier onboarding and logistics optimization to help tenants manage cost pressures.

[P2] Cambodian-Thailand Tension Risk: Border closures at key checkpoints such as Poipet have disrupted cross-border logistics, with bilateral trade declining over 13% in 1H25 and Cambodia's imports from Thailand falling 14.5% YoY. This creates near-term risks for PPSP tenants reliant on Thai-sourced inputs, including supply delays, cost volatility, and production interruptions. Political uncertainty may also dampen investor sentiment and delay FDI commitments, although Thai investors represent only 5.7% of PPSP's tenant base. The decrease of rental income of 6% from this would only decrease the target price by 5%. **Mitigation:** The impact on PPSP is mitigated by its strong logistics connectivity and diversified access routes. PPSP's access to ports, expressways, an on-site dry port, and planned rail connectivity further limits reliance on Thai borders. Encouraging supplier diversification toward Vietnam, China, and domestic sources, alongside bonded warehousing, should further contain operational disruption.

[P3] Regulatory, Legal, and SEZ Policy Risks: As an SEZ developer and operator, PPSP is highly exposed to the changes in government policies, tax incentives, land-use regulation and environmental compliance requirements. Additionally, regulatory amendments or stricter enforcement could increase compliance and operating costs, altering the competitiveness of Cambodian SEZs relative to regional alternatives. **Mitigation:** PPSP has benefited from long-standing government support by holding formal SEZ developer status since 2006 and maintaining compliance with SEZ regulations and strong relationship with regulatory authorities. Furthermore, with Cambodia's commitment to push industrial modernization and FDI attractiveness, disruptive regulatory changes are unlikely. In addition, PPSP's recurring service-based revenue model is less sensitive to tax reforms compared to land sales.

MARKET RISKS

[M1] Macroeconomic and FDI Sensitivity Risk: PPSP's performance depends on FDI and Cambodia's industrial growth. Global economic slowdowns, geopolitical tensions, or supply-chain shifts could delay investor commitments, reduce demand for industrial land, and slow construction, weakening occupancy and revenue growth. Mitigation: Cambodia continues to benefit from long-term manufacturing diversification trends, attracting Japanese, Chinese,and ASEAN manufacturers seeking cost-competitive, politically neutral production hubs. High tenant stickiness, phasedland development, and Cambodia's SEZ incentives help cushion occupancy and cash flowsduring downturns, while long-term manufacturing diversification trendssupport cyclical recovery.

[M2] Land Supply Constraints and Pricing Power Risk: Rapid urbanization has reduced land availability for industrial development, driving up land prices and pressuring on PPSP's margins. Moreover, despite 100% of the current land has been acquired with no legal dispute, with its commitment to acquire all land lawfully and fairly, with respect for the rights of landowners and local communities, future acquisitions may still face challenges, potentially increasing costs and affecting profitability. An increase in 15% of land price would decrease the Gross margin by approximately 5%. **Mitigation:** Leveraging its strong presence and credibility with the government, PPSP can access preferential land allocations and redevelop underutilized land, while optimizing land use and phasing development to control costs and margins.

[M3] Competitive Risks: Cambodia's pro-investment stance may attract new SEZ entrants, including well-capitalized developers or projects located closer to ports or borders. However, near-term disruption is limited because SEZ development is capital and time-intensive, and switching costs for tenants are high (Appendix C1). While a small number of high-quality entrants potentially near the Funan Techo Canal could influence future tenant decisions, PPSP's position is defensible. PPSP's improving returns and asset efficiency indicate strong operating maturity. **Mitigation:** PPSP can mitigate competition by reinforcing its premium positioning through reliable utilities, faster tenant onboarding, and superior logistics support, while preserving expansion optionality via adjacent landbank control.

OPERATIONAL RISKS

[O1] Land Sales Volatility Risk: Land sales are inherently cyclical and historically driven earnings volatility, with weak land-sale years (FY20 and FY24) weighing on revenue growth and margins. This reduce earnings and valuation certainty. However, PPSP remained profitable even during periods of low land sales, although only due to the one-off disposal of investment property. **Mitigation**: PPSP has shifted toward a recurring-revenue model, with land sales is expected to gradually lose its importance while rental and service revenue has increase over the years. Strong multi-year growth in these segments provides predictable cash flows, increasingly insulating earnings from land-sale volatility.

[O2] BTS High CAPEX Intensity Risk: PPSP's shift from one-off land sales to the BTS model requires substantial upfront CAPEX, exposing PPSP to short-term liquidity pressure and tenant withdrawal risk. While BTS reduces initial CAPEX for tenants, PPSP bears the capital recovery risk. **Mitigation:** PPSP can mitigate this risk through phased development with staged customer deposits and flexible factory designs to accommodate new tenants if withdrawals occur. PPSP has employed a funding mix of about 80% debt and 20% existing capital, supplemented by six-to-twelve-month rental deposits, limiting cash outflows with an expected ROI within five to seven years.

[O3] New SEZ Execution Risk (Kandal and Poipet): Expanding into new SEZs requires significant capital and operational execution. Delays in infrastructure, land titling, permitting, or investor acquisition could postpone revenue and dilute returns. **Mitigation:** PPSP has a proven track record in successfully developing and operating Cambodia's leading SEZ in Phnom Penh. The company's established investor network, brand reputation, and experience in infrastructure execution provide a competitive advantage. New SEZ projects are phased, allowing PPSP to align capital deployment with investor demand, reducing financial strain and mitigating execution risk.

[O4] Concentration Risk from Japan and China Risk: PPSP's tenant base is concentrated, with about 40% from Japan and 30% from China (Figure 7), creating exposure to economic, policy, or geopolitical shocks. However, the risk of Chinese tenant exit related to U.S. tariffs on Cambodian solar exports remains limited, as most Chinese tenants at PPSP are not engaged in solar manufacturing. **Mitigation:** Strong ties with Japan and China reduce disruption risk, and PPSP can mitigate concentration risk through tenant diversification.

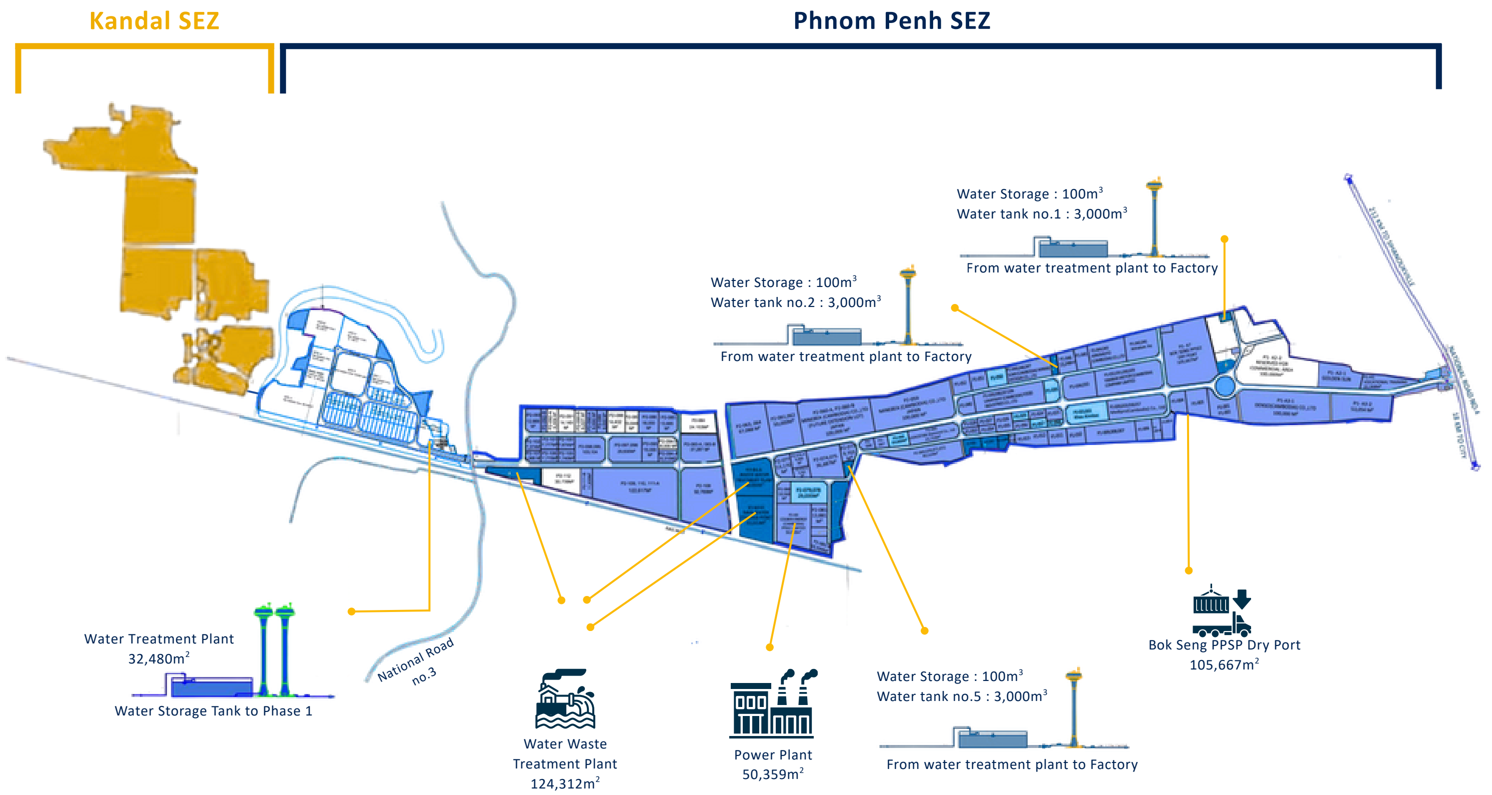
LIST OF APPENDICES

APPENDIX A : GLOSSARY

Abbreviation	Full Term	Abbreviation	Full Term
BTS	Built-To-Suit	**GFT**	Garment, Footwear, and Travel goods
CAGR	Compound Annual Growth Rate	**NBC**	National Bank of Cambodia
CAPEX	Capital Expenditure	**P/E**	Price-to-Earning
CDC	The Council for the Development of Cambodia	**QIP**	Qualified Investment Project
CSX	Cambodia Securities Exchange	**ROE**	Return on Equity
DCF	Discounted Cash Flow	**ROIC**	Return On Invested Capital
EBITDA	Earning Before Interest, Tax, Depreciation & Amortisation	**SEZ**	Special Economic Zone
FCFE	Free Cash Flow to Equity	**YoY**	Year-on-Year
FY	Fiscal Year	**1H25**	First half of the year 2025

APPENDIX B : BUSINESS OVERVIEW

Appendix B1: PPSP Zone Map



Appendix B2: Vertically Integrated Business Model of PPSP

SEZ Developer and Operator
- Develops and manages SEZs with ready-built factories and land solutions
- Provides integrated industrial infrastructure
- Offers one-stop services for zoning, licensing, and operations

Engineering and Construction Partner
- Builds roads, utilities, factories, and facilities
- Ensures quality, on-time delivery, and cost control
- Aligns infrastructure with tenant needs

Utilities and Energy Provider
- Provides electricity and utilities within the zone
- Minimizes operational disruptions for manufacturing tenants

Logistics and Trade Facilitator
- Coordinates on-site logistics
- Provides dry port services, customs clearance, and trade facilitation
- Reduces costs and improves import-export efficiency

Environmental and Waste Management Partner
- Manages solid waste and environmental compliance.
- Supports sustainable and responsible industrial operations

Professional and Corporate Services Provider
- Offers accounting, tax, corporate registration, and administrative support
- Assists tenants, especially foreign investors, maintain regulatory compliance

Healthcare and Worker Welfare Provider
- Provides on-site healthcare and medical support
- Improves workforce wellbeing and productivity

Appendix B3: RGPPSEZ Subsidiaries and Associates

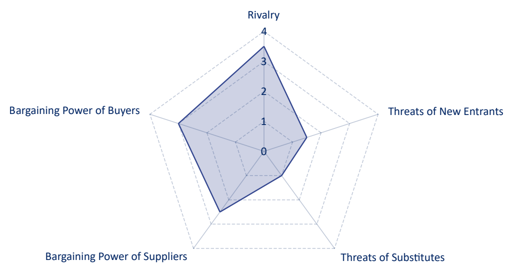
Company	Ownership	Activity
Sahas Supply Chain Co., Ltd	100%	Support activities for transportation
Royal Group Poipet SEZ Co., Ltd	100%	Developer and operator for Poipet PPSEZ
Colben Energy (Cambodia) PPSEZ Limited	51%	Generation and supply of electricity for PPSEZ area
Sahas Advisory & Consulting Co.,Ltd	46%	Provide accounting, tax and incorporation services
B Grimm Power Poipet Co.,Ltd	45%	Provide electricity power distribution for Poipet PPSEZ
Sahas Properties Co., Ltd	100%	Properties Development/Management
Royal Group Kandal SEZ Co., Ltd	100%	Special Economic Zone
Sahas E & C Co.,Ltd	100%	Engineering & Construction Services
Gomi Recycle (Phnom Penh) Co.Ltd	49%	Solid Waste Management
PPSEZ Clinic Co.,Ltd	34%	Hospital activities
Bok Seng PPSEZ Dry Port Co.,Ltd	40%	On-site dry port total logistic service inside PPSEZ

APPENDIX C : INDUSTRY AND COMPETITIVE POSITIONING

Appendix C1: Porter's Five Forces

Threat of New Entrants – Low

- Regulatory barriers (SEZ approval, infrastructure capex, land aggregation and utility build-out) are high, but the government continues to license new zones: by end-FY24, the CDC had approved 49 SEZ projects, with 26 operational, and SEZ exports exceeded $5bn in FY24.
- New entrants can dilute growth if they secure greenfield land in favorable locations, but replicating PPSP's capital-proximate location, tenant base and embedded infrastructure remains difficult.



Threats of Substitutes – Low

- Substitutes include: (a) locating in non-SEZ industrial areas around Phnom Penh (cheaper land in some cases, but without SEZ incentives, one-stop services and integrated dry port access), and (b) placing production in alternative SEZ/industrial parks in neighboring countries.
- Given Cambodia's SEZ regime offers broadly similar fiscal incentives inside and outside zones for Qualified Investment Projects (QIPs), PPSP's differentiation rests on non-fiscal factors: location, infrastructure, logistics integration and administrative simplicity. For export-oriented manufacturers that are sensitive to logistics reliability and lead times, these factors make PPSP more defensible against substitution than generic industrial land.

Bargaining Power of Buyers (Tenants) – Moderate

- Multinational tenants (notably Japanese and regional manufacturers) have credible alternatives: other Cambodian SEZs such as Sihanoukville SEZ, Manhattan/Bavet and Tai Seng Bavet, plus competing parks in Vietnam and Thailand.
- This gives large, brand-name anchor clients leverage on pricing and build-to-suit terms. However, PPSP's status as a national leader in investors and workers, combined with integrated utilities and dry port services, raises switching costs and supports rental/land pricing once tenants are embedded.

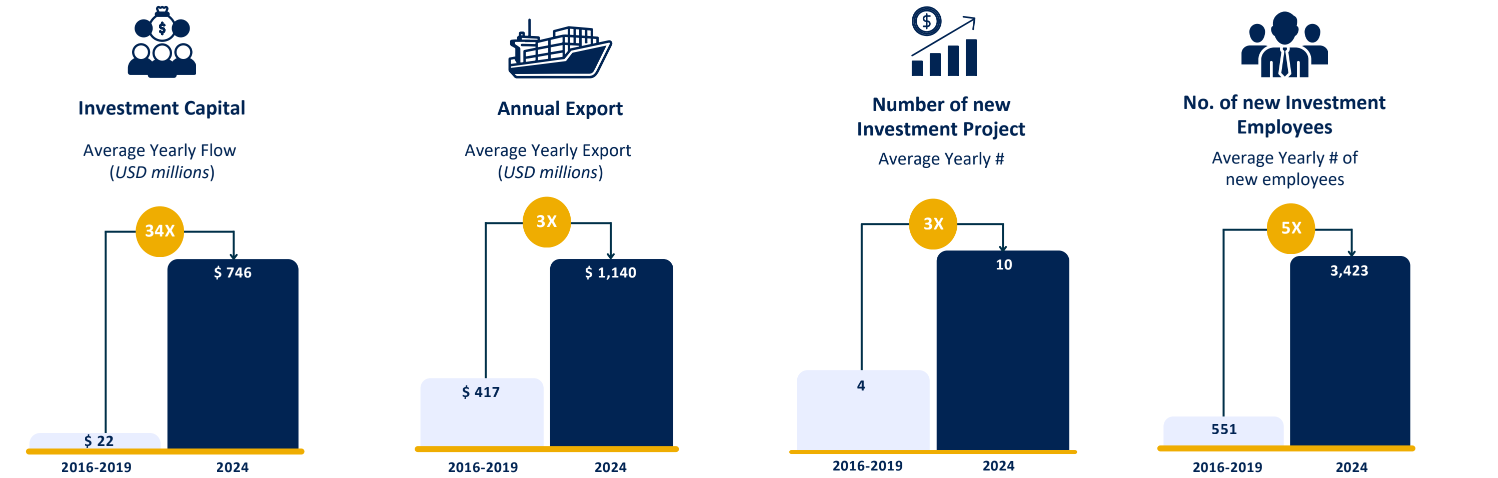
Bargaining Power of Suppliers (Land Owners, EDC, etc.) – Moderate

- Key "suppliers" are land (largely controlled state), power and water providers, construction and labour. PPSP mitigates some supplier power through vertical integration: associated companies provide independent power generation, water purification, wastewater treatment, security and in-house construction, reducing reliance on external contractors and enhancing service reliability.
- Cambodia's structurally high industrial electricity tariffs (often around USD 0.13–0.20/kWh or more, depending on user and location) still represent a cost constraint that PPSP cannot fully internalize.

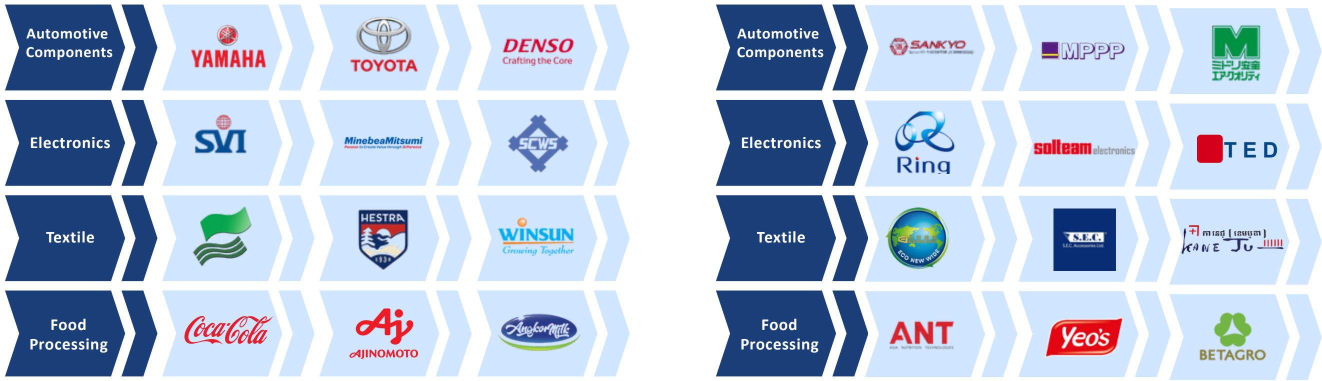
Rivalry Among Existing SEZs – High, but Segmented

- At the national level, competition for new FDI is intense. Cambodia's SEZ exports are heavily concentrated in a handful of parks: in 2024 the 16 main SEZs generated about USD 5.4bn of exports, with Sihanoukville SEZ, Phnom Penh SEZ, Manhattan Svay Rieng and Tai Seng Bavet among the largest contributors. Rivalry manifests in pricing (land/rent), speed of regulatory processing, quality of infrastructure and marketing to anchor tenants.
- However, rivalry is also segmented by geography and function: coastal SEZs focus on port-adjacent heavy/volume manufacturing; border SEZs focus on cross-border trade with Vietnam/Thailand; PPSP dominates the capital-region light/medium industrial cluster with a strong base of Japanese and regional manufacturers.
- PPSP's competitive advantage lies in this capital-region positioning combined with integrated utilities, dry port and rail-linked logistics—features that are not easily replicated by smaller or newer SEZs.

Appendix C2: Automative Sector in Cambodia 2024



Appendix C3: Major International brands from different sectors in PPSP



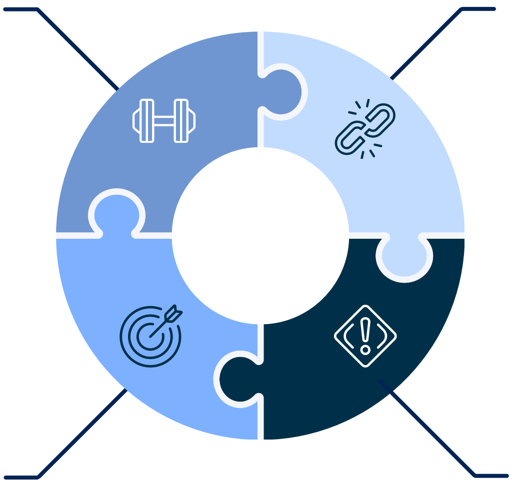
Appendix C4: SWOT Analysis

STRENGTHS

- Situated along National Road No. 4 in Phnom Penh, PPSP enjoys direct access to the autonomous port, railway, international airport, and major logistics hubs.
- One of the biggest and mature SEZ in Cambodia in terms of projects and land sizes.
- Integrated infrastructure provided by PPSP own subsidiary without any outsourcing.
- Shifting to a sustainability business model enables PPSP to have recurring income and economic growth.

WEAKNESSES

- Built to suit model usually required high capex which could be risky if PPSP is struggling to find any tenants.
- Weakened land sale and the potential lack of land availability for investors.
- PPSP dependence on Japanese and Chinese investors, if due to any events, those groups of investors shift their base of investment to other countries in ASEAN, PPSP would lose its revenue.
- Environmental sustainability challenges, despite having waste water treatment, there's still lack of formal framework for compliance to monitor and enforce it.



OPPORTUNITIES

- Increase in FDI inflow, resulting in more investors seeking investment in SEZs.
- Cambodia receives a lower or equal US reciprocal tariff rate compared to other competitors.
- Cambodia's industrial base is diversifying beyond garments, and PPSP is well-positioned to ride this trend.

THREATS

- A global recession or slowdown could slow demand for exports made in Cambodia's SEZs. Furthermore, volatile input costs and logistics (e.g. a spike in oil prices or shipping costs) can discourage new investments or expansion by existing tenants.
- Competition with regional countries that focus on similar industries, such as Vietnam, Indonesia, and Bangladesh.
- Ten new SEZs got approved and will start to operate soon. This could potentially intensify the rivalry among all SEZs in Cambodia albeit at lower possibility

APPENDIX D : ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

Appendix D1: ESG Scorecard

Pillars	Categories	Themes	PPSP (Scoring)	Justification
	Emission Levels (20%)	GHG Emissions	6	PPSP tracks Scope 1–2 emissions with efficiency measures, but Scope 3 is partial and no reduction targets set.
		Wastewater Management	8	PPSP invested USD 13M in two plants treating 1.8M m³ wastewater in FY24, meeting standards. A USD 4.5M Green Bond–funded plant is underway to boost capacity and efficiency.

ENVIRONMENT (45%)	Emission Levels (20%)	Waste Management	7	PPSP manages waste per regulations, optimizes resources, partners with GOMI Recycle, and segregates special waste to support Cambodia's circular economy.
		Biodiversity	5	PPSP's biodiversity approach is structured and compliant but still early-stage. Through ESDD and CESMP, it selects sites away from sensitive areas, develops mainly on disturbed land, and maintains retention ponds to support ecosystems.
		Noise Pollution	4	Construction noise is localized and managed via CESMP, but lacks monitoring data or disclosure.
	Resource Efficiency (15%)	Energy Usage	5	PPSP runs a 13 MW fuel-based backup plant and a 0.126 MW solar system (182.7 MWh, cutting 4,708 t CO_2), but remains reliant on the national grid and fuel generation.
		Water Usage	8	PPSP manages water sustainably with a 14,900 m³/day purification system, a 25,000 m³ rainwater pond, and a 4,500 m³/day wastewater treatment facility.
		Circularity	5	PPSP advances circular economy via green bonds for wastewater plants and a recycling JV with Gomi Recycle.
		Land Utilization	5	PPSP provides compliant water and waste systems with climate resilient drainage (AEON, JICA, UNDP), but monitoring of tenant energy, Scope 3 emissions, and technology adoption remains limited.
	Innovation (10%)	Service Innovation and Technology Adoption & Digitalization	5	PPSP is almost fully utilized (367 ha, 99% occupancy) while Poipet SEZ is still under-occupied (69.2 ha, 12%), with all land used for industrial purposes and supporting utilities/services, and no history of land disputes thanks to lawful, consensual acquisition. However, despite reporting on environmental management (water, waste, energy, emissions), PPSP does not yet disclose tenant-level data on land use, occupancy density, or each tenant's specific environmental impact.
		Green R&D & CAPEX	7	Green bond funds mainly support the wastewater plant, with limited disclosure on green R&D.
	Environmental Average Score =		**2.7**	
Social (25%)	Workforce (11%)	Diversity and inclusion	7	PPSP shows moderate gender diversity (21% workforce, 37% executives), but non-executive roles remain male dominated.
		Career development and training	7	PPSP provides training and engagement, but limited disclosure on structure and career paths limits evaluation.
		Working conditions	8	PPSP complies with labor laws, ensuring minimum wage, and supports staff with dormitories and clinics.
		Health and safety	8	PPSP's OSH Committee oversees audits, inspections, and FY24 training for 62 staff. Security measures protect workers and tenants, with zero injuries reported.
	Product Responsibility (3%)	Responsible Marketing	4	There is a lack of disclosure, which makes information harder to access.
		Service Quality	7	Tenants (e.g., Gomi Recycle, Coca-Cola) commend PPSP's support, customs efficiency, and security, but noted high fees and electricity costs.
		Data Privacy	8	There is no disclosure to data privacy, making information harder to access.
	Human Rights (3%)	Human Rights	9	PPSP upholds labor rights, banning child/forced labor, ensuring fair wages and non-discrimination. A 2020 whistleblowing policy reported no FY24 violations.
	Community (8%)	Equally important to all industry groups, hence a median weight of five is assigned to all	9	PPSP demonstrates strong social responsibility through impactful CSR initiatives, but inconsistent disclosures hinder transparency and long-term assessment.
	Social Average Score =		**2**	
GOVERNANCE (30%)	Shareholders (13%)	Shareholder Rights	8	Shareholder rights include one-share-one-vote, pre-emptive rights, AGM notice (20–50 days), and the right to dividends.
		Takeover Defense	5	There is lack of disclosure on Takeover defense.
	Board Structure (12%)	Structure (Independence, Committees, Diversity)	7	PPSP complies with Cambodia's CG rules, with four non-executive directors (two independent). Concerns include Mr. Kang Wei Geih's long tenure, Chairman's absence, low female representation (14%), no minority shareholder mention, and inactive committees since 2022 (except Audit).
		Compensation	7	The company discloses total compensation of 483.4 million KHR ($120k) for non-executive directors, but not individual amounts.
	CSR Strategy (5%)	Corporate Social Responsibility	8	The company demonstrates strong CSR commitment, detailing financial support and aid to local infrastructure and vulnerable groups.
		ESG Reporting and Transparency	8	The company releases its annual and sustainability reports on time, disclosing energy use, GHG emissions, and water recycling. It reported an attempted corruption case but does not justify its board self-evaluation score.
	Governance Average Score =		**2**	
	Overall Score =		**6.7 / 10**	

Appendix D2: PPSP's Board of Directors

Name	Position	Nationality	Appointed	Education	Experiences	Compensation in 2025 (Ranges)
Neak Oknha Kith Meng	Non-Executive Chairman	Cambodian	2022	B.A. Economic	Chairman & CEO of Royal Group of Companies; President of Cambodian Chamber of Commerce	$12.5K - $25K
Mr. Uematsu Hiroshi	Executive Director & CEO	Japanese	2010	B.A. Social Relations	20+ years in business administration and engineering industries. CEO of PPSP since 2010	$12.5K - $25K
Mr. Hiroshi Otsubo	Non-Executive Director	Japanese	2014	B.A. Economics	Director of Zephyr Co., Tomonius Co. Experienced in environmental and business operations.	<$12.5K
Mr. Mark Hanna	Independent Director	Irish	2022	B.A. Accounting, CIMA	Group CFO of Royal Group since 2007; Responsible for group-wide financial strategy and oversight.	<$12.5K
Ms. Hep Seka	Independent Director	Cambodian	2022	LL.M Business Comparative Law (France)	10+ years in corporate, real estate, and construction law. Law Partner at DFDL. Noted for government liaison and regulatory compliance expertise.	<$12.5K
Dr. Kang Wei Geih	Non-Executive Director	Malaysian	2010	DBA, M.A. Management,FCCA, CPA (Malaysia)	35+ years in accounting, auditing, and taxation. Partner of Billy Kang & Co. (Malaysia) and BG Associates (Cambodia).	<$12.5K
Dr. Eakapon Tungsrisanguan	Non-Executive Director	Thai	2022	B.Acc., B.Eng., LLB, M.Eng.Ph.D. (Telecommunication)	CFO of SCGJWD Logistics Public Co. Ltd.; Experienced in logistics, renewable energy, finance, and IT systems.	<$12.5K

Appendix D3: UN SDGs Target Achieved by PPSP

APPENDIX E: FINANCIAL ANALYSIS

Appendix E1: Income Statement Assumptions

Item	Historical Evidence (2019–2024)	ForecastAssumption (2025–2029)	Key Rationale
Sale of Land	Highly volatile from Year to Year. Land is sales is High is FY23 while the sale is very low in FY24	Cyclical Pattern, assume similar pattern as 2019-2024 albeit at smaller proportion.	Land sales follow cyclical patterns with Strong 9M-2025 results suggest a peak year, with sales expected to normalize afterward and partially recover as Kandal and Poipet SEZ phases progress. The lower sales proportion reflects the company's strategy to reduce dependence on land transactions. However, land sales will continue, as the company hint that they aim to expand its land bank, indicating no near-term depletion.
Services Rendered	Stable growth; 4% CAGR; rising common-size share (27% in 2024)	8–10% p.a. growth	Services (utilities, wastewater, admin fees) scale with tenant occupancy and industrial activity. Growth reflects higher utilization per tenant and gradual expansion in SEZ population.
Rental Income	Strong, consistent growth; 43% CAGR; 44% of revenue in 2024	15–18% p.a. growth	Rental income benefits from increasing factory occupancy, tenant stickiness, and expansion of built facilities. Growth moderates from historical levels as the business matures but remains strong due to recurring demand.
Construction Income	Highly cyclical but strong growth; 47% CAGR	8–12% p.a. growth	Construction reflects build-to-suit factories and infrastructure demand. Growth is driven by new tenant onboarding and SEZ expansion (Kandal) increasing the demand in construction.
Cost of Goods Sold (% of Revenue)	Highly volatile in general, fluctuating from 39% in FY19 to 62% in FY23 due to varying land-sale contributions and fixed infrastructure costs, before normalizing to 35% in FY24. However, each individual revenue stream maintains a relatively stable cost-of-sales ratio.	Land Sales: 66-70%, Service: 19-20%, Rental; 20-21%, Construction 80-82%	The COS forecast is broken down by revenue stream for greater accuracy, using historical averages and assuming gradual increases over time due to inflation and rising land prices.
Adminstrative Expenses	Elevated during low-revenue years (34% in FY20; 66% in FY24 due to depressed topline); structurally lower in strong revenue years (13% in FY23). Numerically the value is stable.	5 years Moving Average	Reflect stability nature of the expenses despite facing revenue volatility
Depreciation (% of Opening PPE)	Stable range of 7–11% across cycles	9% annually	Consistent with historical averages and steady capital intensity of SEZ infrastructure assets.
Interest Expense (% of Opening Debt)	Declined from 11% (FY19) to 6–8% in recent years	8% annually	Assumes stable borrowing costs in a partially dollarized economy and conservative refinancing assumptions.
Other Income (% of Revenue)	Typically negligible (0–1%), except FY24 (45%) due to one-off items	1% annually	Normalized assumption excludes non-recurring FY24 gains and reflects stable interest income.
Tax Rate	Consistently stable at 20%	20% flat	Reflects Cambodia's corporate tax regime

Appendix E2: Balance Sheet Assumptions

Item	Historical Evidence (2019–2024)	Forecast Assumption (2025–2029)	Key Rationale
Trade & Other Receivables	High volatility; consistently scaled with revenue and land-sale cycles; elevated during peak transaction years. Trade Receivable are generally 35% of the revenue	Trade Receivable: 35% of revenue Other Receivable: 4 Years moving average	PPSP's receivables reflect customer payment terms for land, construction, and services. Scaling receivables with revenue captures working-capital expansion in high-activity years and normalization during downturns.
Inventories	Large and cyclical; driven by land bank development and infrastructure readiness. Inventory tend to decrease when there is large land sale and increase during low season	Cyclical Pattern based on land sales	Inventory represents land and development costs awaiting monetization. Ratio-based modeling reflects PPSP's SEZ development cycle rather than linear drawdowns.
Contract Assets	Small but recurring balance tied to construction progress	7% of constuction revenue	Following the trend of Construction income. Construction revenue is recognized progressively, resulting in modest but persistent contract assets.
Property, Plant & Equipment (PPE)	Minimal Fluctuation within the past years.	5% annual growth	Reflects maintenance capex and incremental infrastructure investment as SEZ occupancy rises.
Investment Properties	Rapid growth in recent years, aligned with rental expansion	8% annual growth	Captures PPSP's strategic shift toward rental and recurring income assets.
Trade & Other Payables	Generally stable in the last four year.	4 year Moving Average	Trade payables portions are minimal, with balances largely consisting of other payables, which generally only have minor fluctuations each years.
Contract Liabilities (Deferred Revenue)	The amount generally follows a consistent pattern, with the current portion typically fixed at USD 548,000 for deferred revenue related to the amortization of the Company's transmission line right-of-use provided to Colben Energy (Cambodia). Occasional fluctuations arise in certain years due to revenue billed for construction contracts.	Non-Current Decline by 548,000 Current Remain fixed at 548,000	Reflects the historical trend and revenue recognition as services and construction milestones are delivered. However, due to minimal construction-related activity, this component is assumed to be zero. Therefore the account shall include only the deferred revenue.
Borrowings (Debt)	Moderate leverage; debt broadly stable relative to Investment Property, PPE and Inventories at 25%	25% of the total of Investment Property, PPE and Inventory	Following historical trend while the company maintains conservative capital structure while supporting expansion without balance-sheet stress.
Equity / Retained Earnings	Consistent accumulation post-FY22 recovery	80% earnings retention	Assumes modest dividend payout following the company goal to provide 20% dividend payout, prioritizing reinvestment and balance-sheet strengthening.

Appendix E3: Statement of Profit and Loss Forecast Assumption

Year	2019A	2020A	2021A	2022A	2023A	2024A	2025E	2026F	2027F	2028F	2029F
Revenue (p.a growth)	12.43%	(55.29%)	68.24%	(6.44%)	136.00%	(78.94%)	213.28%	(39%)	73%	(24%)	76%
COGS (% of revenue)	39%	51%	61%	60%	62%	35%	404%	52%	56%	53%	59%
Admin expenses (% of revenue)	17%	34%	24%	27%	13%	66%	18%	29%	17%	23%	13%
Depreciation (% of opening PPE)	8%	7%	11%	9%	8%	9%	9%	9%	9%	9%	9%
Interest expenses (% of opening debt)	11%	8%	8%	9%	6%	8%	8%	8%	8%	8%	8%
Other Income (% of revenue)	1%	0%	1%	1%	0%	45%	1%	1%	1%	1%	1%
Tax Expense	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
CAPEX	8,761,372	3,030,313	7,259,640	10,313,779	9,651,287	2,101,429	3,044,378	4,065,859	4,160,001	4,258,850	4,362,642

Appendix E4: Statement of Profit and Loss Forecast

Year	2019A	2020A	2021A	2022A	2023A	2024A	2025E	2026F	2027F	2028F	2029F
Revenue	37,313,781	16,681,632	28,065,282	26,258,526	61,969,331	13,050,996	40,886,490	24,848,993	43,083,264	32,550,046	57,364,028
Cost of sales and services	(14,553,269)	(8,542,705)	(17,218,809)	(15,781,737)	(38,468,451)	(4,629,334)	(23,328,227)	(12,835,318)	(24,277,521)	(17,373,201)	(33,899,377)
Other income	372,879	35,783	194,130	279,675	203,216	5,869,083	374,469	163,930	284,223	214,735	378,434
Administrative expenses	(6,269,182)	(5,741,854)	(6,774,401)	(7,148,881)	(7,847,058)	(8,606,407)	(7,167,851)	(7,214,409)	(7,459,834)	(7,574,073)	(7,644,939)
Finance costs	(1,184,070)	(1,453,065)	(1,479,196)	(1,479,711)	(1,130,077)	(1,200,838)	(1,265,163)	(1,230,130)	(1,466,527)	(1,497,769)	(1,651,776)
Share of results of associates	976,560	663,945	270,944	326,020	439,115	445,061	296,368	376,641	389,296	376,842	359,787
Share of results of joint venture	-	-	-	-	53,913	36,611	36,611	36,611	36,611	36,611	36,611
Tax expense	(1,531,279)	(576,794)	(1,174,442)	(362,849)	(3,142,837)	(1,087,419)	(1,966,540)	(829,264)	(2,117,902)	(1,346,638)	(2,988,553)
Profit from Discontinued Operation	-	-	30,314	12,327	-	-	-	-	-	-	-
Profit for the financial year	15,125,420	1,066,942	1,913,822	2,103,370	12,077,152	3,877,753	7,866,158	3,317,056	8,471,609	5,386,551	11,954,214

Appendix E5: Statement of Financial Position Forecast

Year	2019A	2020A	2021A	2022A	2023A	2024A	2025E	2026F	2027F	2028F	2029F
ASSETS											
Non-current assets											
Property, Plant and equipment	17,780,328	13,584,990	17,651,996	17,686,840	14,573,120	12,435,686	13,057,470	13,710,344	14,395,861	15,115,654	15,871,437
Investment properties	3,394,493	9,998,571	10,437,603	16,635,088	30,362,180	21,266,446	23,165,865	25,482,452	28,030,697	30,833,766	33,917,143
Investments in associate	10,212,183	10,876,126	12,697,262	6,114,382	6,553,495	6,998,556	7,294,925	7,671,566	8,060,862	8,437,704	8,797,491
Investments in Joint Ventures	-	-	-	70,900	124,813	161,425	198,035	234,646	271,257	307,868	344,479
Total Non-current Assets	**31,387,004**	**34,459,687**	**40,786,861**	**40,507,210**	**51,613,608**	**40,862,113**	**43,716,295**	**47,099,007**	**50,758,677**	**54,694,992**	**58,930,549**
Current assets											
Cash and bank balances	1,341,410	1,622,634	5,716,017	4,276,289	4,147,034	13,945,735	22,357,850	32,489,578	30,131,079	31,510,664	32,691,906
Receivables	26,496,605	22,365,303	21,550,960	21,216,159	35,746,025	33,584,218	27,840,740	22,368,323	29,042,435	25,854,985	33,984,261

Contract Assets	-	-	-	959,170	476,368	125,877	5,875,149	503,639	543,930	598,323	658,155
Inventories	34,602,982	36,499,627	36,569,137	41,006,441	20,068,557	21,343,688	17,977,504	19,775,254	17,797,729	20,467,388	18,420,649
Total Current Assets	**62,440,997**	**60,487,564**	**63,836,114**	**67,458,059**	**60,437,984**	**68,999,518**	**74,051,243**	**75,136,794**	**77,515,173**	**78,431,361**	**85,754,972**
TOTAL ASSET	**93,828,001**	**94,947,251**	**104,622,975**	**107,965,269**	**112,051,592**	**109,861,631**	**117,767,538**	**122,235,801**	**128,273,850**	**133,126,353**	**144,685,521**
EQUITY AND LIABILITIES											
Equity Attributable to Owner of the Company:											
Share Capital	35,937,500	35,937,500	35,937,500	35,937,500	35,937,500	35,937,500	35,937,500	35,937,500	35,937,500	35,937,500	35,937,500
Share Premium	4,575,051	4,575,051	4,575,051	4,575,051	4,575,051	4,575,051	4,575,051	4,575,051	4,575,051	4,575,051	4,575,051
Treasury shares	-	-	-	-	-	(200,574)	(200,574)	(200,574)	(200,574)	(200,574)	(200,574)
Retained earnings	17,659,652	18,475,706	20,368,679	14,681,921	26,750,720	28,739,025	35,031,952	37,685,596	44,462,884	48,772,125	58,335,496
Equity Attributable to Non-controlling Interests	**831,577**	**1,082,465**	**(6,666)**	**(8,873)**	**178**	**(7,516)**	**(12,578)**	**(12,578)**	**(12,578)**	**(12,578)**	**(12,578)**
TOTAL EQUITY	**59,003,780**	**60,070,722**	**60,874,564**	**55,185,599**	**67,263,449**	**69,043,486**	**75,331,351**	**77,984,995**	**84,762,283**	**89,071,524**	**98,634,895**
Non-Current Liabilities											
Borrowing	12,452,339	14,291,704	13,481,714	13,528,836	9,814,445	5,624,283	9,879,083	11,662,852	11,591,825	12,257,872	12,190,190
Contract liabilities	9,316,000	8,768,000	8,220,000	7,672,000	7,124,000	6,576,000	6,028,000	5,480,000	4,932,000	4,384,000	3,836,000
Total Noncurrent Liabilities	21,768,339	23,059,704	21,701,714	21,200,836	16,938,445	12,200,283	15,907,083	17,142,852	16,523,825	16,641,872	16,026,190
Current Liabilities											
Trade and other payables	5,828,314	6,884,738	18,286,103	25,919,038	19,284,128	14,932,640	19,605,477	19,935,321	18,439,392	18,228,207	19,052,099
Borrowings	5,218,838	4,381,111	3,371,527	4,952,092	4,671,019	12,231,269	4,959,719	6,027,562	6,475,461	7,667,170	8,272,579
Contract liabilities	548,000	548,000	372,788	548,000	661,956	548,000	548,000	548,000	548,000	548,000	548,000
Current tax liabilities	1,460,730	2,976	16,279	159,704	3,232,595	905,953	1,415,909	597,070	1,524,890	969,579	2,151,758
Total Current Liabilities	**13,055,882**	**11,816,825**	**22,046,697**	**31,578,834**	**27,849,698**	**28,617,862**	**26,529,105**	**27,107,953**	**26,987,742**	**27,412,957**	**30,024,437**
TOTAL LIABILITIES	**34,824,221**	**34,876,529**	**43,748,411**	**52,779,670**	**44,788,143**	**40,818,145**	**42,436,188**	**44,250,806**	**43,511,567**	**44,054,829**	**46,050,626**
TOTAL EQUITY AND LIABILITIES	**93,828,001**	**94,947,251**	**104,622,975**	**107,965,269**	**112,051,592**	**109,861,631**	**117,767,538**	**122,235,801**	**128,273,850**	**133,126,353**	**144,685,521**

Appendix E6: Cash Flow Statement

Year	2019A	2020A	2021A	2022A	2023A	2024A	2025E	2026F	2027F	2028F	2029F
Cash Flow from Operating Activities											
Profit Before Tax	16,656,699	1,643,736	3,057,950	2,453,892	15,219,989	4,965,172	9,832,698	4,146,320	10,589,512	6,733,189	14,942,767
Adjustment for:											
Deferred revenue	(13,971,371)	(548,000)	(548,000)	(548,000)	(548,000)	(548,000)	(548,000)	(548,000)	(548,000)	(548,000)	(548,000)
Depreciation - property, plant and equipment	1,133,068	1,276,495	1,431,678	1,580,935	1,477,320	1,372,736	1,171,397	1,229,967	1,291,466	1,356,039	1,423,841
Depreciation - investment properties	214,114	465,773	505,968	737,191	977,615	1,119,162	708,597	491,987	516,586	542,416	569,536
Adjustment for Net Transfer	-	-	-	-	-	-	(1,356,820)	(625,555)	(881,813)	(1,162,467)	(1,469,894)
Gain on disposals of investment properties	-	-	-	-	-	(5,625,416)	-	-	-	-	-
Property, plant and equipment written off	-	2,138	-	21,445	7,229	-	-	-	-	-	-
Finance costs / Interest expense	1,184,070	1,453,065	1,479,196	1,479,711	1,130,077	1,200,838	1,265,163	1,230,130	1,466,527	1,497,769	1,651,776
Interest income	(223)	(378)	(1,829)	(83,436)	(120,689)	(76,993)	-	-	-	-	-
Share of results of associates	(976,560)	(663,943)	(270,944)	(326,020)	(439,115)	(445,061)	(296,368)	(376,641)	(389,296)	(376,842)	(359,787)
Share of results of joint venture	-	-	-	-	(53,913)	(36,612)	(36,611)	(36,611)	(36,611)	(36,611)	(36,611)
Impairment loss on other receivables	-	-	-	-	-	200,000	-	-	-	-	-
Acquisition through business combination	-	-	(25,987)	-	-	-	-	-	-	-	-
Transfer from Investment Properties to Joint Ventures	-	-	-	(43,649)	-	-	-	-	-	-	-
Changes in Working Capital:											
Inventories	5,269,274	(1,400,794)	772,433	(2,669,350)	15,244,648	(1,275,131)	3,366,184	(1,797,750)	1,977,525	(2,669,659)	2,046,739
Trade and other receivables	880,843	3,678,217	(127,623)	(467,780)	(14,389,866)	6,486,501	5,743,478	5,472,417	(6,674,113)	3,187,450	(8,129,276)
Contract assets	29,572	-	-	(959,170)	482,802	350,491	(5,749,272)	5,371,510	(40,291)	(54,393)	(59,832)
Trade and other payables	(8,239,117)	858,001	11,938,659	9,564,070	(2,154,080)	(1,759,144)	4,672,837	329,844	(1,495,929)	(211,184)	823,892
Contract liabilities	(61,989)	-	(175,212)	175,212	113,956	(113,956)	-	-	-	-	-
Net cash inflow from discontinuing operation	-	-	30,258	-	-	-	-	-	-	-	-
Cash generate from operation	**2,118,380**	**6,764,310**	**18,066,547**	**10,915,051**	**16,967,995**	**5,814,587**	**17,522,087**	**12,704,599**	**3,592,544**	**6,074,689**	**8,672,133**
Tax paid / Income tax paid	(80,398)	(2,034,548)	(1,161,139)	(742,964)	(1,326,413)	(3,414,061)	(1,456,584)	(1,648,102)	(1,190,083)	(1,901,948)	(1,806,374)
Interest paid (per 2024 statement)	-	-	-	-	(1,130,077)	(776,940)	-	-	-	-	-
Net cash from operating activities	**2,037,982**	**4,729,762**	**16,905,408**	**10,172,087**	**14,511,505**	**1,623,586**	**16,065,503**	**11,056,496**	**2,402,462**	**4,172,740**	**6,865,759**

Cash flows from investing activities											
Additions of property, plant and equipment	(8,761,372)	(3,030,313)	(7,259,640)	(10,313,779)	(9,651,287)	(2,101,429)	(3,044,378)	(4,065,859)	(4,160,001)	(4,258,850)	(4,362,642)
Additions of investment properties	-	(1,618,684)	-	(32,926)	-	-	-	-	-	-	-
Additions of investment in associates	(245,000)	-	(1,593,961)	-	-	-	-	-	-	-	-
Additions of investment in joint ventures	-	-	-	(20,400)	-	-	-	-	-	-	-
Proceeds from disposals of investment properties	-	-	-	-	-	9,151,293	-	-	-	-	-
Interest received	223	378	1,829	83,436	120,689	76,993	-	-	-	-	-
(Advances to)/Repayments from various parties											
- Associate	454,269	457,083	909,416	(112,272)	-	(480,000)	-	-	-	-	-
- Related Parties	529,519	783,059	(543,749)	(170,799)	-	-	-	-	-	-	-
- Director/Former Director	(7,417)	(777,088)	38,906	(40,747)	(160,000)	-	-	-	-	-	-
- Shareholder	(4,583)	187,654	99	(183,889)	-	-	-	-	-	-	-
Dividend received from associates	-	-	43,769	213,714	-	-	-	-	-	-	-
Acquisition on NCI of Sahas A&C	-	-	62,535	-	-	-	-	-	-	-	-
Acquisition on NCI of Sahas E&C	-	-	(1,172,515)	-	-	-	-	-	-	-	-
Repurchase of shares	-	-	-	-	-	(200,574)	-	-	-	-	-
Net Cash inflow from discontinuing operation	-	-	56	-	-	-	-	-	-	-	-
Net cash used in investing activities	**(8,034,361)**	**(3,997,111)**	**(9,513,255)**	**(10,577,662)**	**(9,690,598)**	**6,446,283**	**(3,044,378)**	**(4,065,859)**	**(4,160,001)**	**(4,258,850)**	**(4,362,642)**
Cash flows from financing activities											
Dividend paid	(578,669)	-	-	(1,182,129)	(954,698)	(1,897,142)	(1,578,294)	(663,411)	(1,694,322)	(1,077,310)	(2,390,843)
Interest paid	-	(1,453,065)	(1,479,196)	(1,479,711)	-	-	(1,265,163)	(1,230,130)	(1,466,527)	(1,497,769)	(1,651,776)
Drawdown of loans and borrowings	10,200,000	7,010,880	3,970,073	8,784,001	1,596,770	-	-	-	-	1,857,757	537,726
Repayment of loans and borrowings	(2,963,800)	(6,009,242)	(5,789,647)	(7,156,314)	(5,592,234)	(6,337,574)	(3,016,750)	2,851,613	376,871	-	-
Proceeds from issuance of green bond	-	-	-	-	-	9,963,548	-	-	-	-	-
Net cash from/(used in) financing activities	**5,473,461**	**(451,427)**	**(3,298,770)**	**(1,034,153)**	**(4,950,162)**	**1,728,832**	**(5,860,206)**	**958,072**	**(2,783,978)**	**(717,323)**	**(3,504,893)**
Net increase/(decrease) in cash	(522,918)	281,224	4,093,383	(1,439,728)	(129,255)	9,798,701	7,160,918	7,948,709	(4,541,517)	(803,433)	(1,001,777)
Cash at beginning of the year	1,864,328	1,341,410	1,622,634	5,716,017	4,276,289	4,147,034	13,945,735	21,106,653	29,055,363	24,513,845	23,710,412
Cash at end of the year	**1,341,410**	**1,622,634**	**5,716,017**	**4,276,289**	**4,147,034**	**13,945,735**	**22,357,850**	**32,489,578**	**30,131,079**	**31,510,664**	**32,691,906**

Appendix E7: Altman-Z Score

Input Variable	2021A	2022A	2023A	2024A
Total assets	104,622,975	107,965,269	112,051,592	109,861,631
Total liabilities	43,748,411	52,779,670	44,788,143	40,818,145
Working capital	39,833,994	36,303,562	36,530,454	39,995,266
Retained earnings	20,368,679	14,681,921	26,750,720	28,739,025
EBIT	4,266,202	3,607,583	15,857,038	5,684,338
Market value of equity	60,874,564	55,185,599	67,263,449	69,043,486
Sales	28,065,282	26,258,526	61,969,331	13,050,996

Derived Variable	2021A	2022A	2023A	2024A
A = working capital / total assets	0.3807	0.3363	0.3260	0.3641
B = retained earnings / total assets	0.1947	0.1360	0.2387	0.2616
C = earnings before interest and tax / total assets	0.0408	0.0334	0.1415	0.0517
D = market value of equity / total liabilities	1.3915	1.0456	1.5018	1.6915
E = sales / total assets	0.2683	0.2432	0.5530	0.1188
Atman Z-score	**1.9671**	**1.5747**	**2.6466**	**2.1075**
Average Atman Z-score	**2.1**	**Alt-man Z score of 2.1 indicates that the company is at moderate risk of default.**		

High Default Risk	Moderate Default Risk	Low Default Risk
1.8	3.0	

APPENDIX F : VALUATION ANALYSIS

Appendix F1: Free Cash Flow to Equity Model

FCFE in USD	2025E	2026F	2027F	2028F	2029F	Terminal
Net profit	7,866,158	3,317,056	8,471,609	5,386,551	11,954,214	
Add: Depreciation	1,171,397	1,229,967	1,291,466	1,356,039	1,423,841	
Less: Δ in working capital	13,782,499	4,004,511	(6,192,516)	306,607	(5,258,645)	
Less: CAPEX	(3,044,378)	(4,065,859)	(4,160,001)	(4,258,850)	(4,362,642)	
Add: Net debt	(3,016,750)	2,851,613	376,871	1,857,757	537,726	
FCFE	**16,758,927**	**7,337,287**	**(212,572)**	**4,648,103**	**4,294,494**	
Discount factor (Ke = 14.2%)	0.88	0.77	0.67	0.59	0.52	
Present value of FCFE	**14,679,109**	**5,629,146**	**(142,845)**	**2,735,834**	**2,214,009**	**21,434,666**

Total intrinsic value	
Number of shares	71,875,000
Intrinsic value per share (KHR)	2,607
Current share price (KHR)	2,080
Recommendation	BUY
Upside	25%

We believe that FCFE valuation is suitable for PPSP given the company's historically conservative financing profile and preference and the company has generally maintained a manageable leverage position and, consistent with management's disclosures, tends to prioritize retained earnings and operating cash generation to fund expansion rather than structurally increasing gearing, an approach that aligns well with an equity-holder cash flow framework. Importantly, we also consider the capex for ongoing SEZ land development for Kandal SEZ and infrastructure upgrades (e.g., utilities and environmental infrastructure such as water/wastewater-related investments.

Appendix F2: Beta Calculation

Name	Country	Levered Beta	5Y Average Effective Tax Rate	Debt (USD)	MKT Cap (USD)	Unlevered Beta
Saigon VRG Investment Corp	Vietnam	1.04	19.09%	174M	479M	0.803
Mega Manunggal Property Tbk PT	Indonesia	0.619	0.75%	92M	203M	0.427
Amata Corp Public Co.Ltd	Thailand	1.377	13.37%	649M	600M	0.711
WHA Corp PCL	Thailand	1.35	13.61%	1562M	1559M	0.724
Fraser Property Thailand PC	Thailand	0.499	17.41%	442M	1603M	0.407
NESCO Ltd	India	0.923	20.16%	12M	934M	0.914
Vinh Phuc Infrastructure Development	Vietnam	0.813	12.58%	4M	42M	0.749
Hiep Phouc Industrial Park JSC	Vietnam	0.706	0%	1M	53M	0.693
Average						**0.678**
PPSP D/E Ratio						26%
Tax Rate						20%
PPSP Levered Beta						**0.819**

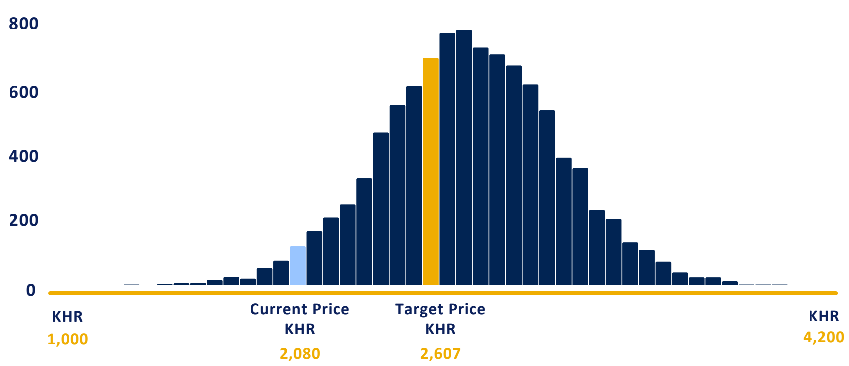
Appendix F3: Relative Valuation

Name	Country	P/E (TTM)	P/BV (TTM)	EV/EBITDA (TTM)	Dividend Yield (TTM)	Debt/Equity
Saigon VRG Investment Corp	Vietnam	10.61	1.35	8.28	2.87%	0.74
Amata Corp Public Co.Ltd	Thailand	5.77	3.07	8.70	5.73%	0.66
WHA Corp PCL	Thailand	9.75	0.77	14.31	5.92%	1.27
Fraser Property Thailand PC	Thailand	9.67	2.68	25.83	5.29%	1.39
NESCO Ltd	India	21.97	0.38	16.86	0.56%	0.00
Vinh Phuc Infrastructure Development	Vietnam	8.37	3.63	8.22	3.79%	0.11
Hiep Phouc Industrial Park JSC	Vietnam	24.39	1.19	24.65	0.00%	0.06
Average		**12.93**	**1.35**	**15.26**	**4.03%**	**0.74**
PPSP	**Cambodia**	**9.39**	**0.96**	**2.75**	**3.67%**	**0.26**

Appendix F4: Monte Carlo Simulation

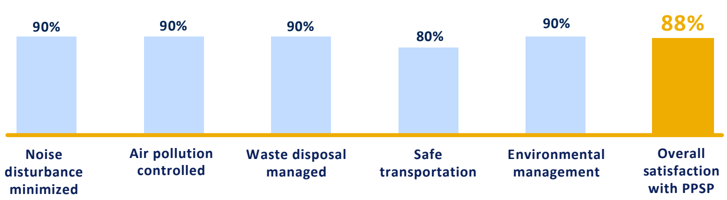
We conducted a Monte Carlo simulation with 10,000 trials. The simulation indicates a price range of between KHR 1,000 and KHR 4,500, with a mean intrinsic value of KHR 2,809, which roughly corresponds to our initial target price. Moreover, the downside risk is extremely low at only 3%, reinforcing our BUY recommendation. The key variables that were randomized for Monte Carlo simulations from our DCF base were the Cost of Equity, Terminal growth, Cost of Sales % of revenues, Revenues growth, and Land sales % of revenues.

Monte Carlo Parameter	
Simulation trials	10,000
Average intrinsic value	KHR 2,809
Min intrinsic value	KHR 1,108
Max intrinsic value	KHR 4,135
Probability of Downside Risk	**3%**
Probability of Buy	**92%**

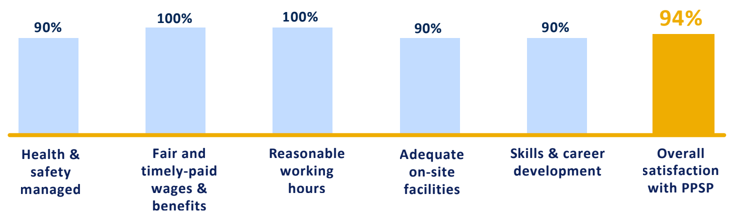


APPENDIX G : ZONE INVESTOR AND STAKEHOLDER SURVEY

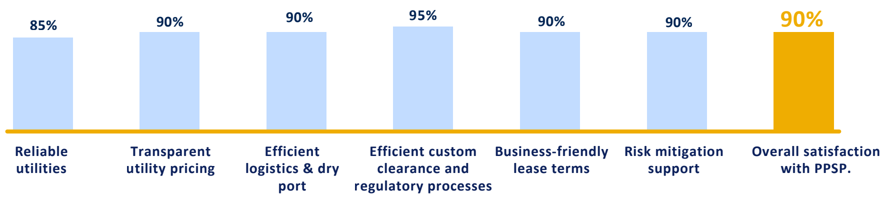
Local Community Satisfaction of PPSP



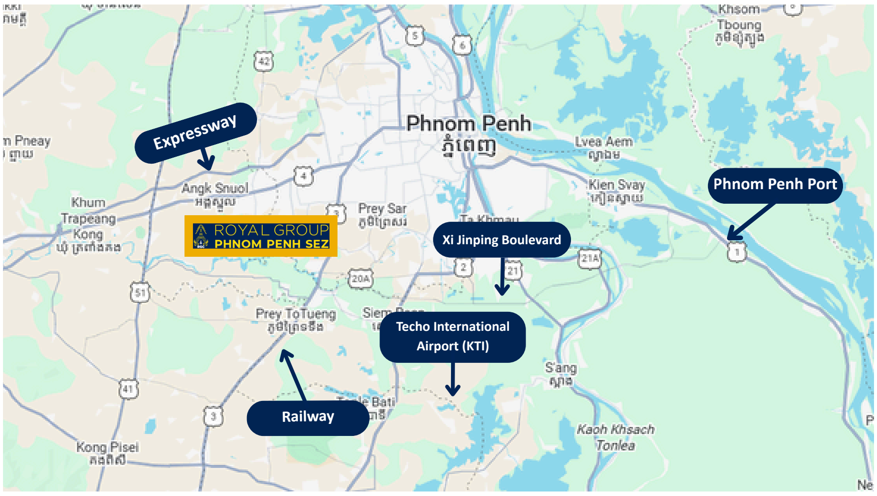
Worker Satisfaction and Employment Conditions



Tenants Satisfaction and Operational Effectiveness



APPENDIX H: PPSP'S STRATEGIC LOCATION



20 Km From City Center

40 Km From Techo International Airport

48 Km From Phnom Penh Port

2.5 hours From Sihanoukville Port

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