ROYAL GROUP
PHNOM PENH SEZ

CamEd
Business School

Stock Exchange: CSX

Company's Ticker: PPSP

Industry: Real Estate Management & Development

Recommendation: BUY

Date: 27 February 2026

12-month Target Price: KHR 2,607

Upside: 25%

Market Price: KHR 2,080

INVEST NOW, OWN THE ZONE

Ren Monyroth, Sieng Bunleang, That Vichita, Von Vannchiun

CamEd Business School
Candidates and Advisor

1. **Bunleang Sieng**
   Senior Student
   Bachelor of Accounting and Finance

2. **Vannchiun Von**
   Senior Student
   Bachelor of Accounting and Finance

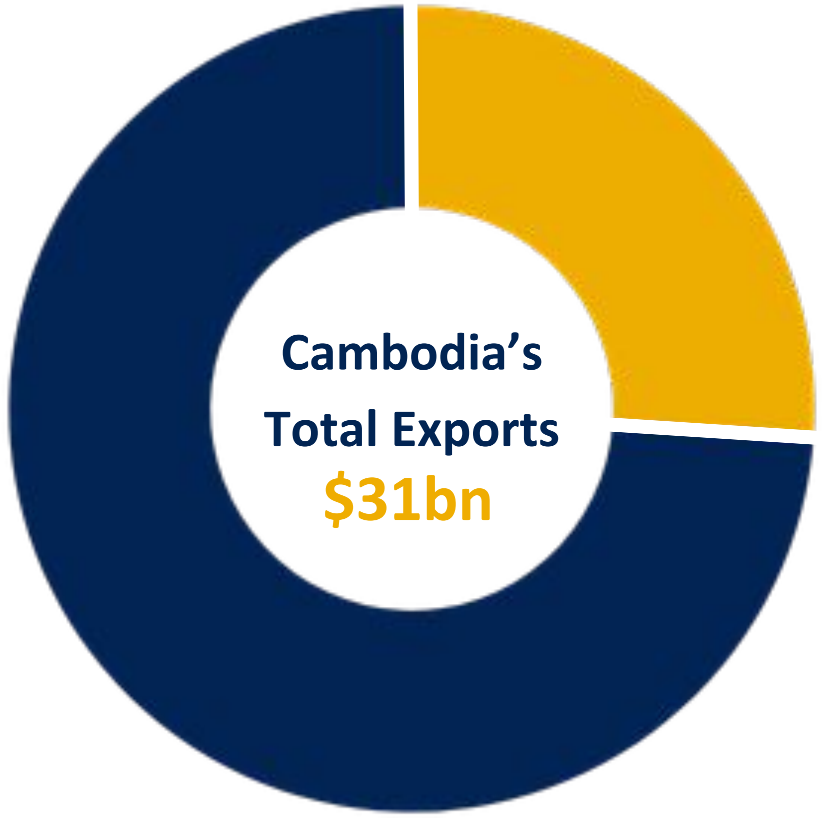
3. **Monyroth Ren**
   Senior Student
   Bachelor of Accounting and Finance

4. **Vichita That**
   Senior Student
   Bachelor of Accounting and Finance

Advisor
Muhammad M. Ma'aji
Professor of Finance
CamEd Business School

SEZs as a Core Engine of Cambodia's Export Economy

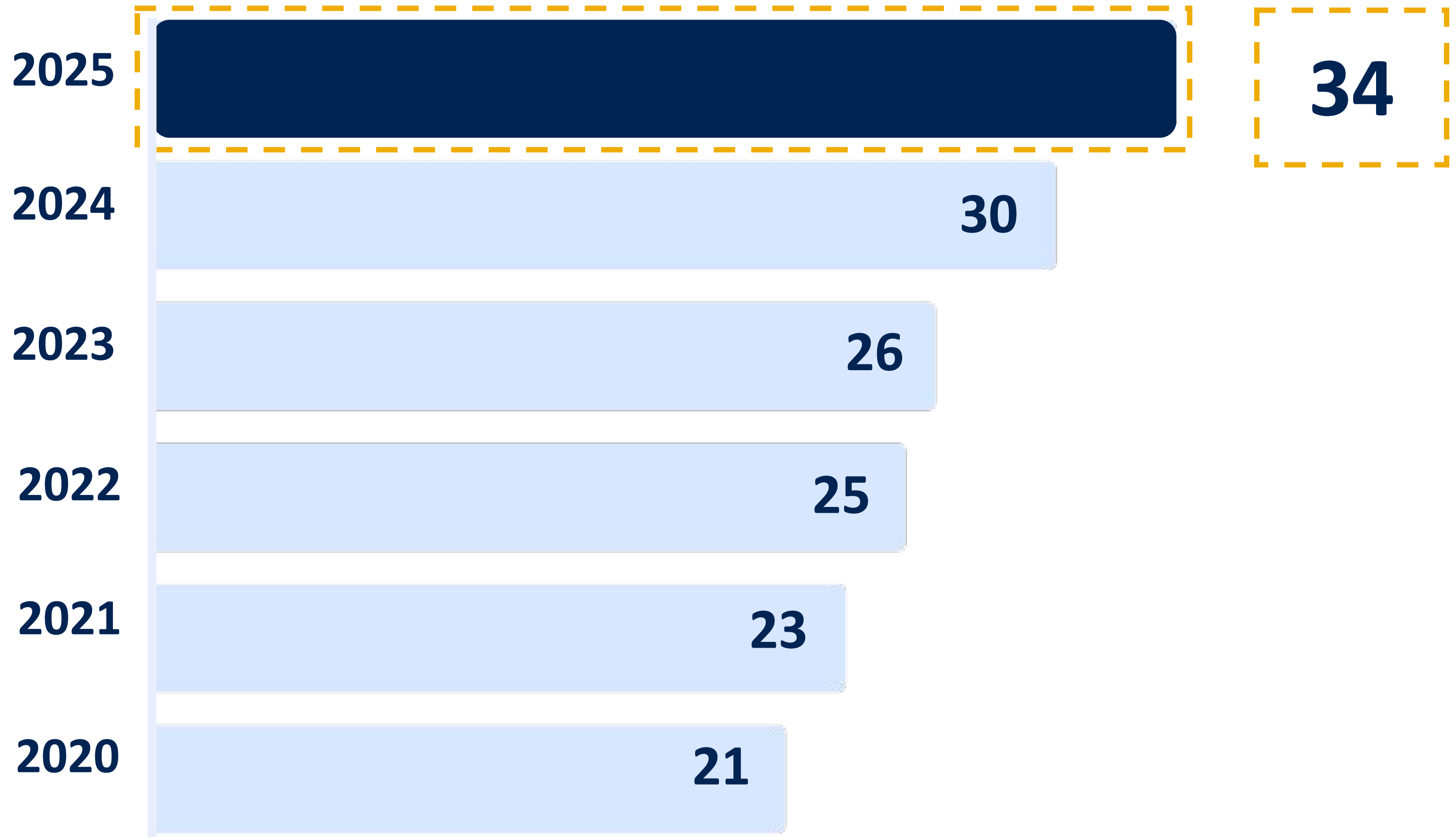
SEZs' Share of Cambodia's Total Exports in FY25



26%

of Cambodia's Total Export

Continued Increased in the Number of SEZs



Source: GDCE, CDC, PPSP, Team Analysis

Company Background

PPSP Business Overview

357Ha
SITE AREA

119
COMPANIES

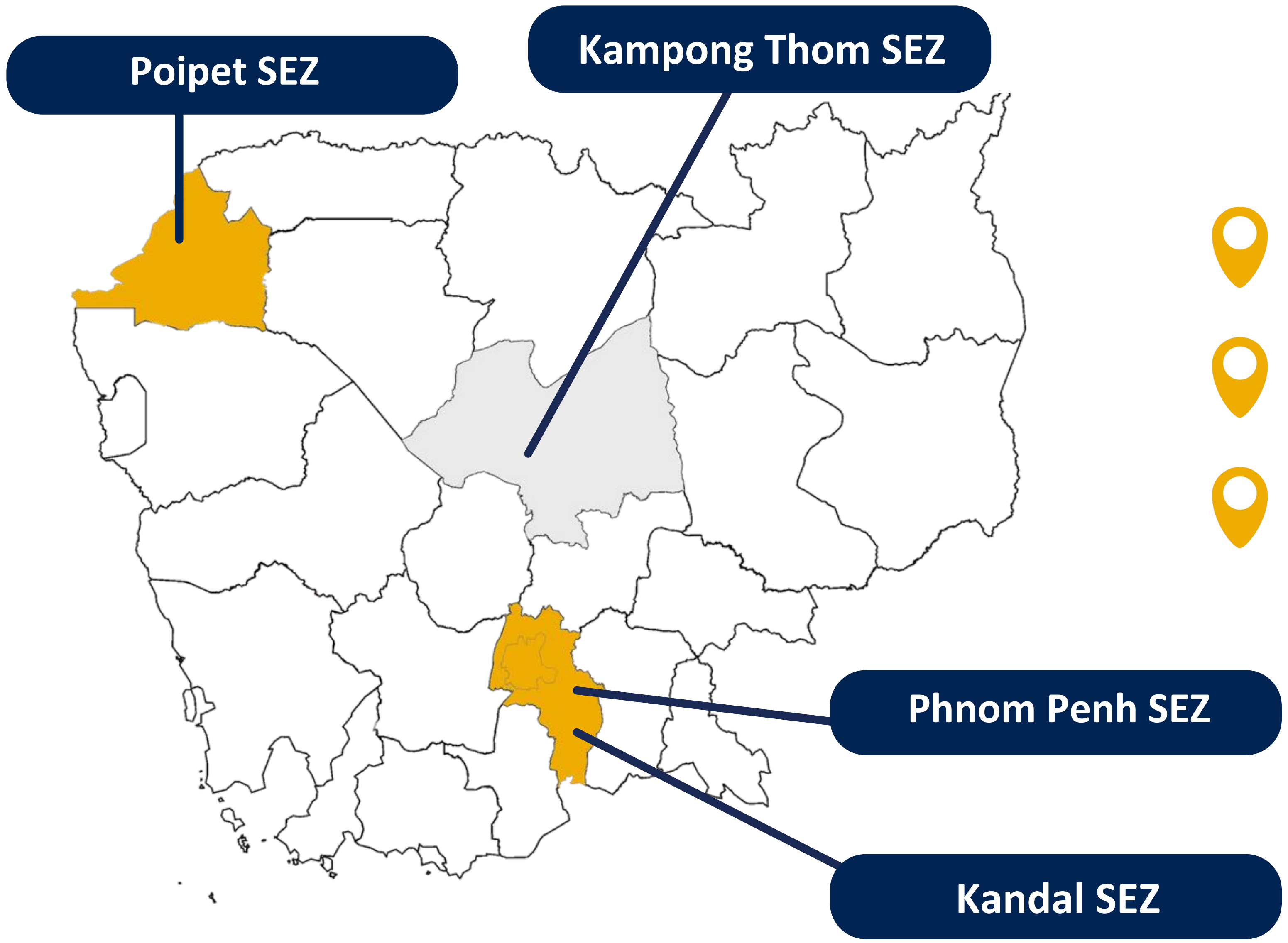
15
NATIONS

51,269
WORKERS

Number of Investors by Countries

Japan	China	Cambodia
37%	30%	8%

Geographic Presence of PPSP

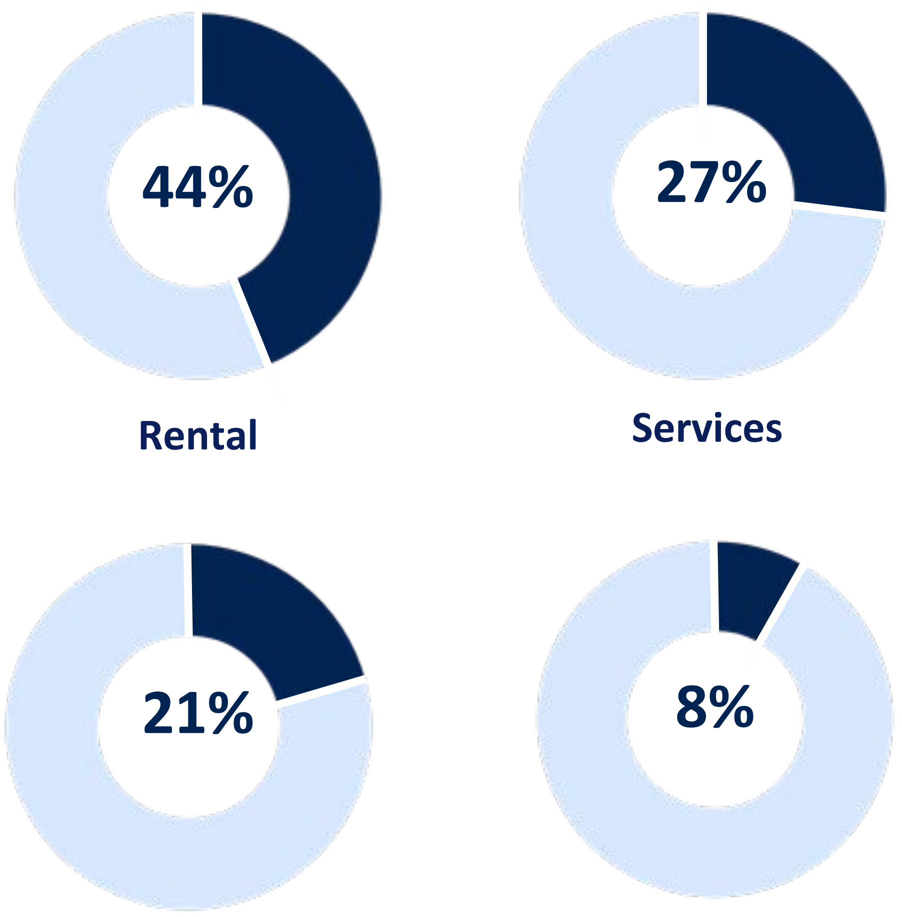


- Royal Group Phnom Penh SEZ: 357Ha
- Royal Group Kandal SEZ: 100Ha
- Royal Group Poipet SEZ: 70Ha

Source: GDCE, CDC, PPSP, Team Analysis

Company Background

Revenue Breakdown (FY24)



Total Revenue
USD 13M

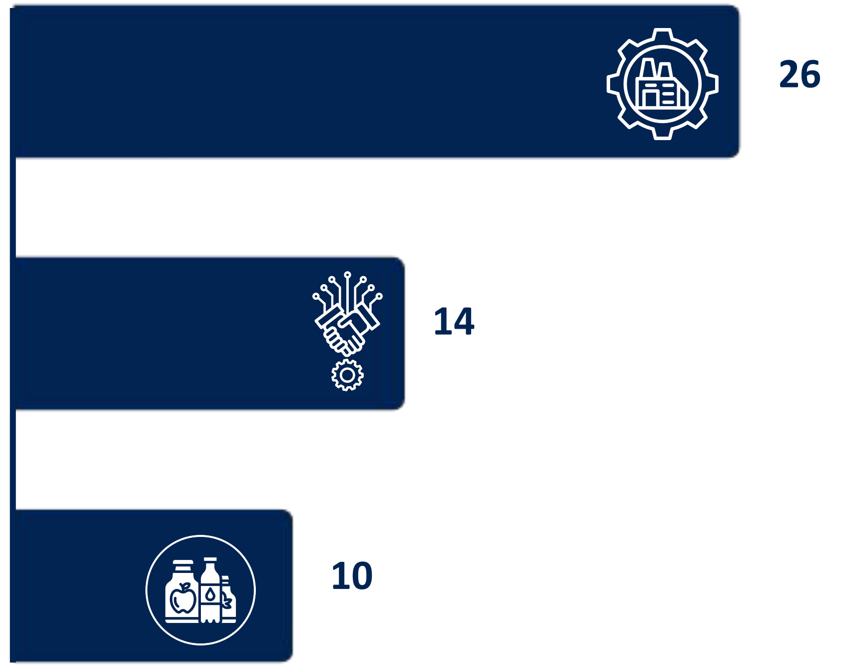
Business Strategies

Land Expansion
- Poipet SEZ
- Kandal SEZ
- Kampong Thom SEZ

Growth with Built-To-Suit (BTS)
- BTS Rental Solutions
- High Occupancy & Revenue
- Better Financial Profile

Service-Driven Recurring Revenue
- Integrated tenant services
- Core Infrastructure Support
- Kampong Thom SEZ

Number of Investors by Industries



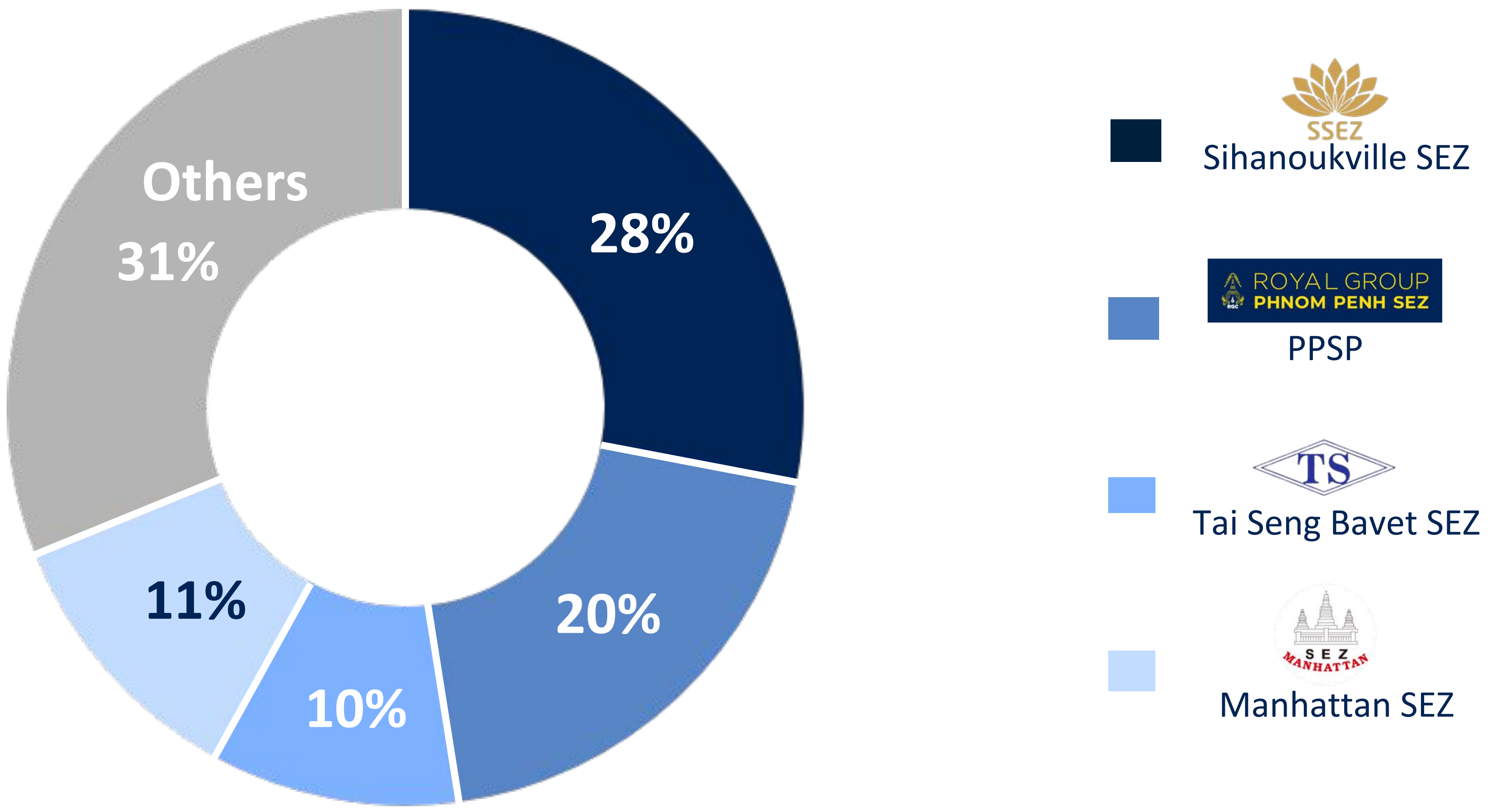
Major International Brands in PPSP

TOYOTA, Coca-Cola, YAMAHA, DENSO Crafting the Core, HESTRA 1936, AJINOMOTO

Source: GDCE, CDC, PPSP, Team Analysis

Rising Supply within a Fragmented SEZ Industry

Cambodia's SEZ Market Shares by Export Values in FY24

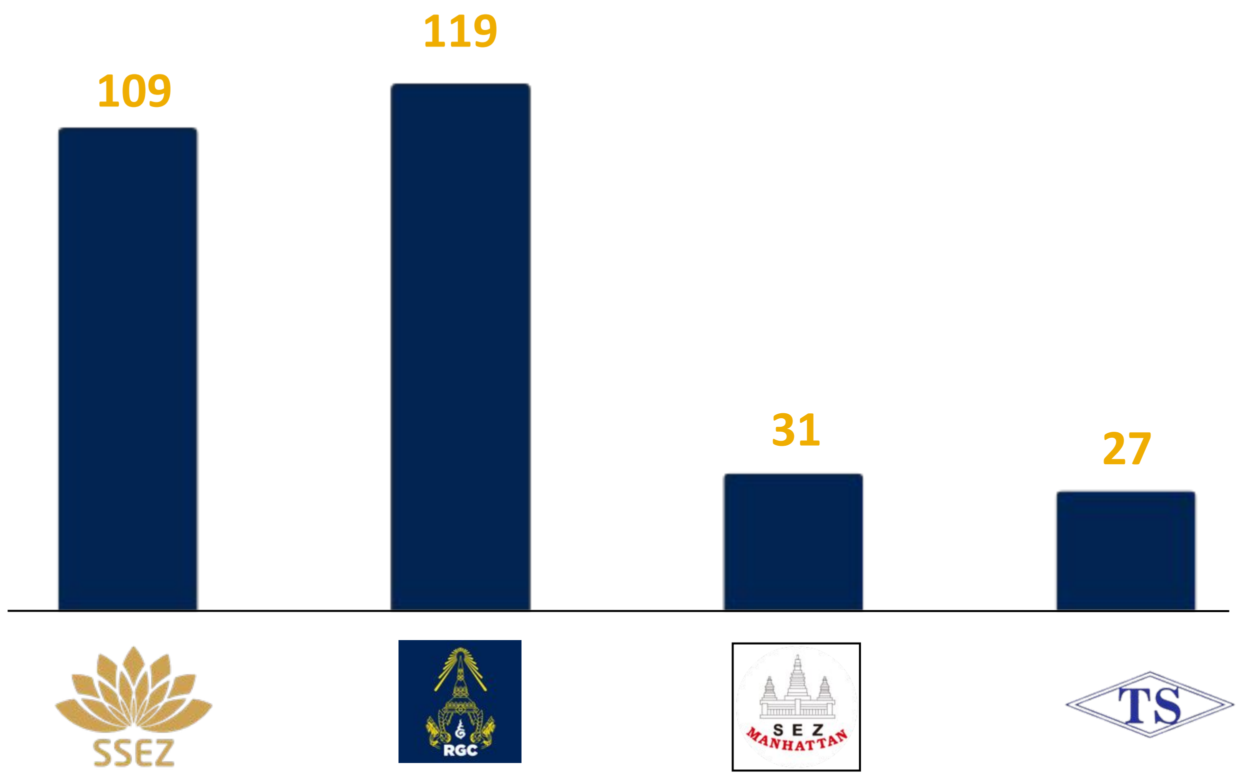


1,032 Investment Projects

$13bn Total Cumulative Investment Capital

Source: CDC, PPSP, Team Analysis

Numbers of Projects



Barriers to Entry

- Capital & Time Intensive
- Regulatory Requirements
- Strategic Location

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PHNOM PENH SEZ

RECOMMENDATION
BUY

Target Price
KHR 2,607

25%
UPSIDE

KHR 2,080
27 February 2026

Market Cap:	USD 37.26M
EPS:	KHR 220 (USD 0.05)
Free Float:	17.09%

Executive Summary

We issue a BUY recommendation with a 12-month target price of KHR 2,607.

1. Macro Tailwinds Drive SEZ Demand and Stable Growth

2. PPSP’s Location, Infrastructure, and ESG Drive its Competitive Advantage

3. Transformed Toward Stable, Recurring Income

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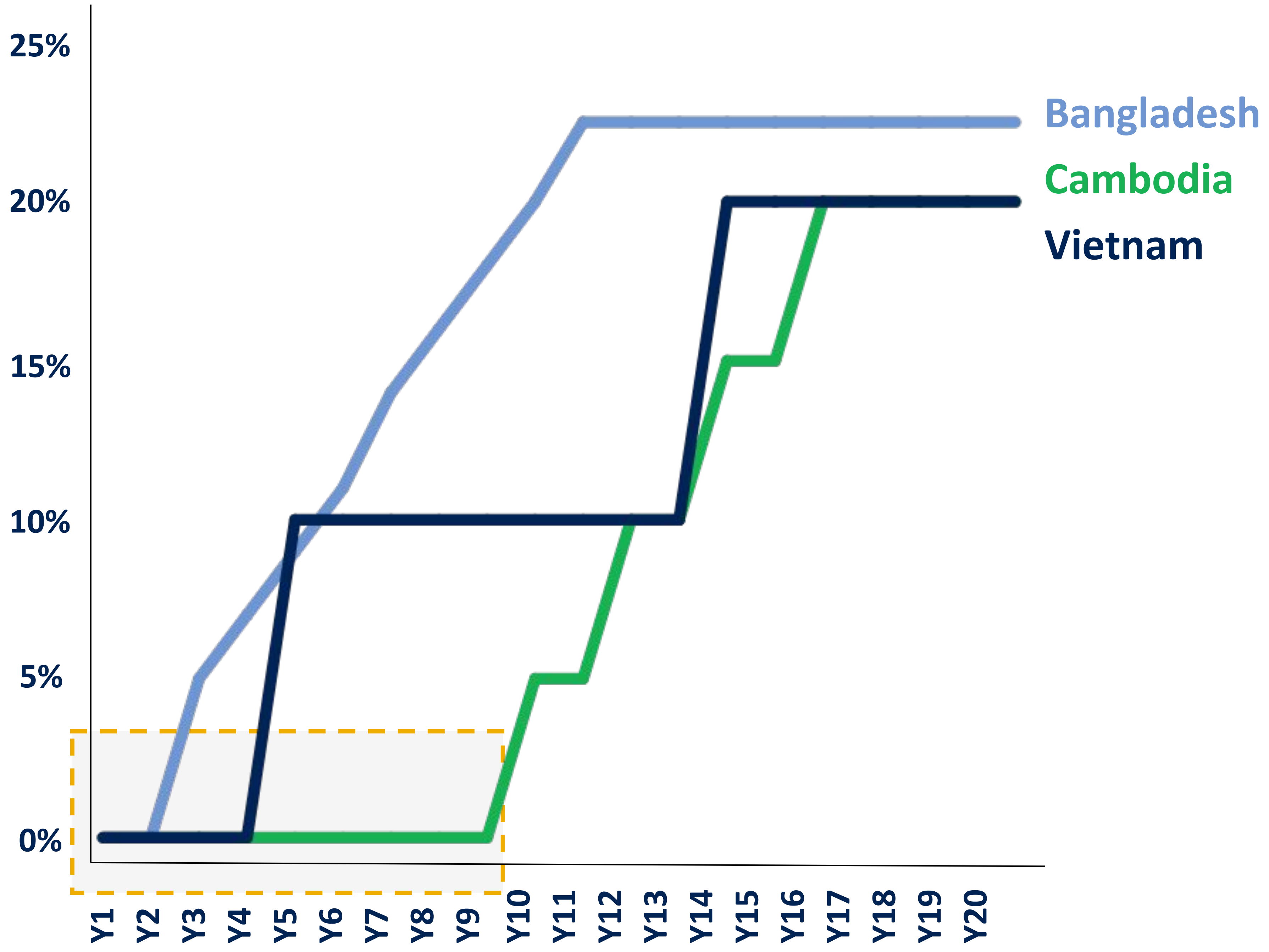
PHNOM PENH SEZ

Thesis 1 | Strong Industrial Demand and Favorable Macro Tailwinds

Thesis 1

Cambodia's Government Incentives

Corporate Income Tax Rate



Source: PWC, BEZA, Team Analysis

Investment & Ownership Flexibility

100% Foreign Ownership

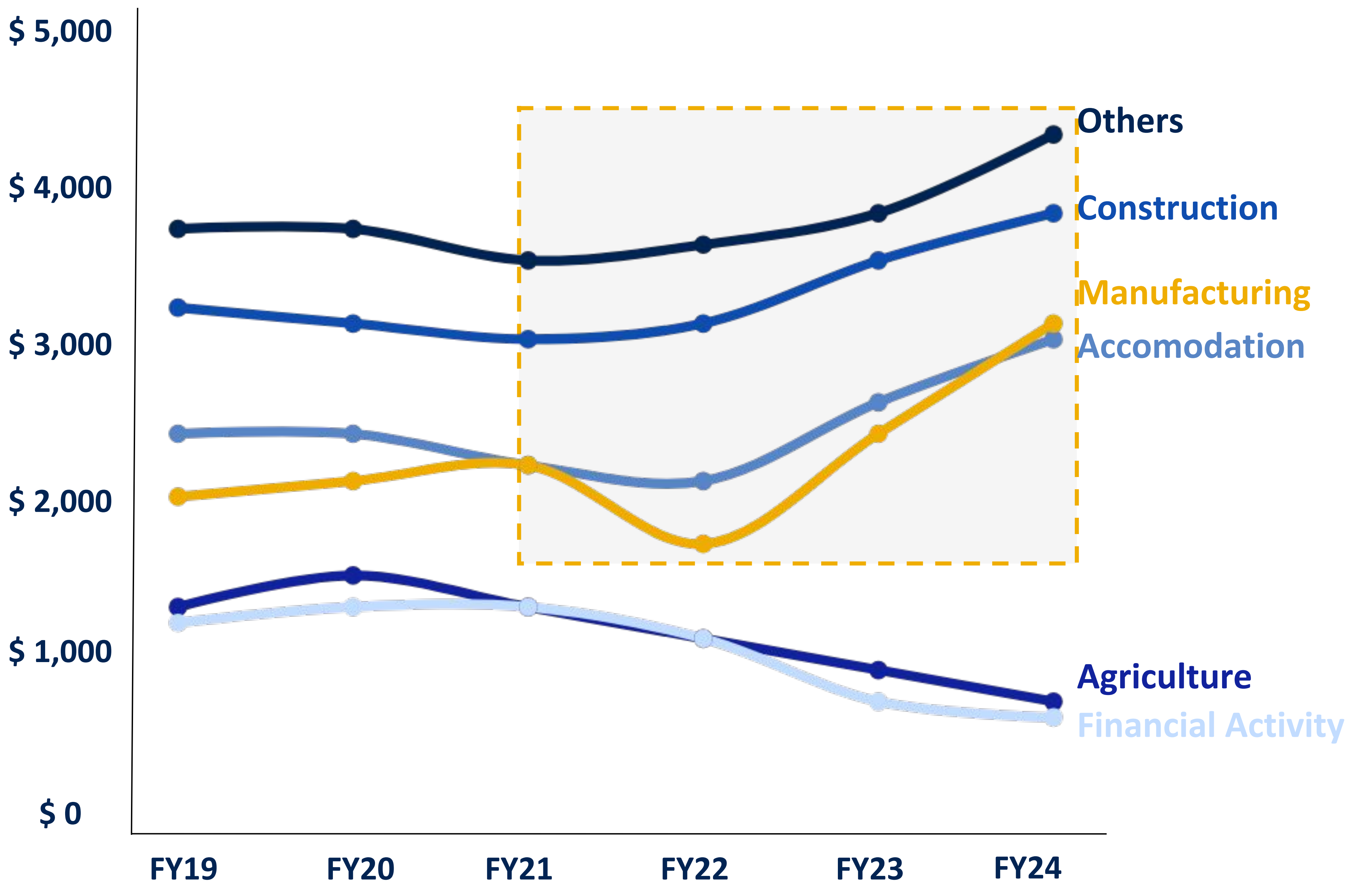
Full Profit Repatriation

Up to **50 YEARS** Land Leases

Thesis 1

Growth and Diversification of FDI in Cambodia

Growth in FDI Inflows into Cambodia (*USD million*)



Source: NBC, Team Analysis

FDI Shifting toward Non-Garment Sectors

FDI Growth in Manufacturing Sectors **CAGR 9%**

Thesis 1

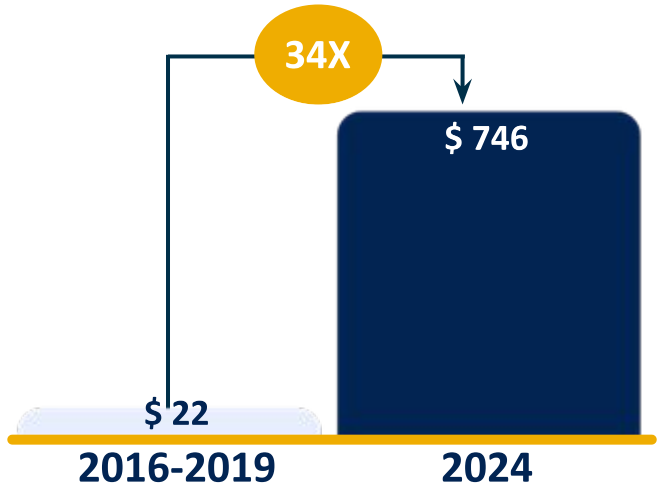
Result of Government Policy: Automative Sector

Automotive Sector in Cambodia 2024

Investment Capital

Average Yearly Flow

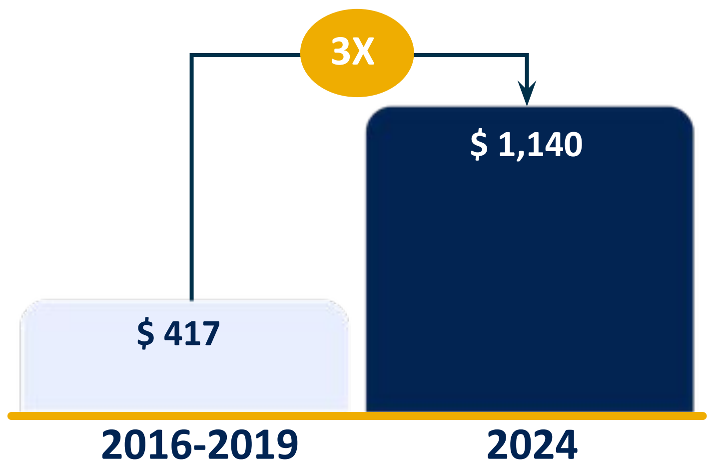
(*USD millions*)



Annual Export

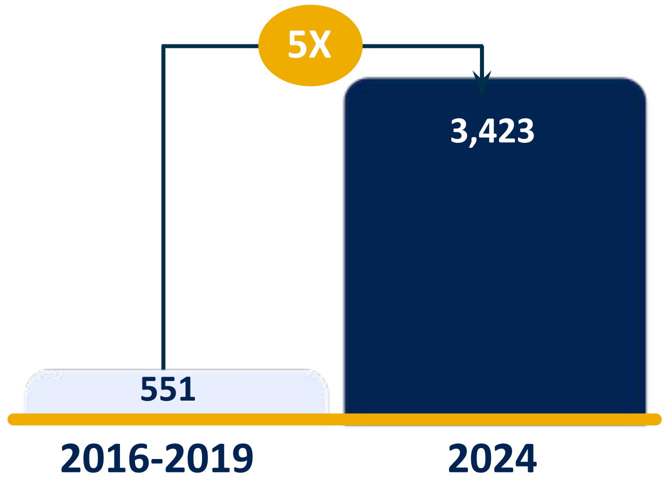
Average Yearly Export

(*USD millions*)



No. of new Investment Employees

Average Yearly # of new employees



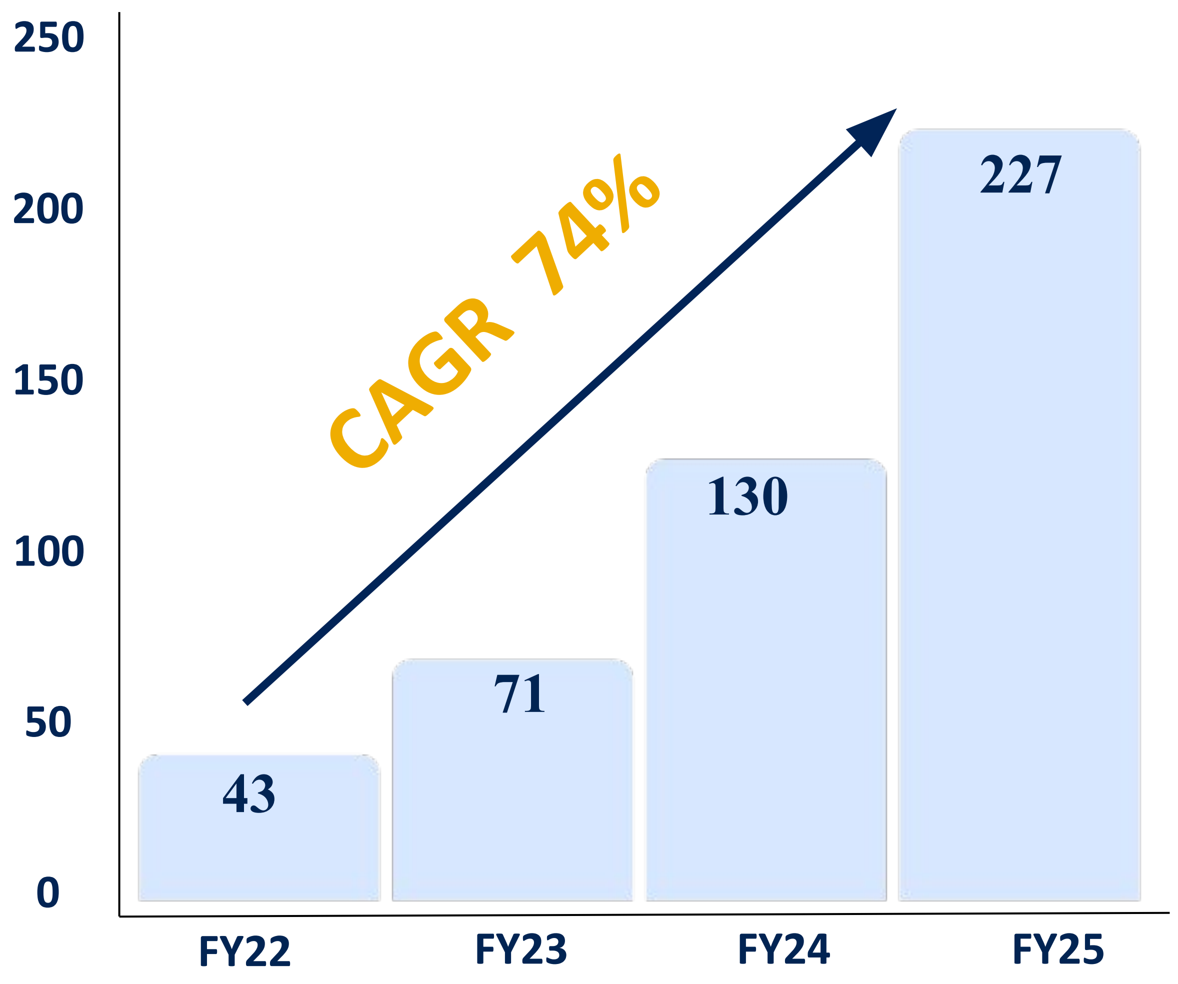
Car Assembly Factories in Cambodia

Ford, TOYOTA, BYD, CHEVROLET, XPENG

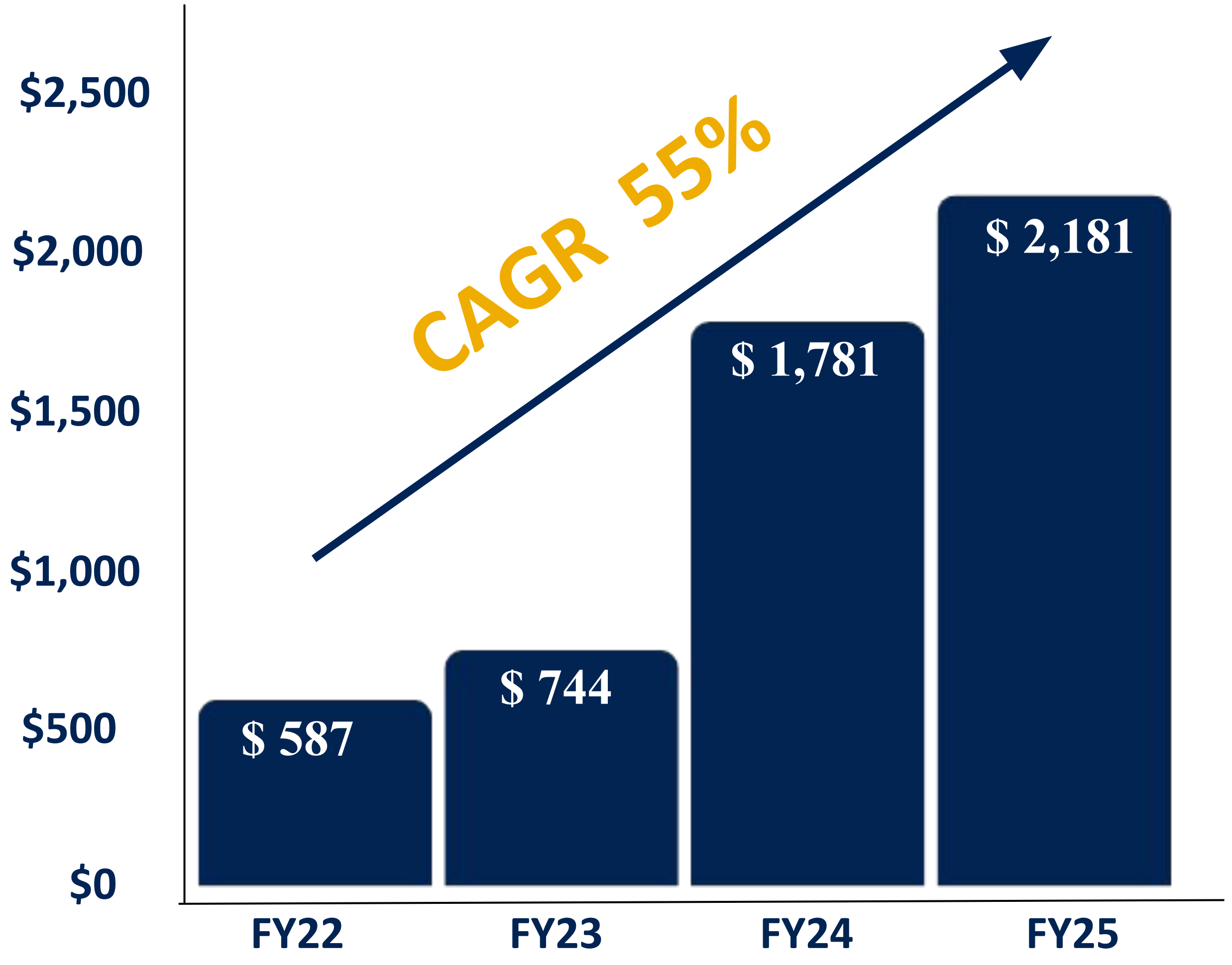
Source: B2B Cambodia, CDC, Team Analysis

Rising Investment in Special Economic Zones

Approved Investment Projects in SEZs



Annual New Capital Investment in SEZs (USD million)



Government Incentives

Infrastructure Expansion

Rise in FDI Inflow

Source: CDC, Team Analysis

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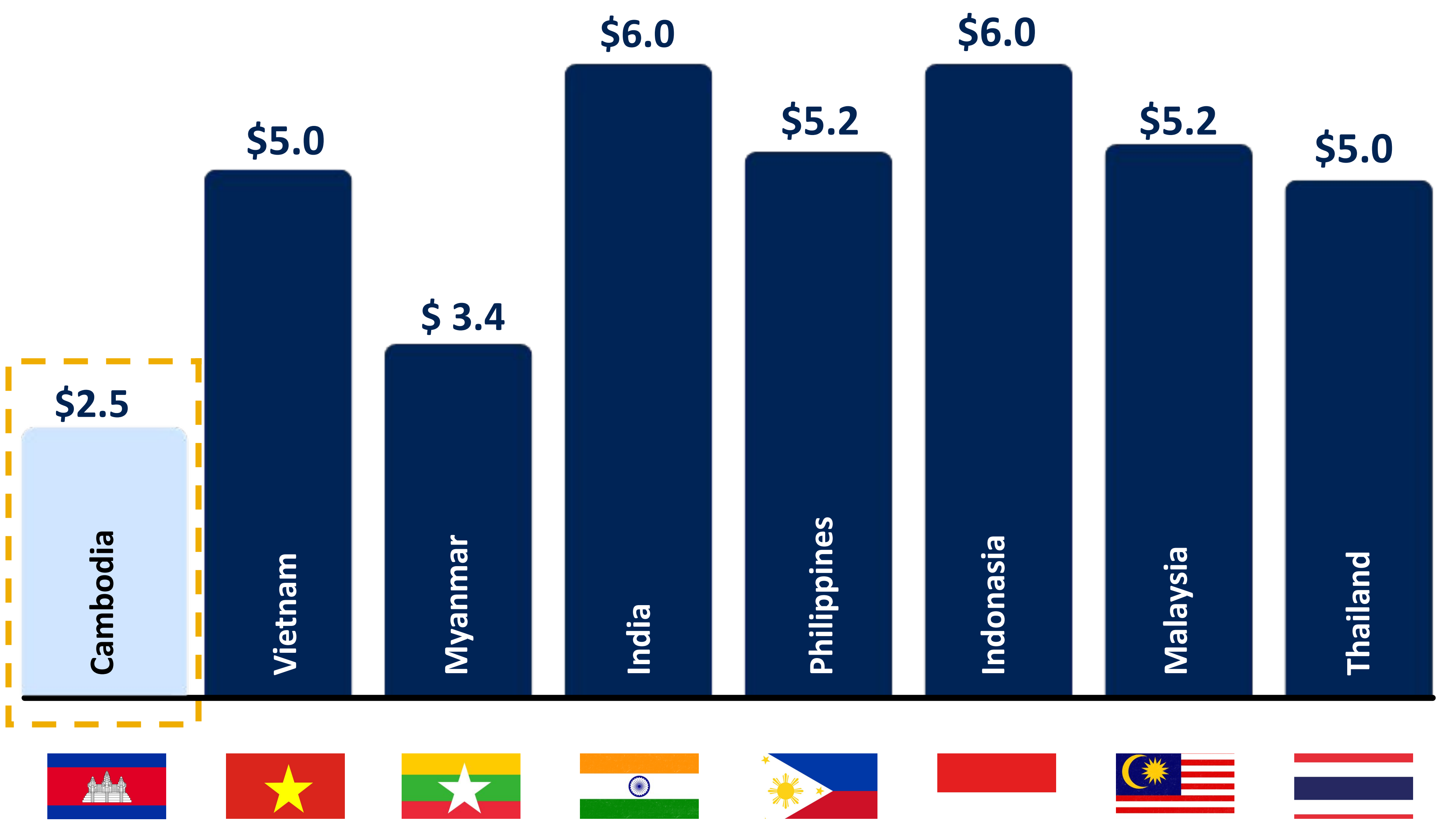
Thesis 2 | PPSP's Location, Infrastructure, and ESG Drive its Competitive Advantage

Competitive Pricing Among SEZs

Rental Costs Across Countries (USD/m2/month)



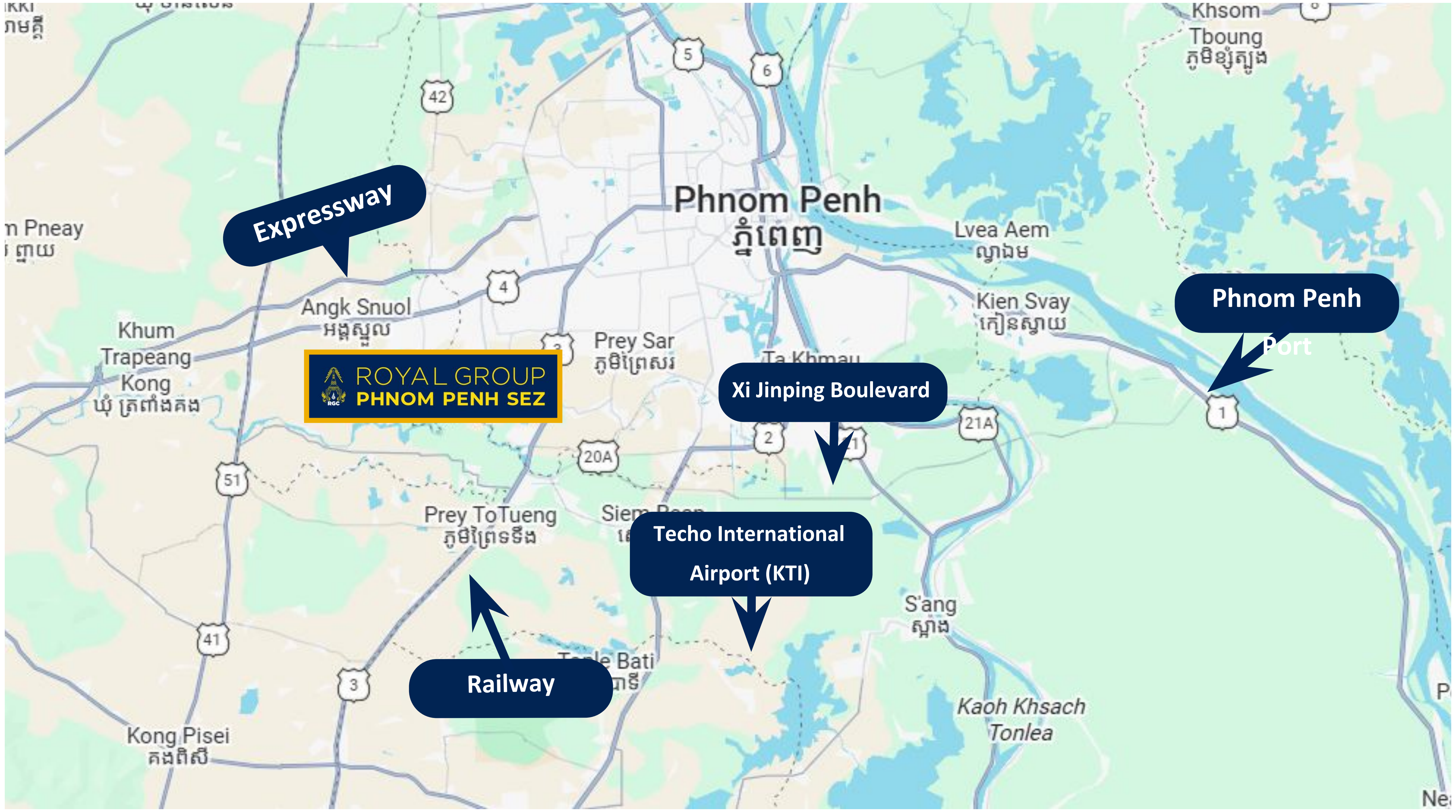
Source: TMX, Team Analysis

Rental Costs Among Key SEZ Players (USD/m2/month)

Source: HKPC, TSF, Team Analysis

Strategic Location of PPSP

PPSP SEZs Positioned Along Major Logistics and Industrial Routes



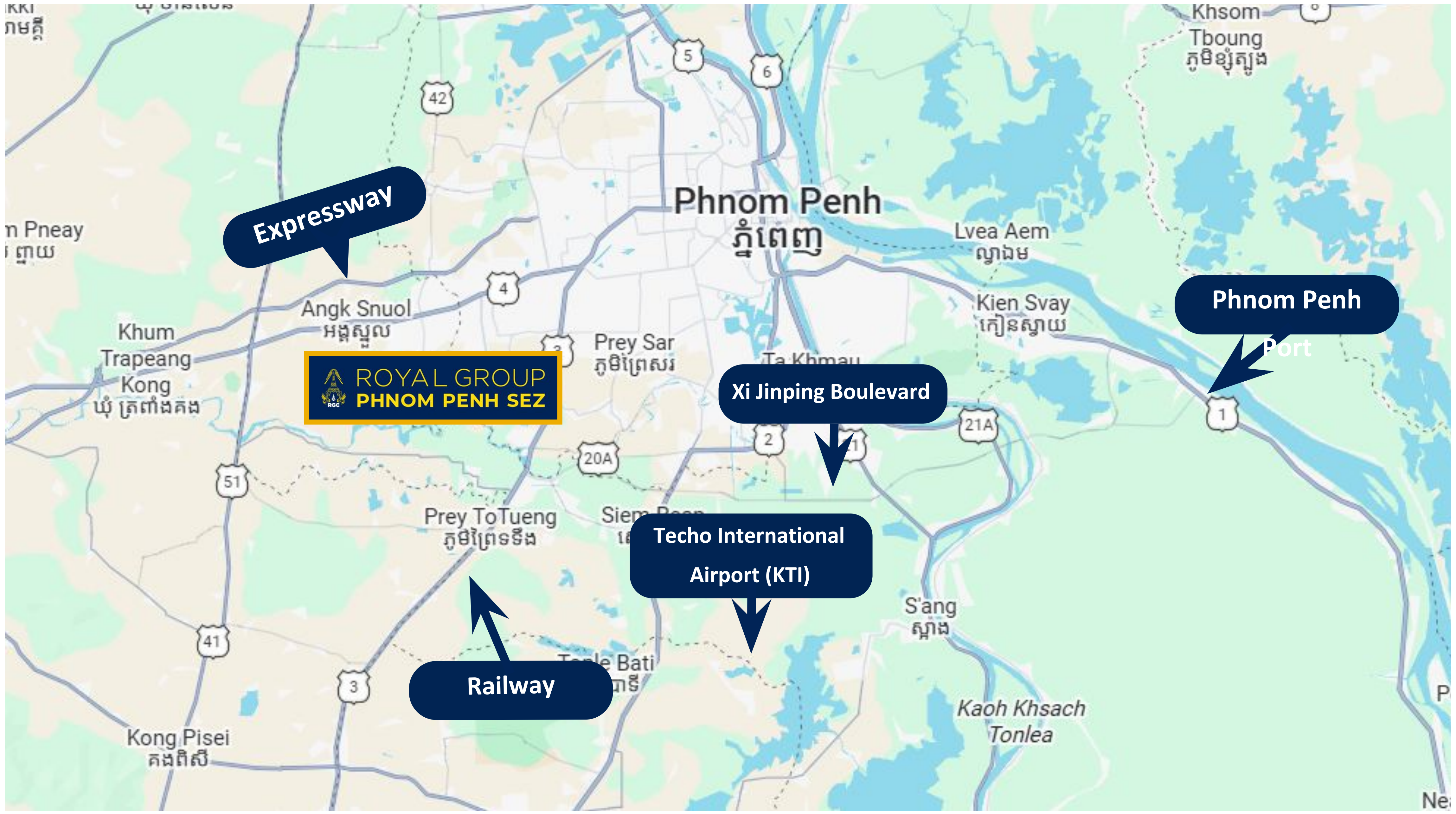
- 20 Km From City Center
- 40 Km From Techo International Airport
- 48 Km From Phnom Penh Port
- 2.5 hours From Sihanoukville Port

Source: PPSP, Team Analysis

Thesis 2

Strategic Location of PPSP

PPSP SEZs Positioned Along Major Logistics and Industrial Routes



20 Km From Phnom Penh City Center

40 Km From Techo International Airport

48 Km From Phnom Penh Port

2.5 hours From Sihanoukville Port

Source: PPSP, Team Analysis

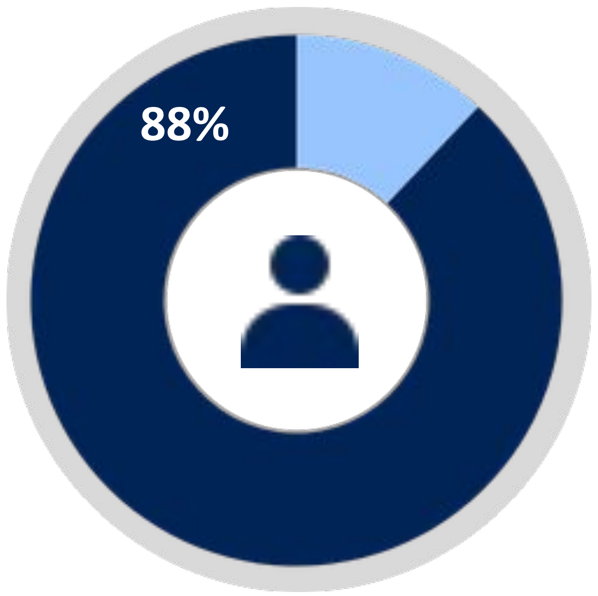
Thesis 2

Stakeholder Survey Results

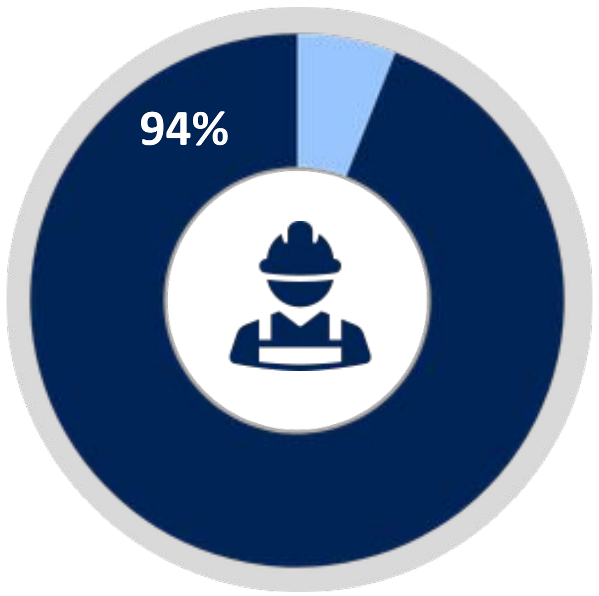
Integrated Infrastructure in PPSP

Overall Tenant Satisfaction

Overall Local Community Satisfaction



Overall Worker Satisfaction



Source: PPSP, Team Analysis

ESG Scoring through Refinitiv Method

PPSP’s ESG strategy has strengthened its sustainable competitive advantages.

ESG RATING SUMMARY		SCORE	WEIGHT
Environmental	Sustainable Water Treatment Management Issuance of Green Bond *High resources consumption & emission *No plan to reduce Biodiversity Risk	2.7	45%
Social	Contribute in National Job Creation Social Activities & Customer Enagement *Lower female representation in executive & non-exectuives position *Lack of disclosure for Responsible Marketing	2.0	25%
Governance	Timely disclosure of annual report and disclosure of sustainability report Non-exacutive Director of 57% *Lack of disclosure on Takeover defense & Chairman’s absence from meetings	2.0	30%

Source: PPSP, Team Analysis

Green Bond Issue

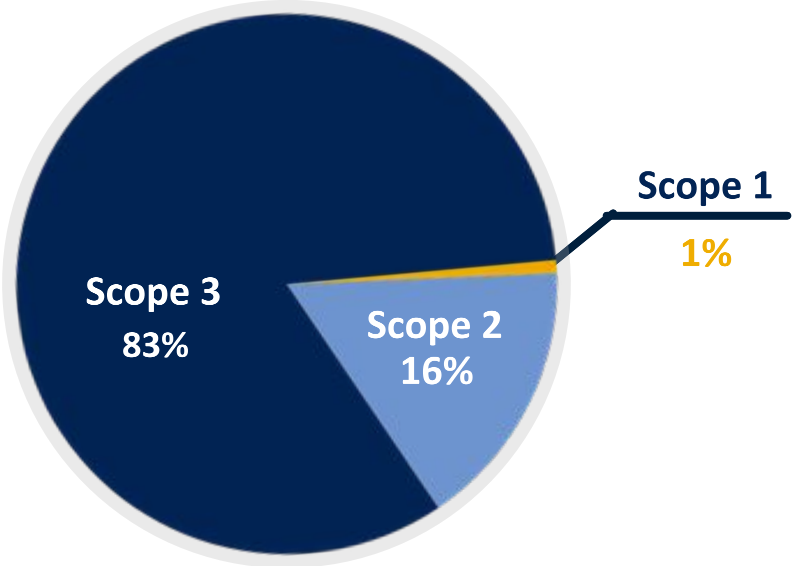
Green Bond
USD 10 millions

USD 5 millions
New Waste Water Treatment Plant

USD 5 millions
Infrastrucutre Project (Bridge, Roads, etc.)

A step toward sustainable financing

Greenhouse Gas Emissions by Scope



High energy consumption resulting in GHG emissions

Thesis 2

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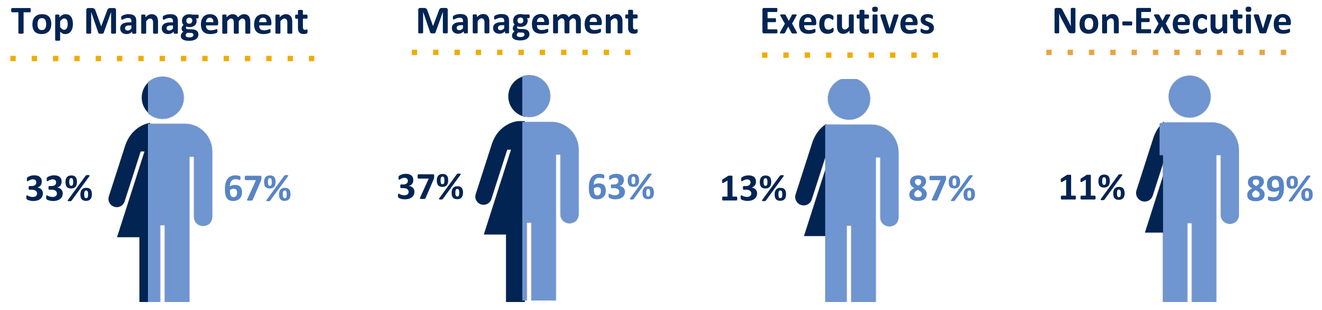
Source: PPSP, Team Analysis

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

Proportion of Female Employees in PPSP in FY24



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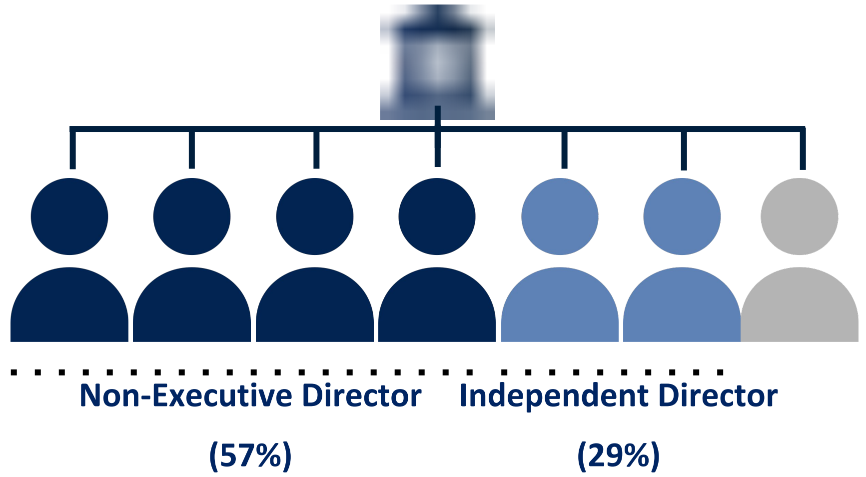
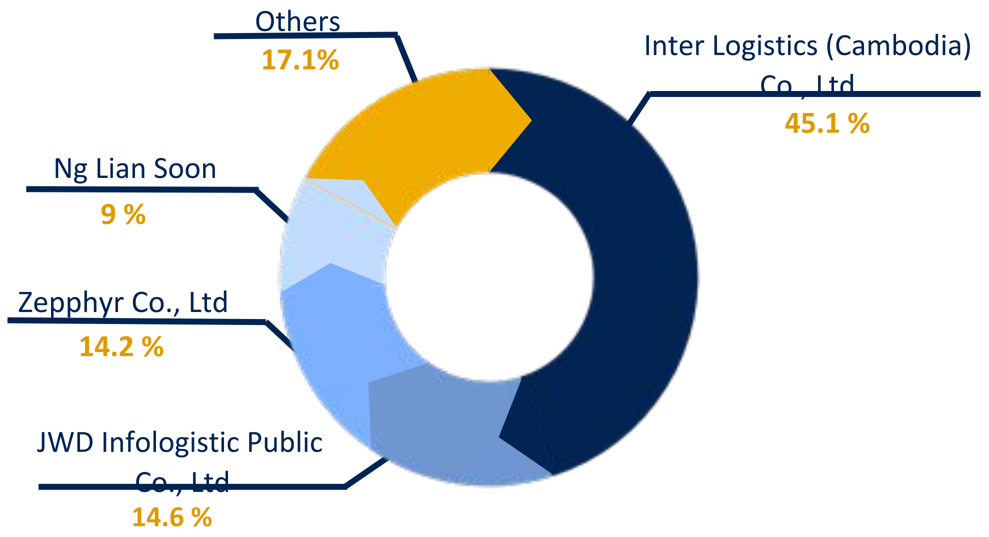
Source: PPSP, Team Analysis

PPSP’s Board of Directors Composition



PPSP’s Shareholding Structures



One-share-one-vote	Pre-emptive rights on new issues
Right to dividends	AGMs achieving about 90% quorum.

Thesis 2

ESG Scoring through Refinitiv Method

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3 GOOD HEALTH AND WELL-BEING

6 CLEAN WATER AND SANITATION

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

OVERALL ESG SCORE

6.7 / 10

Source: PPSP, Team Analysis

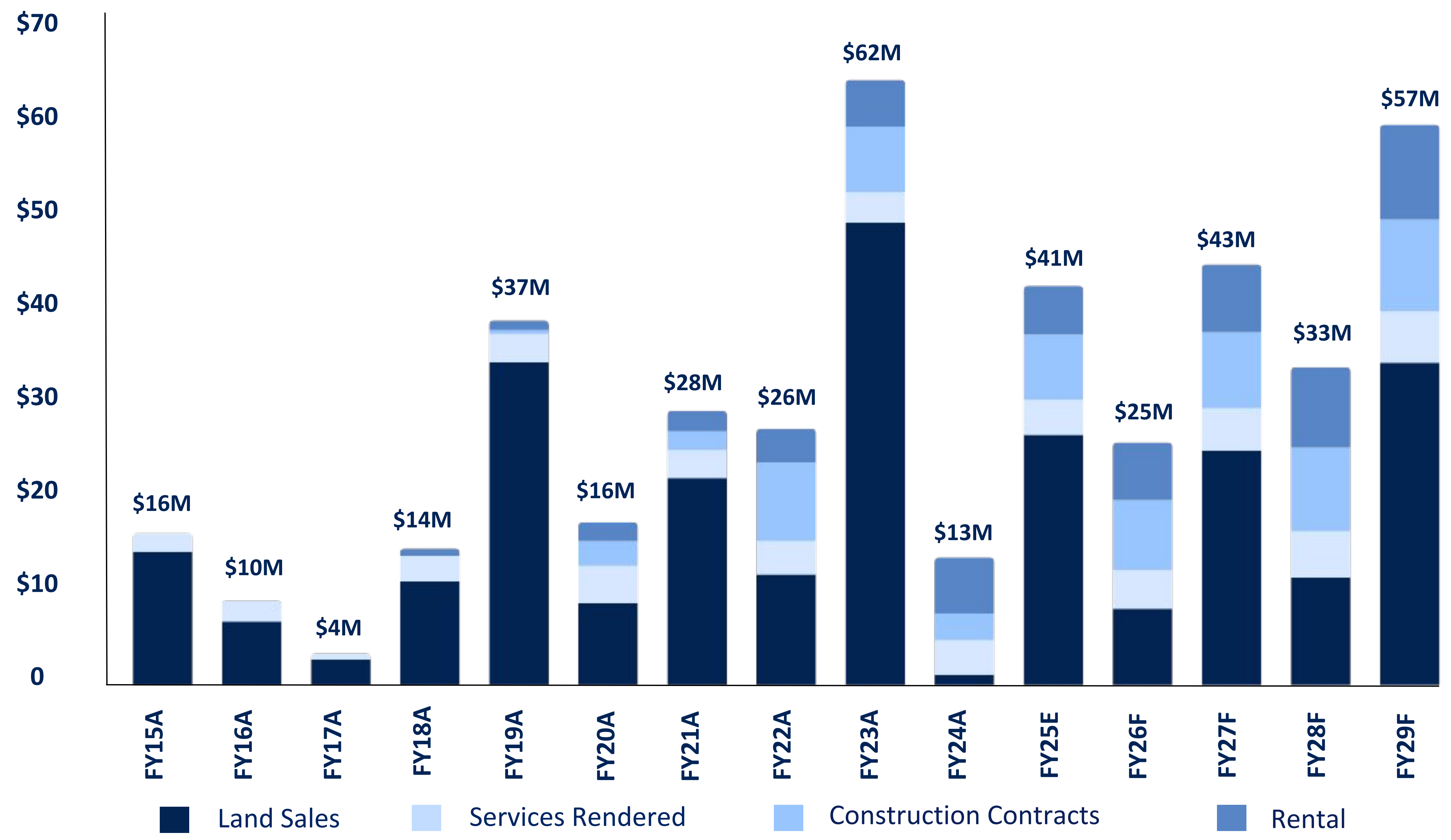
ROYAL GROUP
PHNOM PENH SEZ

Thesis 3 | Transformed Toward Stable, Recurring Income

Thesis 3

Structural Shift Toward Recurring Revenue

PPSP Revenue Mix (FY15–FY29, USD Million)



Source: PPSP, Team Analysis

Growth Drivers

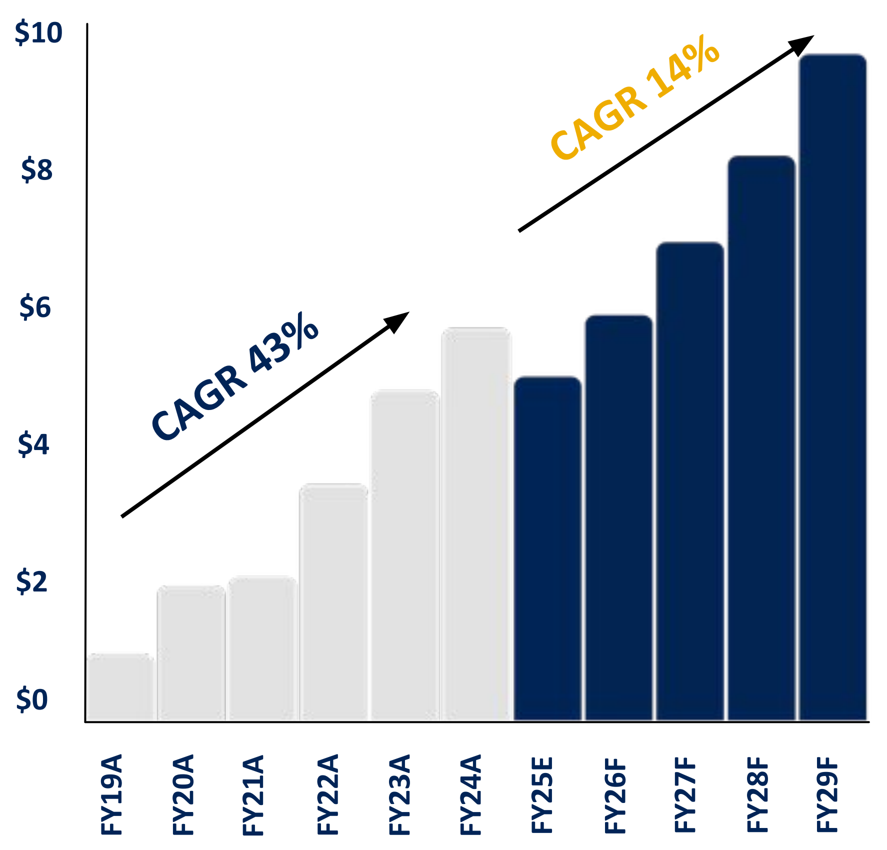
- Built-to-suit factory development
- Long-term lease agreements
- Growth of projects within the SEZ

Thesis 3

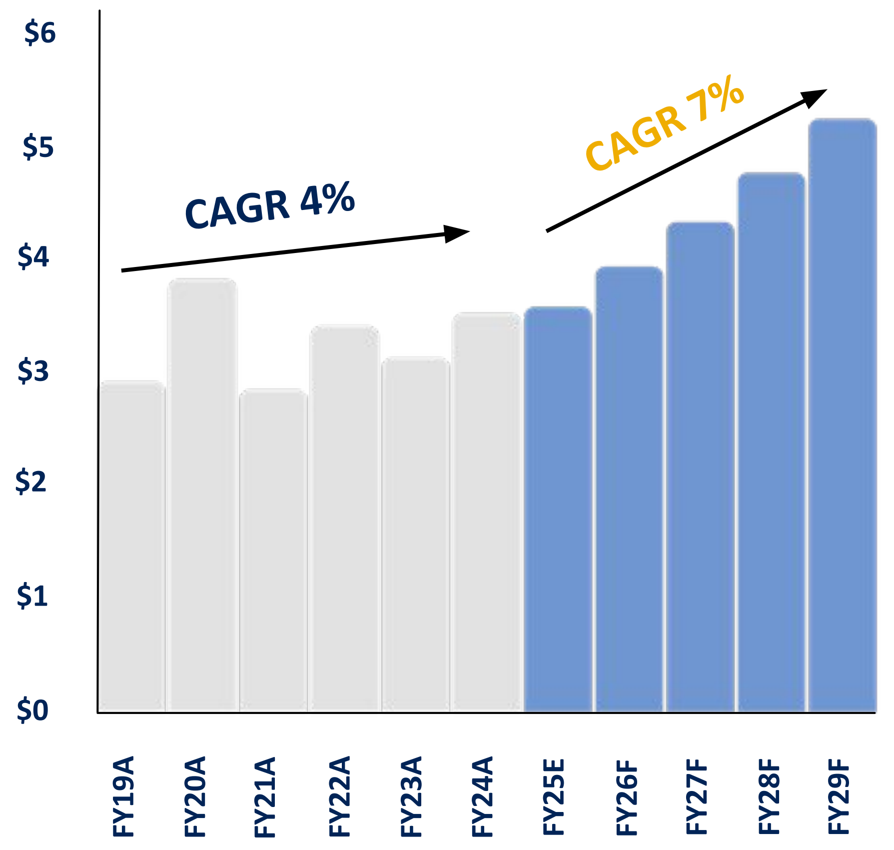
Transformed Toward Stable, Recurring Incomes

Recurring income is rising, strengthening revenue stability

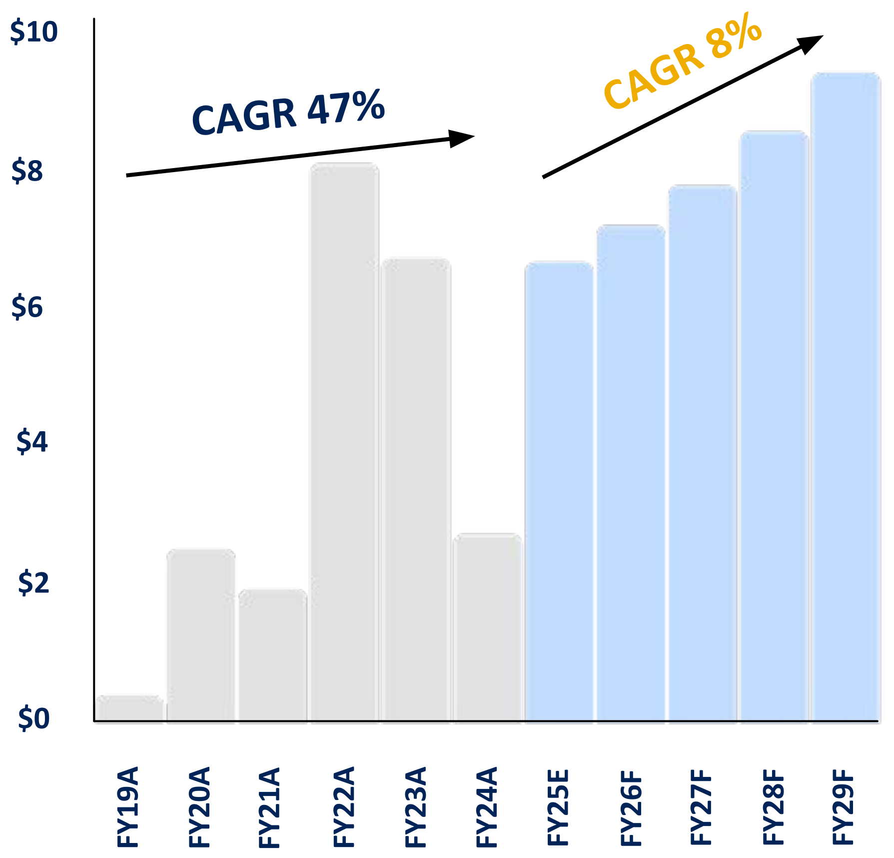
Rental Revenue (FY19–FY29, USD million)



Service Rendered Revenue (FY19–FY29, USD million)



Construction Revenue (FY19–FY29, USD million)



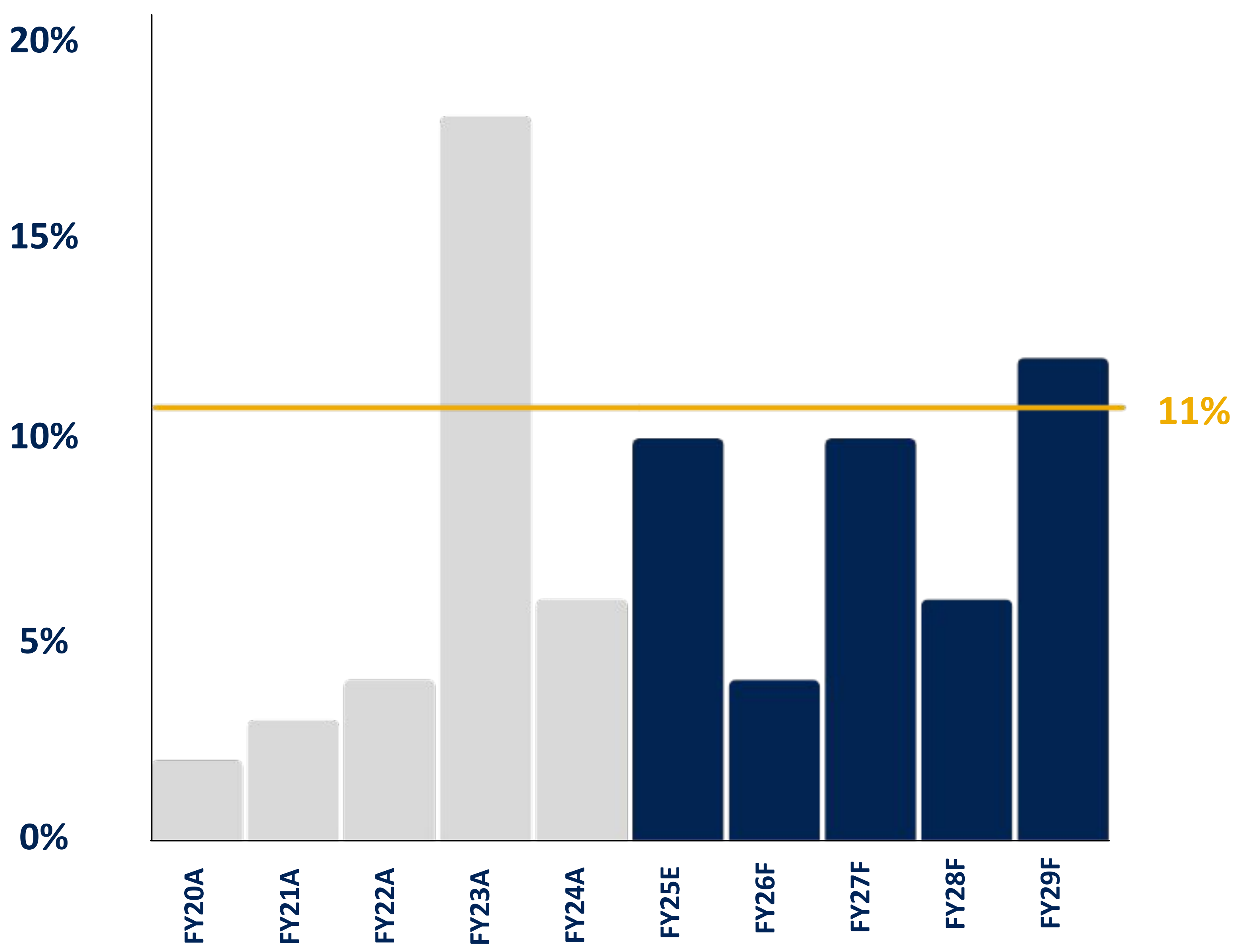
Rising rental and service income reflects PPSP's transition toward a predictable, recurring-revenue business model.

Source: PPSP, Team Analysis

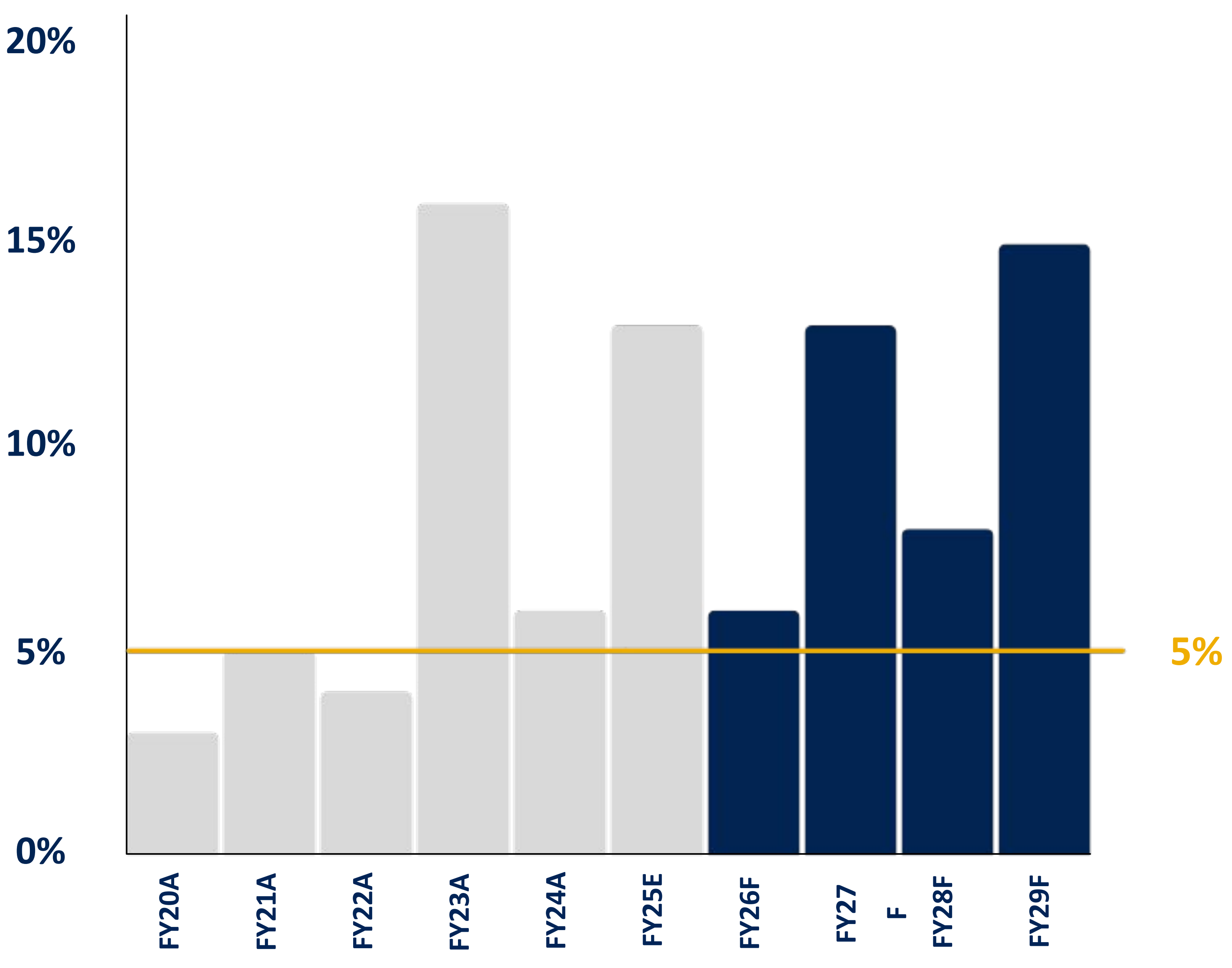
Thesis 3

Return Metrics Reflect Operational Improvement

ROE Recovering Toward Industry



ROIC Outperforming Industry

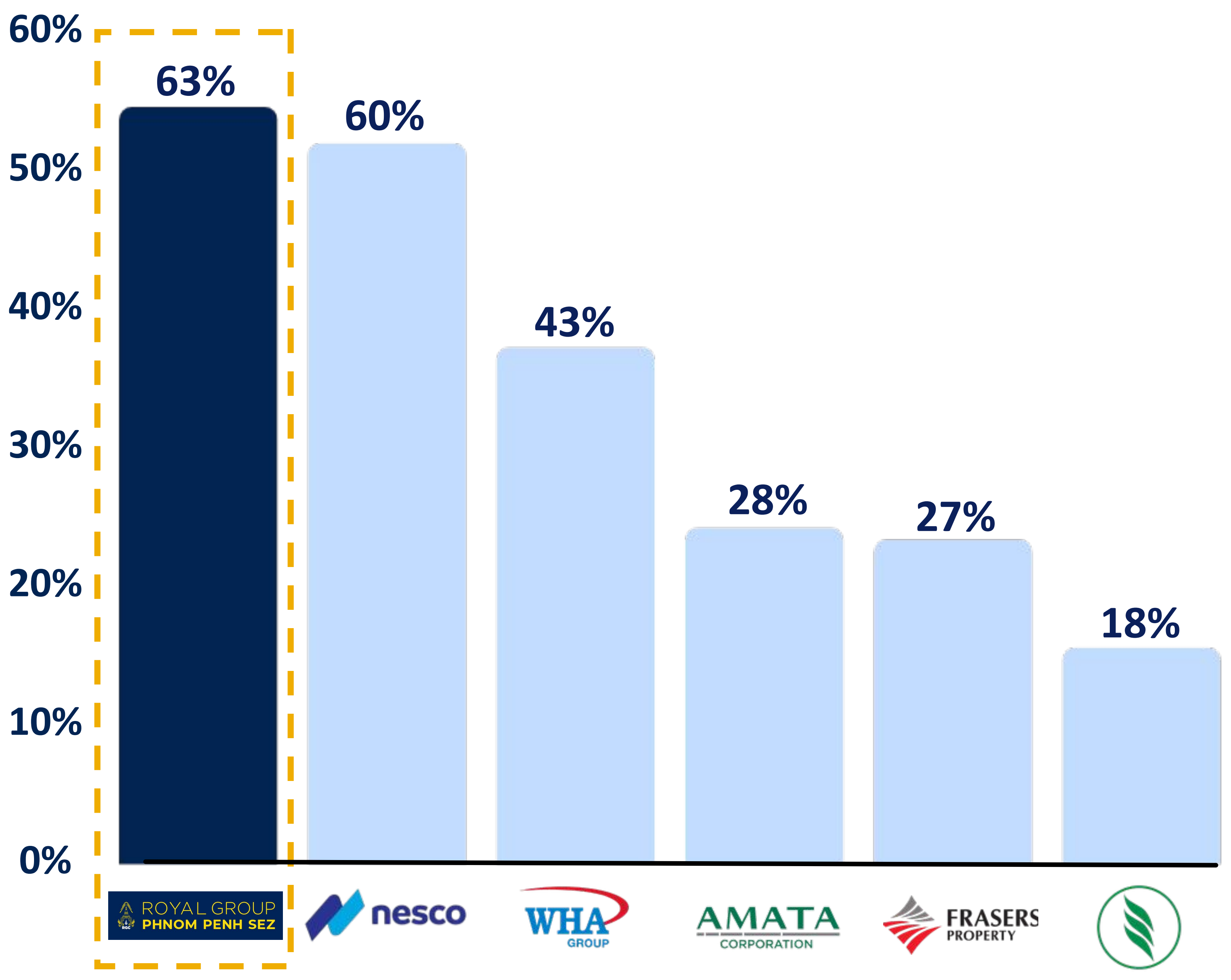


PPSP
Industry (2024)

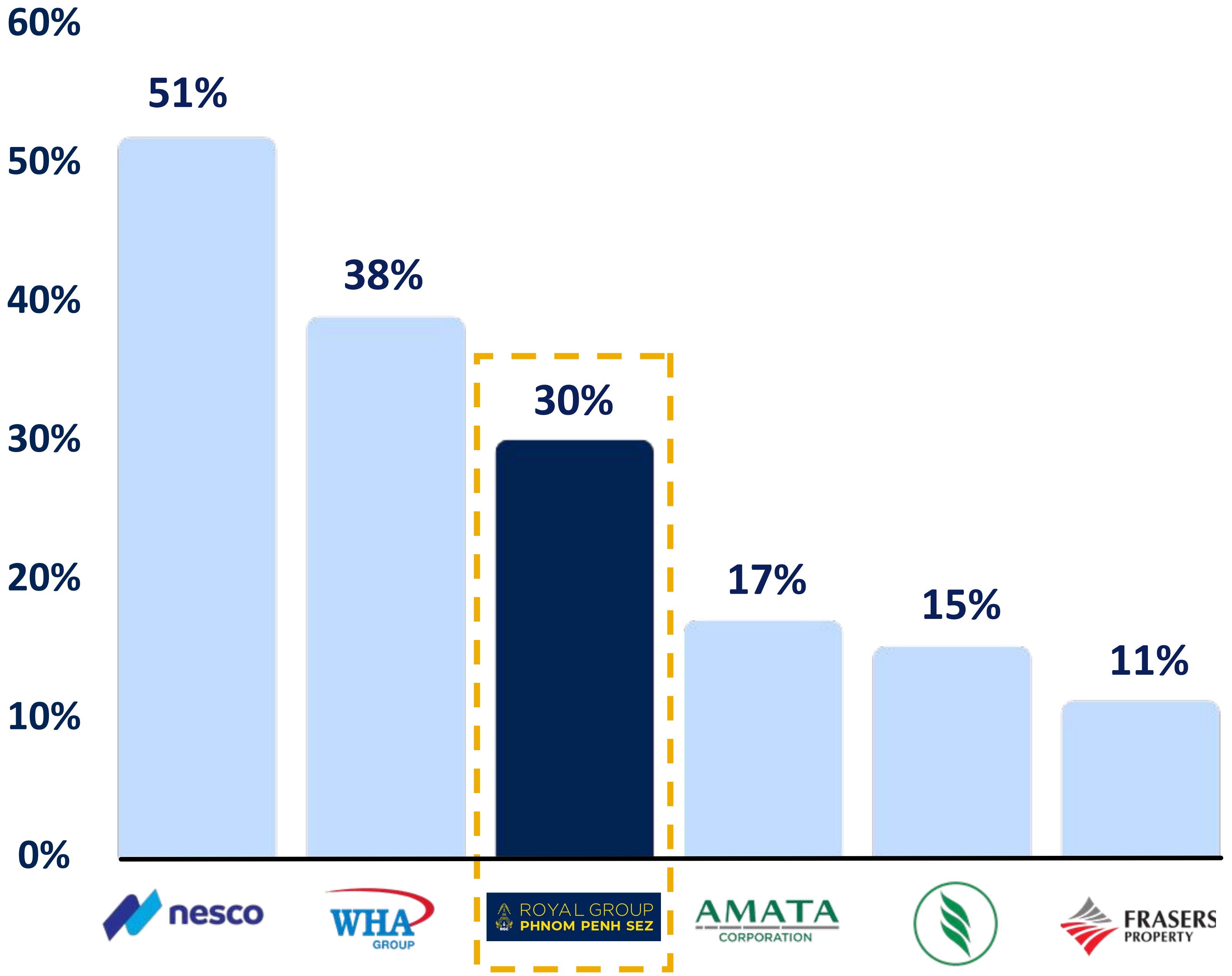
Source: PPSP, Bloomberg, Team Analysis

Improvement in Company Margin

PPSP and Peers’ EBITDA Margin in FY24



PPSP and Peers' Net Margins in FY24

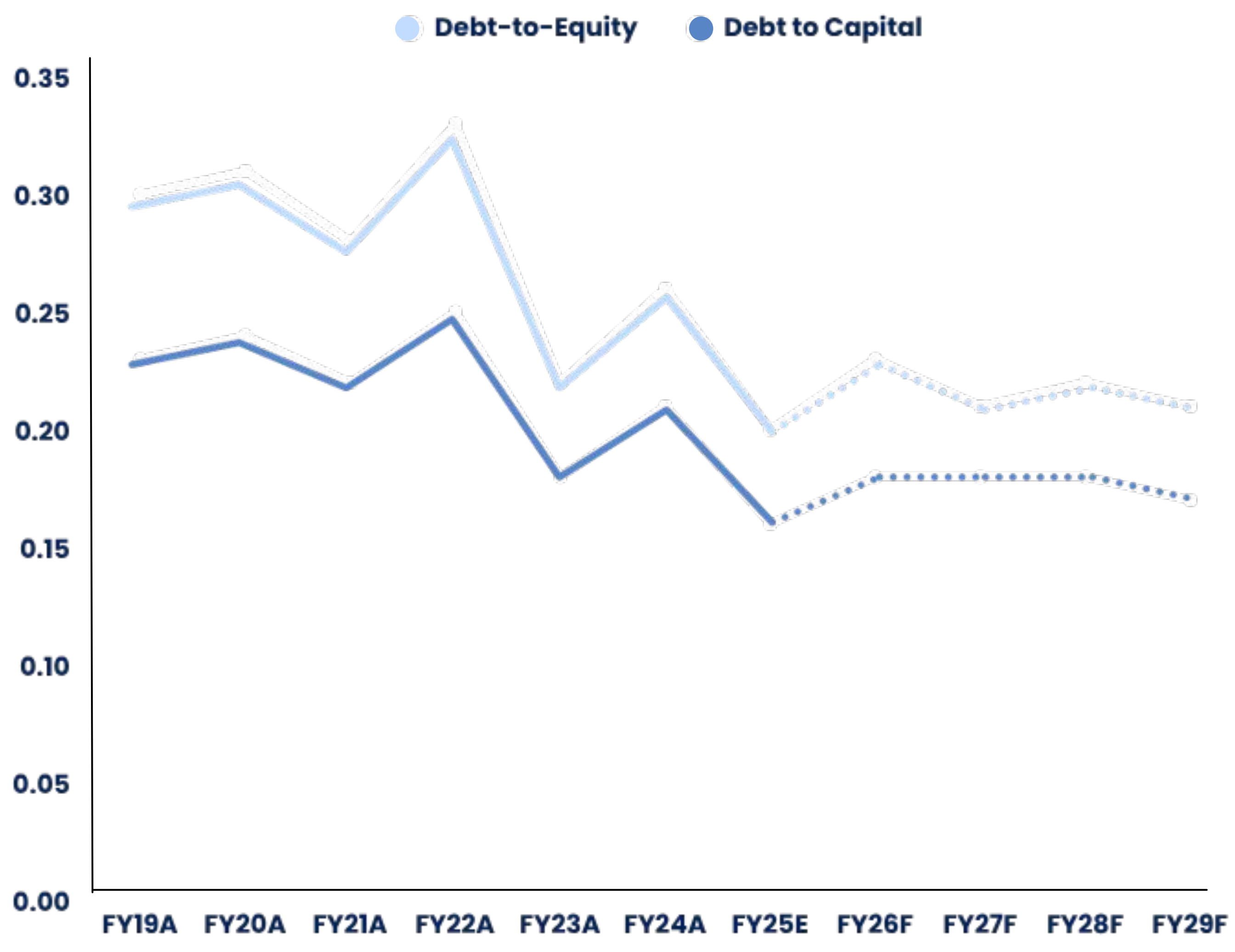


Source: PPSP, Bloomberg, Team Analysis

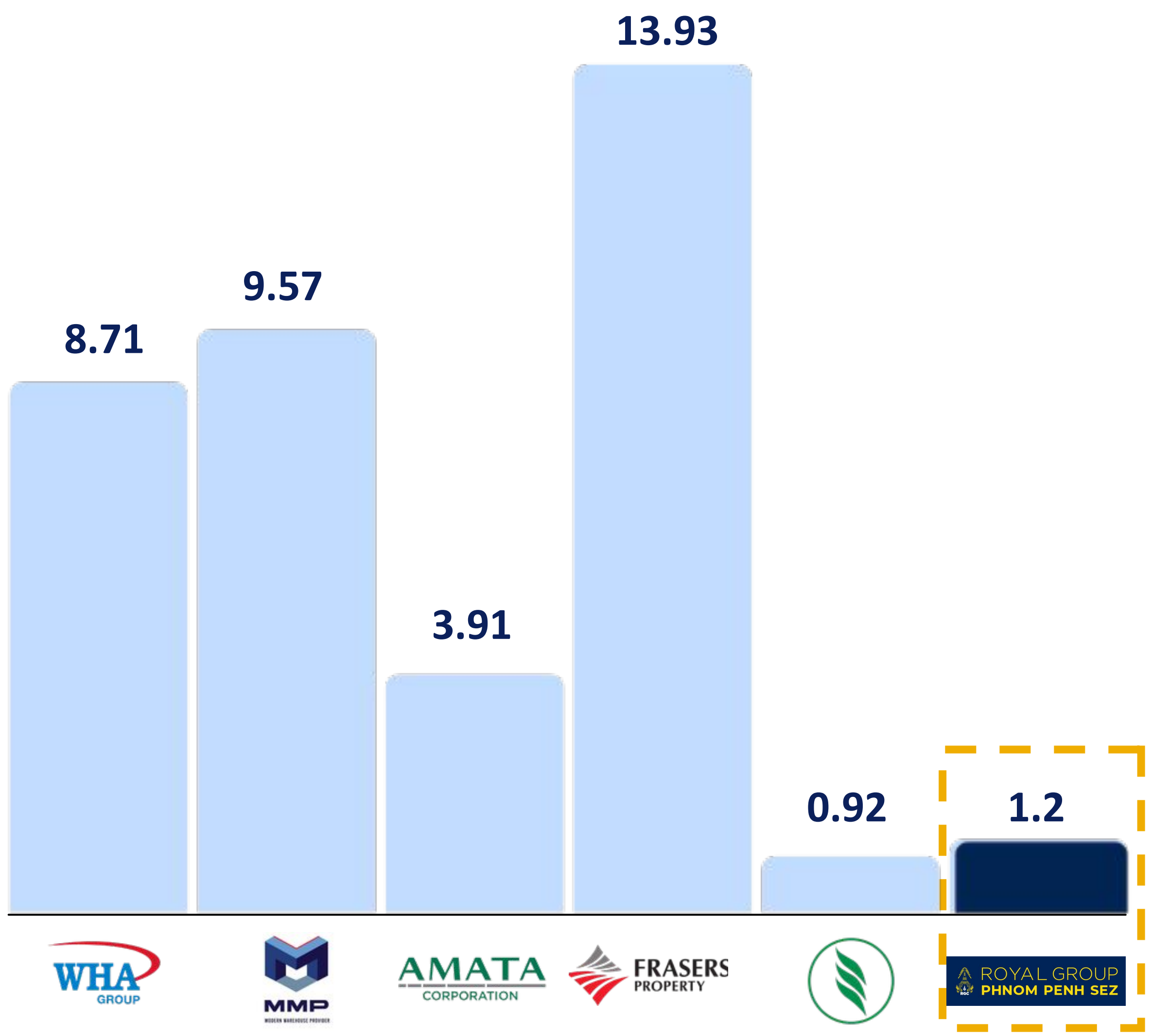
Low leverage strengthens PPSP's financial resilience and flexibility

PPSP’s conservative capital structure reduces financial risk while preserving growth flexibility.

PPSP Capital Structure



PPSP and Peers’ Debt to EBITDA in FY25



Financial Flexibility for Expansion

Lower Financial Risk

Capacity to Support Future Growth

ROYAL GROUP
PHNOM PENH SEZ

Valuation

Valuation: Discounted Cash Flow Model

INTRINSIC VALUE = KHR 2,607 ($0.65)

25% UPSIDE

COST OF EQUITY

Using the Capital Asset Pricing Model (CAPM)

Industry Unlevered Beta	0.68
PPSP Levered Beta	0.82
Risk Free Rate	3.4%
US Equity Risk Premium	4.5%
Cambodia Risk Premium	7.1%
Cost of Equity (Ke)	**14.2%**

FCFE MODEL

Lowly Geared

Irregular Dividend Payment

TERMINAL GROWTH

Based on a weighted average of Cambodia's GDP growth and inflation

Average GDP Growth	4.9%	40% weighted
Average Inflation	2.6%	60% Weighted
Terminal Growth Rate	**3.48%**	

Source: NYU, Bloomberg, Team Analysis

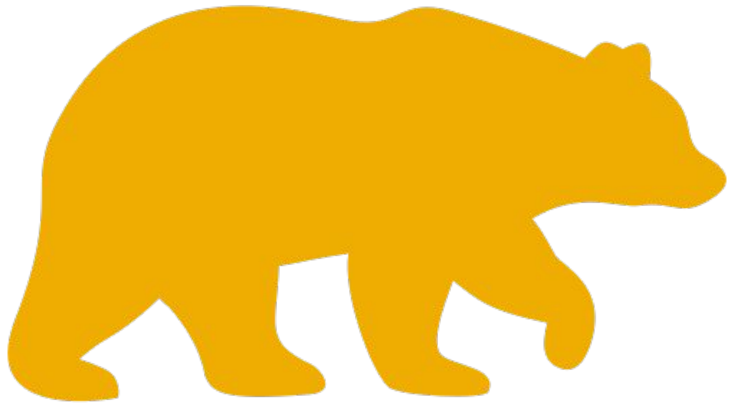
Valuation: Discounted Cash Flow Model

Key Assumption (USD Million)

Period	Revenue	Net Profit	Changes in WC	Net Borrowing	FCFE	CAPEX
2025E	40.9	15.1	13.8	(3.0)	**16.8**	(3.0)
2026F	24.8	1.1	4.0	2.9	**7.3**	(4.1)
2027F	43.1	8.5	(6.2)	0.4	**(0.2)**	(4.2)
2028F	32.6	5.4	0.3	1.9	**4.6**	(4.3)
2029F	57.4	12.0	5.3	0.5	**4.3**	(4.4)

Source: Team Analysis

Bull and Bear Analysis



KHR 1,570

(-25%)

KHR 2,607

(+25%)

KHR 4,002

(+92%)

Bear case	Key Assumptions	Bull case
Limited progress in diversification	Terminal Growth Rate	Successful transition to sustainable revenue stream
Global uncertainty limits FDI inflow	Recurring Revenue Growth	FDI boom continues to persist
Government reversal in investment policy	Cost of Sales	Robust government backing for investors
	Operating Expenses	

Source: Team Analysis

Sensitivity Analysis

COST OF EQUITY / **TERMINAL GROWTH**

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

Source: Team Analysis

BUY

RECOMMENDATION

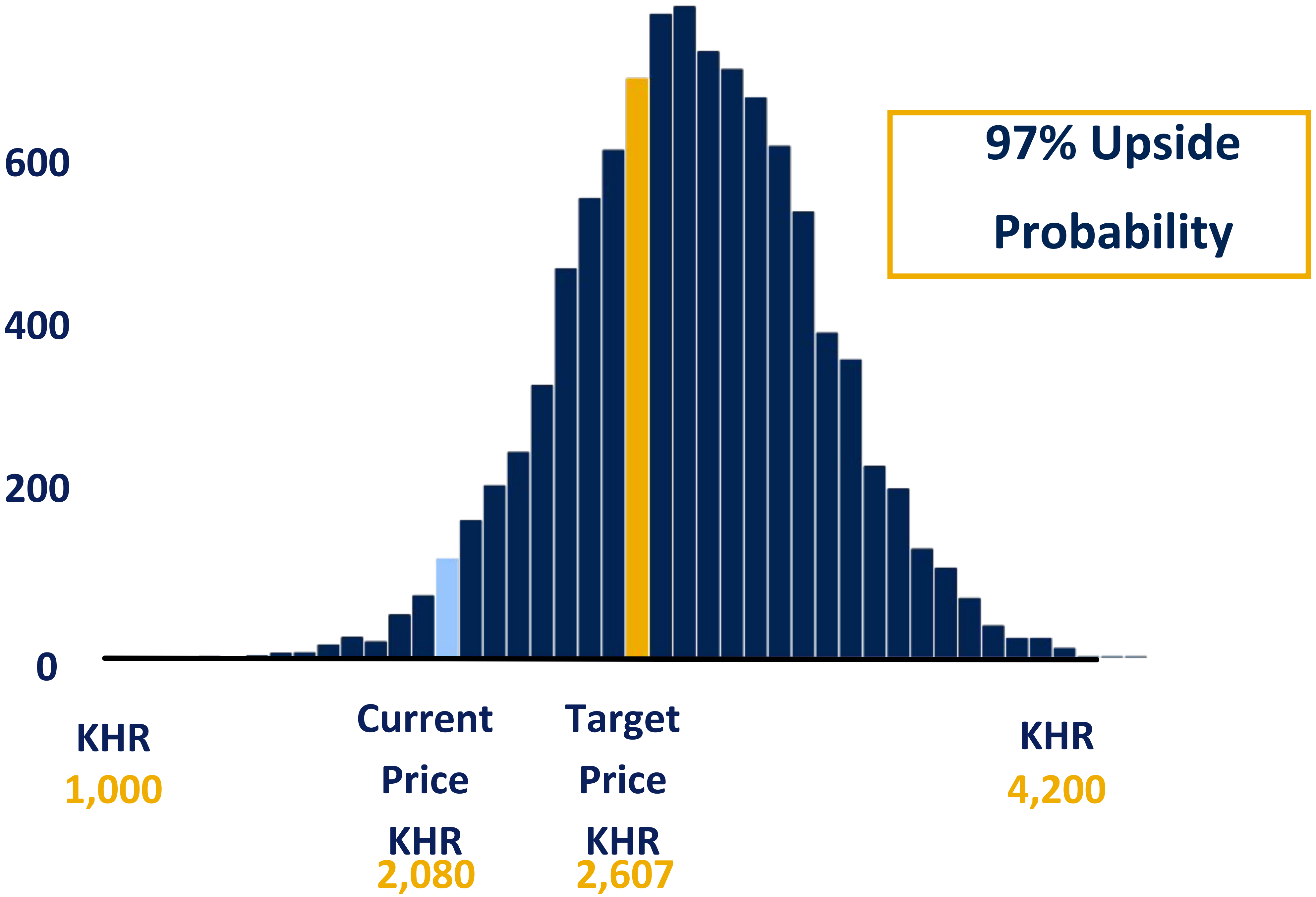
At the target price of

KHR 2,607 ($0.65)

Current Price of KHR 2,080 ($0.52)

BUY	> KHR 2,288	+10% Upside
HOLD	KHR 2,288 - KHR 1,872	± 10%
SELL	< KHR 1,872	-10% Downside

Monte Carlo Demonstrate Significant Upside Potential



Source: Team Analysis

Number of Trial

10,000

Variable Tested

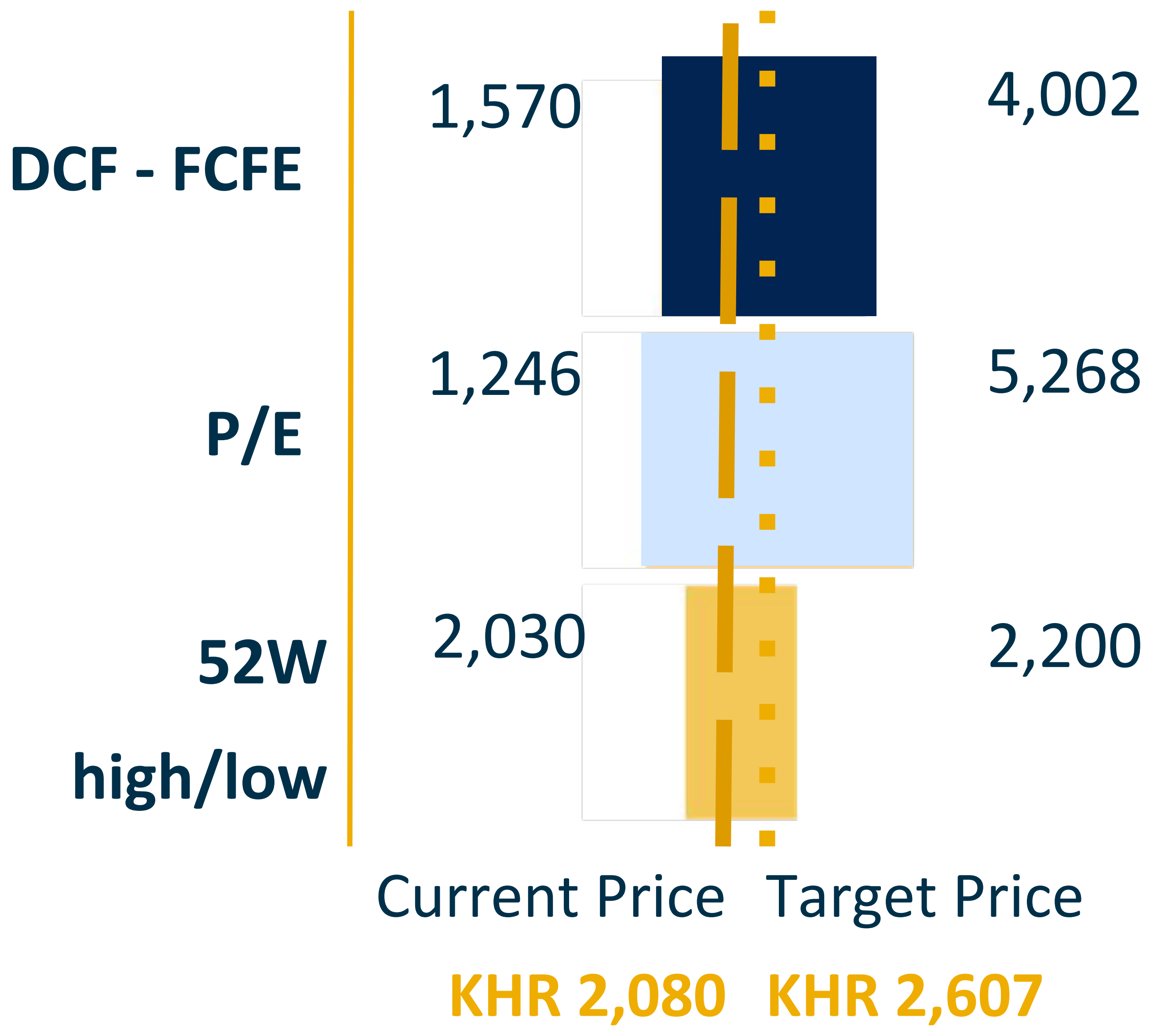
- Terminal Growth
- Cost of Equity
- Revenue Growth
- Cost of Sales
- Land Sales

Relative Valuation and Valuation Summary

Relative Valuation

Name	Country	P/E (TTM)	Dividend Yield (TTM)
Saigon VRG Investment Corp	Vietnam	9.75	5.92%
Amata Corp Public Co.Ltd	Thailand	21.97	0.56%
WHA Corp PCL	Thailand	5.77	5.73%
Fraser Property Thailand PC	Thailand	10.61	2.87%
NESCO Ltd	India	9.67	5.29%
Vinh Phuc Infrastructure Development	Vietnam	24.39	0.00%
Hiep Phouc Industrial Park JSC	Vietnam	8.37	3.79%
Average		**12.93**	**4.03%**
PPSP	**Cambodia**	**9.39**	**3.67%**

Football Field Price Projection (KHR)



Source: Bloomberg, CSX, Team Analysis

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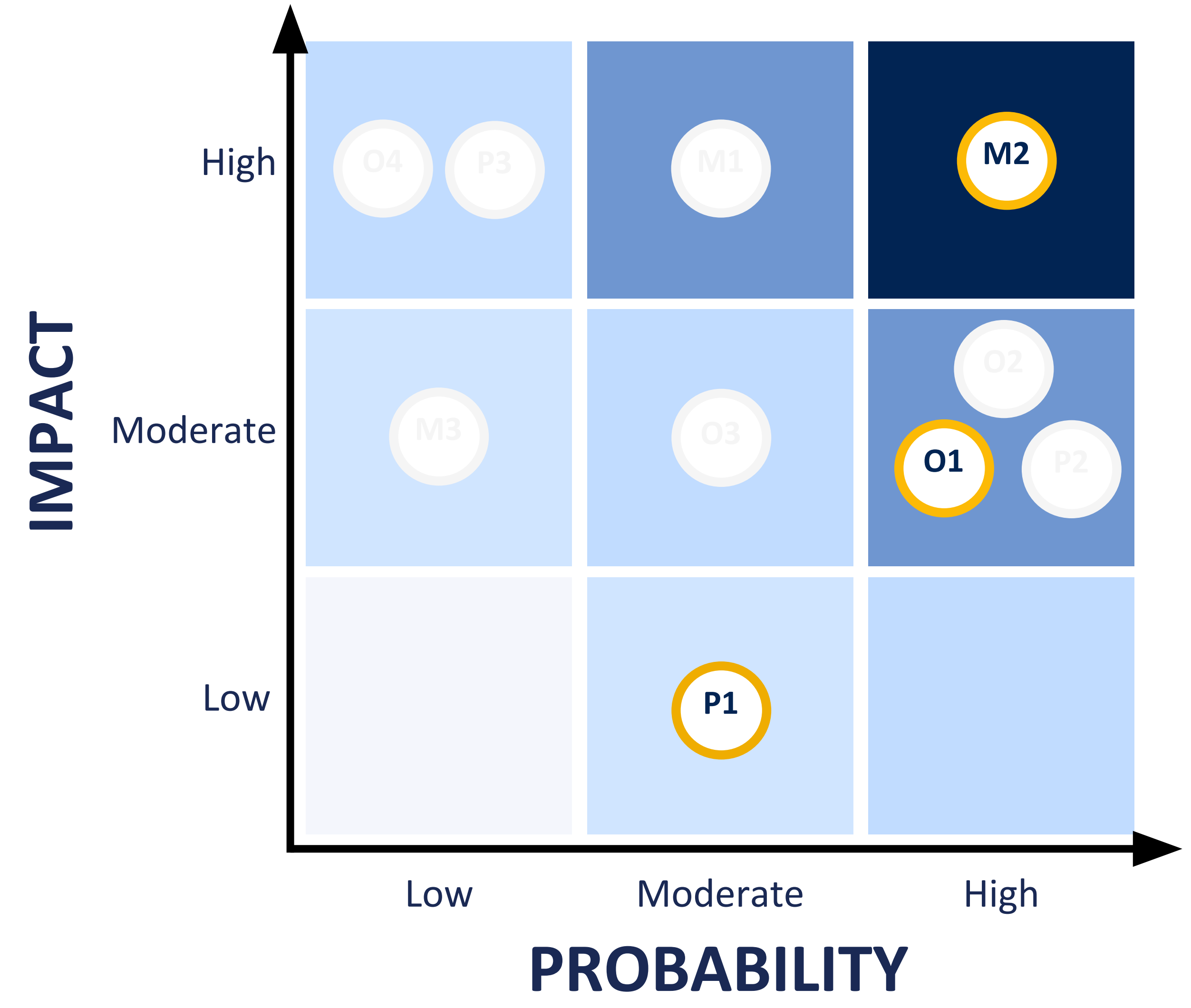
PHNOM PENH SEZ

Investment Risks

Key Investment Risks



P1 – 2026 Iran War

Potential Impact: -5% Revenue

Downside: 9%

- Higher Costs for Export
- Delayed Expansion
- Stalled Land Purchase

M2 – Constraint in Land Supply

Potential Impact: +10% Land Cost

Downside: 6%

- Limited land availability
- Rising land prices
- Margin pressure risks

O1 – Land Sale Volatility

Worst Case: No Land sale (2026-29)

Upside: 7%

- Inherently cyclical sales
- Fluctuating land demand
- Earning Uncertainty

P2 – Border Tension

M1 – Macroeconomic and FDI Sensitivity Risk

O2 – High BTS CAPEX

P3 – Regulatory & Policy risk

M3 – Competitive risk

O3 – New SEZ Execution risk

Source: Team Analysis

ROYAL GROUP
PHNOM PENH SEZ

Investment Summary

Recommendation

We issue a BUY recommendation with a 12-month target price of KHR 2,607.

1 Macro Tailwinds Drive SEZ Demand and Stable Growth

2 PPSP's Location, Infrastructure, and ESG Drive its Competitive Advantage

3 Transformed Toward Stable, Recurring Income

BUY

25% Upside

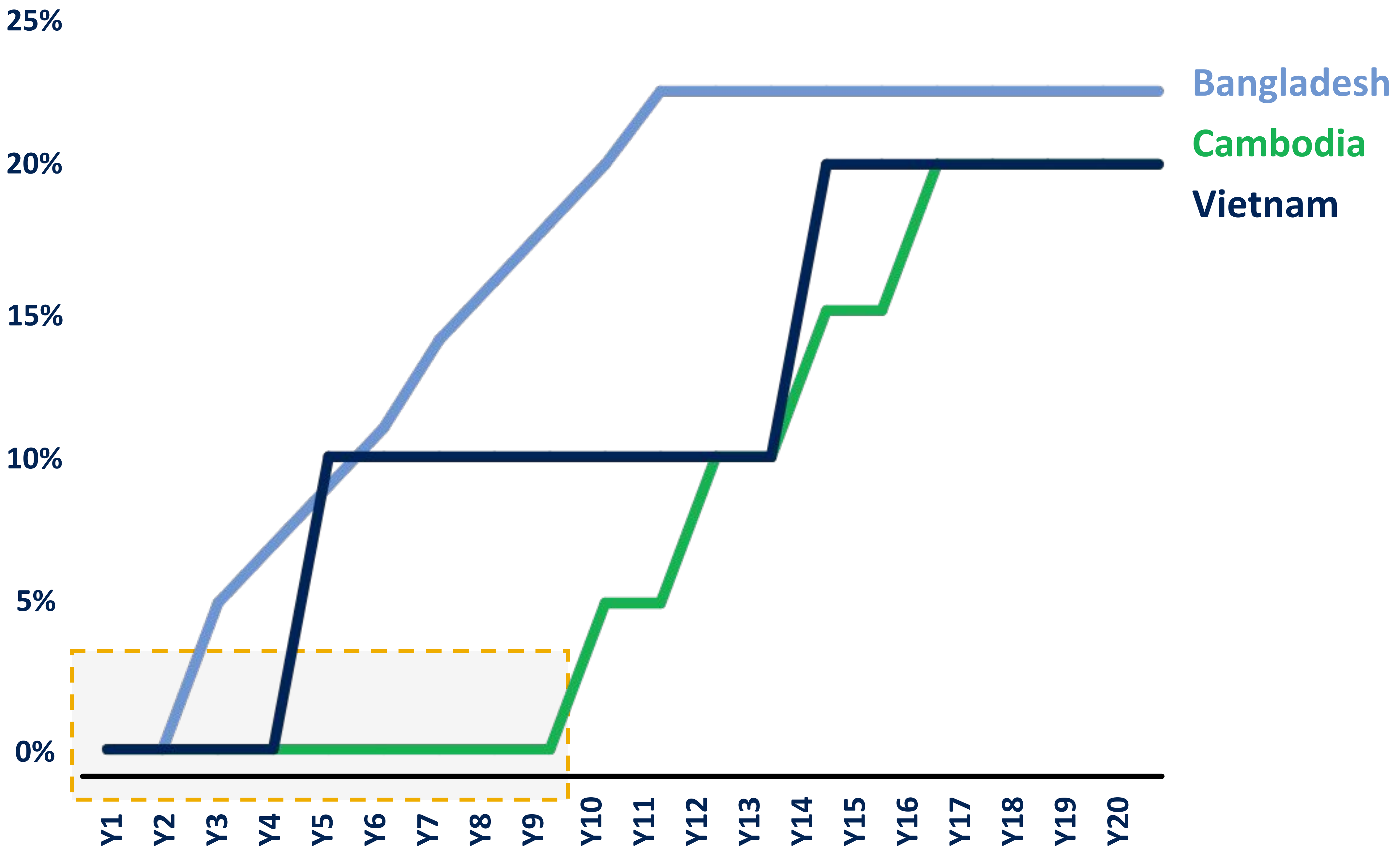
Presentation Map

Main Deck

Appendix Network

Government Support and Incentives

QIP's Tax Incentives



Source: PWC, BEZA, Team Analysis

Fiscal Incentives

Up to **9 years** CIT holidays plus exemptions on customs duties, VAT, and production input.

Ownership & Land Access

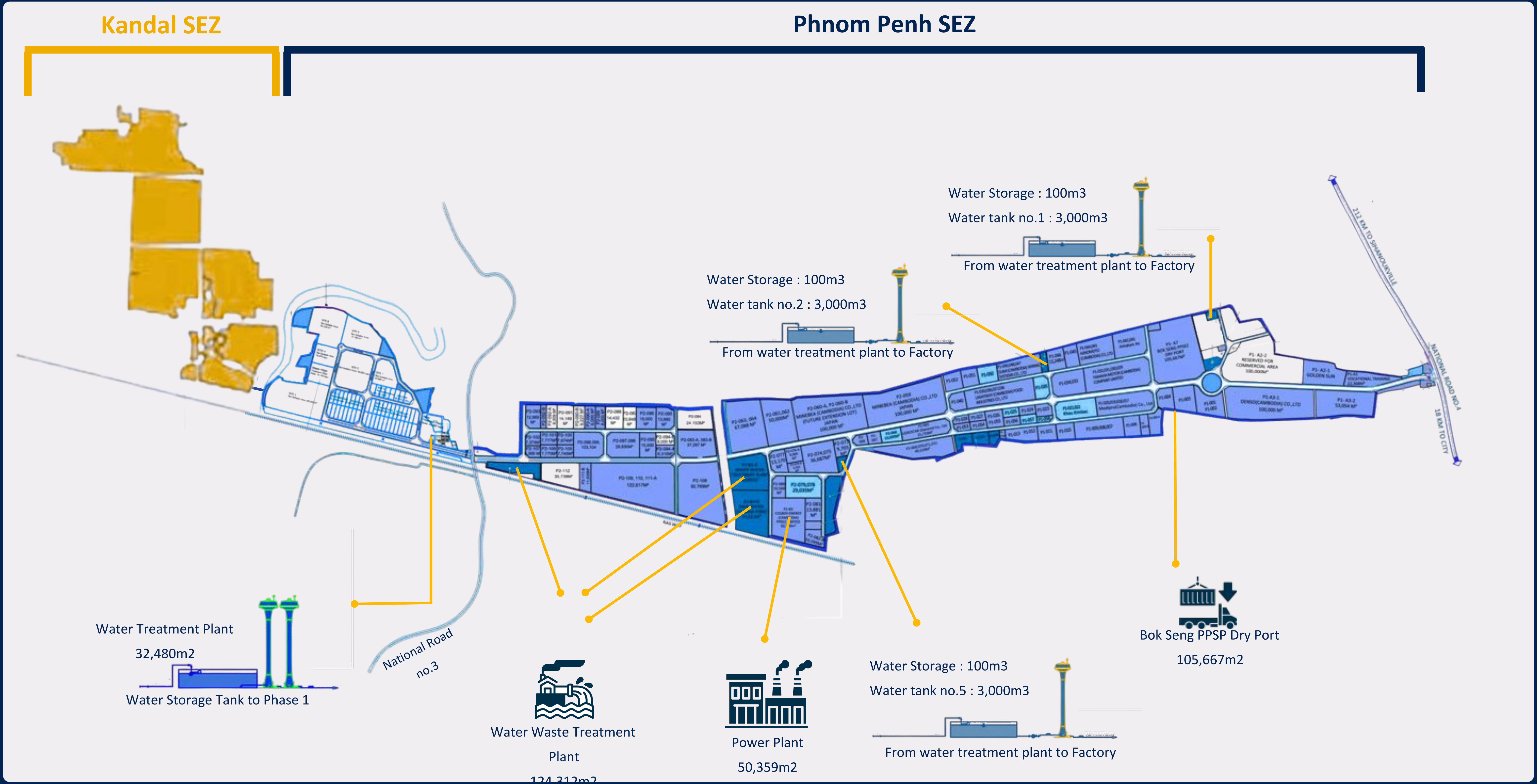
Full foreign ownership, **100%** profit repatriation, and up to **50 years** SEZ land leases.

Appendix A : Glossary

Build-To-Suit (BTS)	A development model where the SEZ developer constructs factory buildings according to the specific requirements of a tenant, who then leases the facility for a long-term period.	**Water Treatment Plant**	The Water Treatment Plant at Royal Group Phnom Penh Special Economic Zone (RGPPSEZ) is a key infrastructure facility designed to ensure a stable, safe, and sustainable water supply for all tenants operating within the zone.
One-stop service	An integrated administrative support system provided within the SEZ to assist investors in completing all regulatory and operational procedures efficiently in one location.	**Qualified Investment Project (QIP)**	An investment projecthat is eligible to receive government incentives such as tax exemptions, import duty privileges, and other investment benefits under Cambodia’s investment laws.
Services rendered	Operational, utility, and support services provided by PPSP to tenants operating within the SEZ. These include utilities, infrastructure and infrastructure maintenance.	**1H25**	First half of the year 2025
Value-added services	Additional facilities and support services provided by PPSP beyond basic land leasing or factory rental, aimed at enhancing operational efficiency and reducing business costs.	**GFT**	Garment, footwear, and travel goods

APPENDIX B : Business Overview

Appendix B1: PPSP Zone Map



APPENDIX B : Business Overview

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

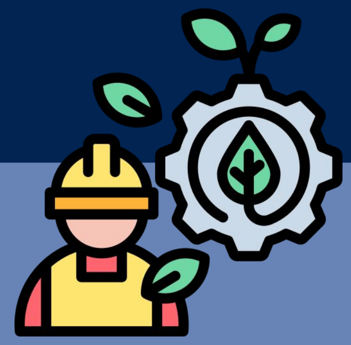
- Builds roads, utilities, factories, and facilities
- Ensures quality, on-time delivery, and cost control
- Aligns infrastructure with tenant needs

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 B : Business Overview

Appendix B3: RGPPSEZ Subsidiaries and Associations

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

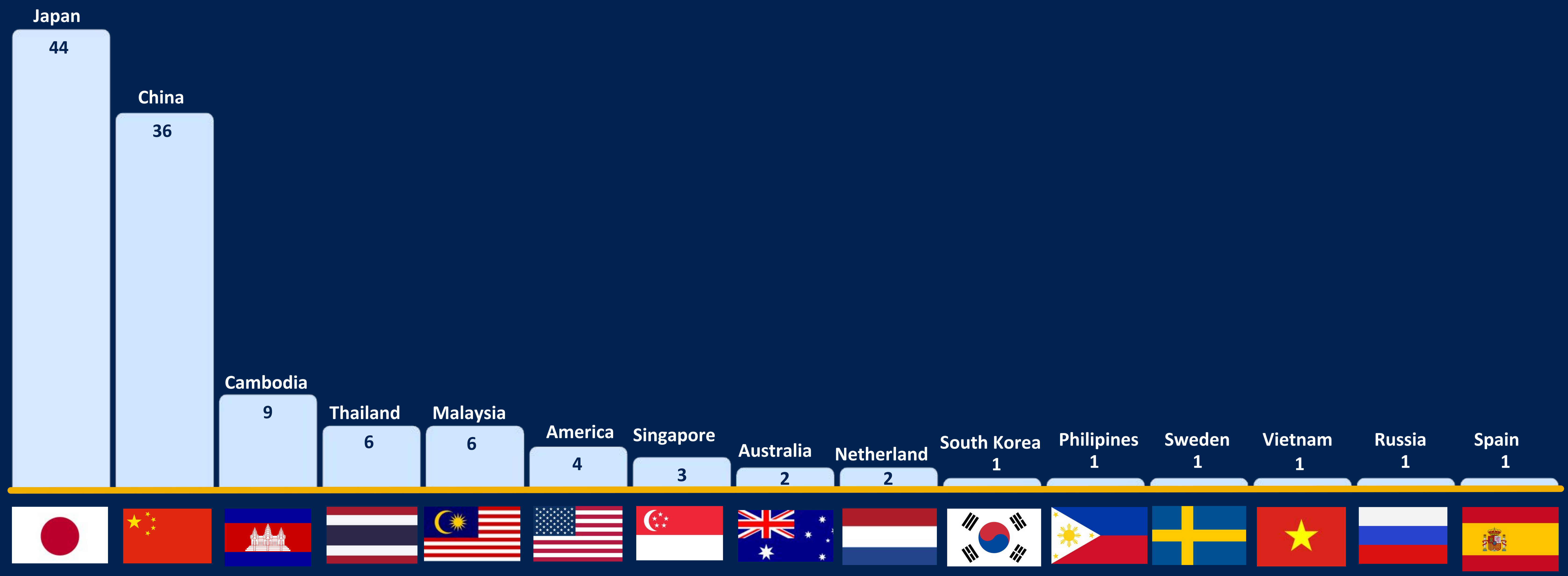
Gomi Recycle (Phnom Penh) Co.Ltd — 49%
Solid Waste Management

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 B : Business Overview

Appendix B4: : Numbers of Investors by Countries in PPSP



Source: Company Data, Team Analysis

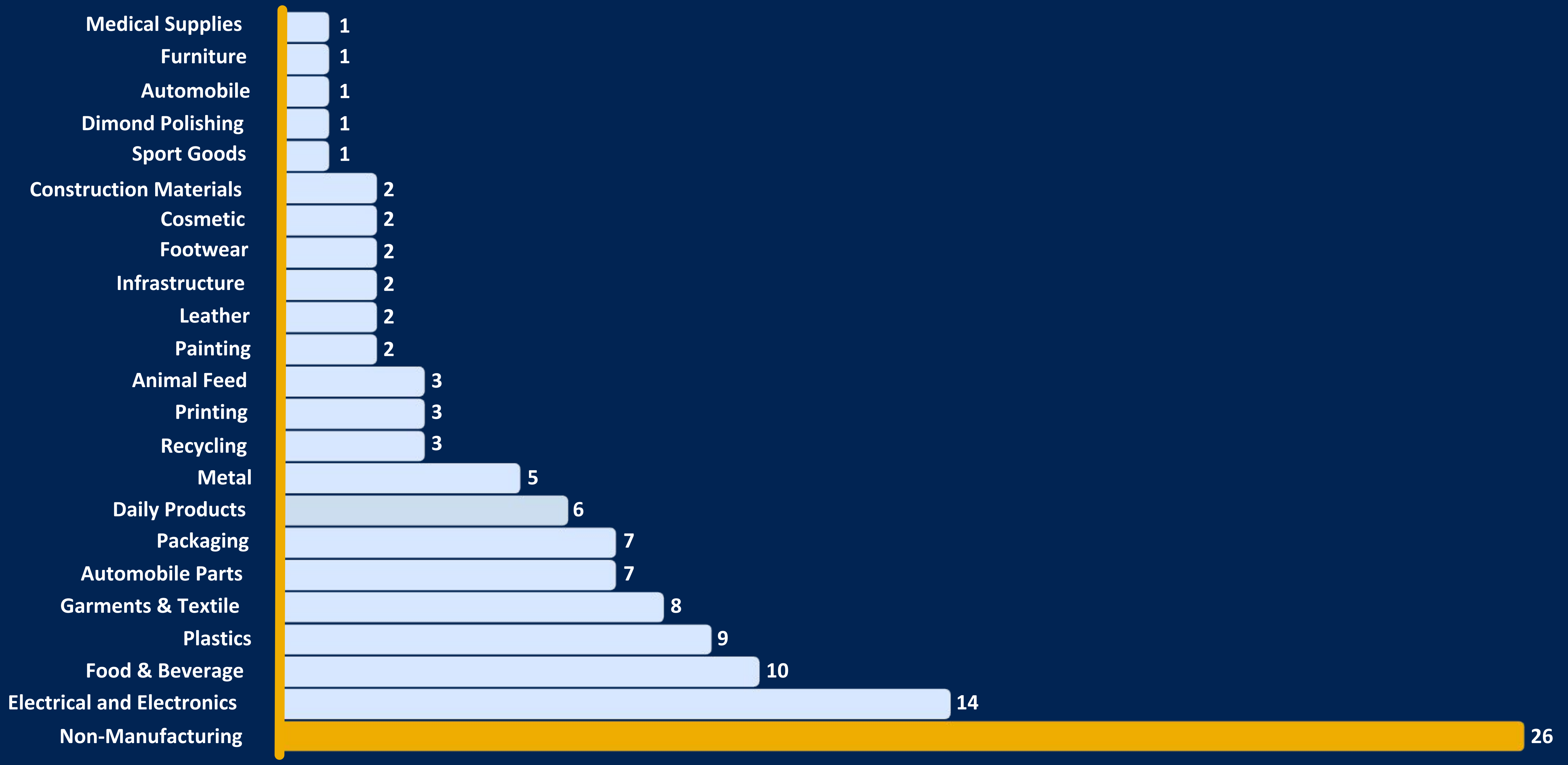
APPENDIX B : Business Overview

Appendix B5: Amount of Current Investment By Countries

Source: Company Data,Team Analysis

APPENDIX B : Business Overview

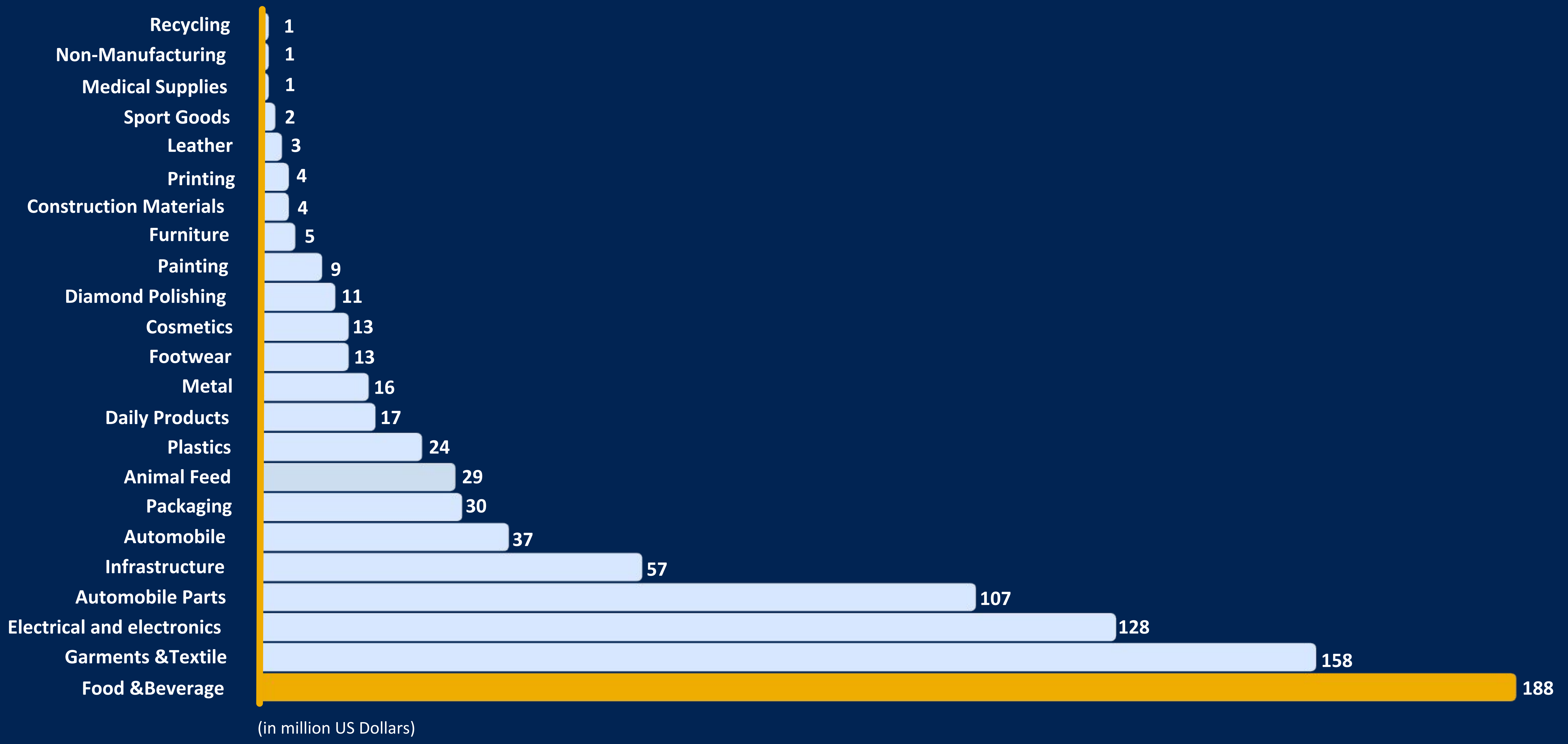
Appendix B6: Number of Investor By Industry



Source: PPSP, Team Analysis

APPENDIX B : Business Overview

Appendix B7: Investment Amount By Industries



Source: PPSP, Team Analysis

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

APPENDIX C : Industry and competitive positioning

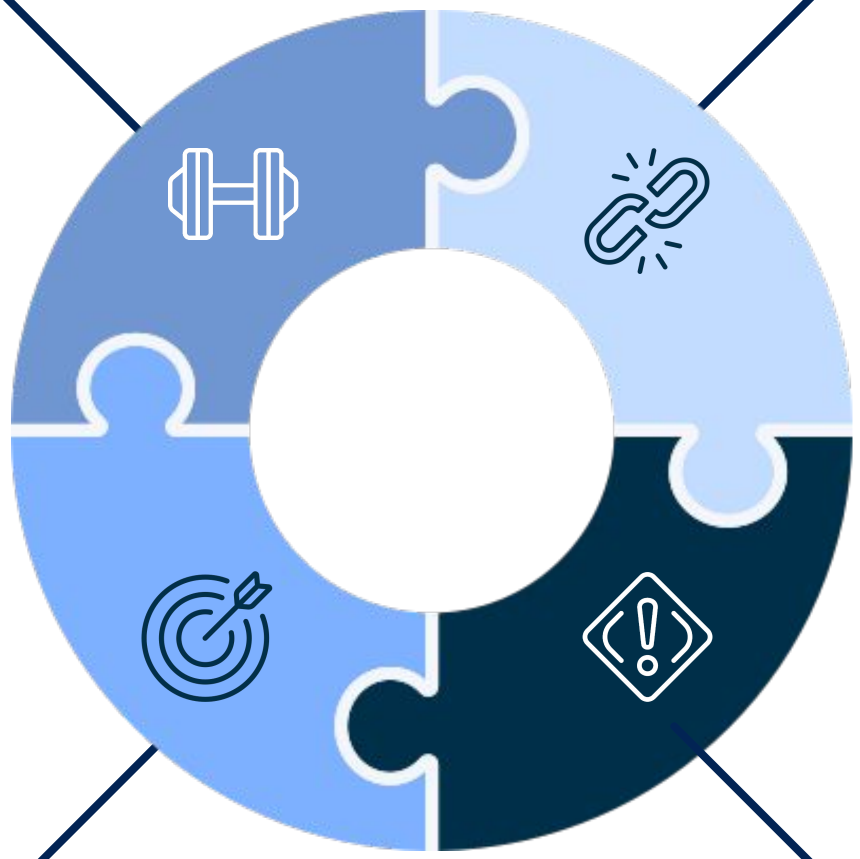
Appendix C2: Major International brands from different sectors in PPSP

Automotive Components	YAMAHA	TOYOTA	DENSO Crafting the Core
Electronics	SVI	MinebeaMitsumi	SCWS
Textile		HESTRA	WINSUN Growing Together
Food Processing	Coca-Cola	AJINOMOTO	AngkorMilk

Automotive Components	SANKYO	MPPP	ミドリ安全 エアクオリティ
Electronics	Ring	solteam electronics	TED
Textile		S.E.C.	KANE JU
Food Processing	ANT	Yeo's	BETAGRO

APPENDIX C : Industry and competitive positioning

Appendix C3: 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 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

- Weakened land sale and the lack of land availability for investors.
- PPSP dependence on Japanese and Chinese investors, if 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

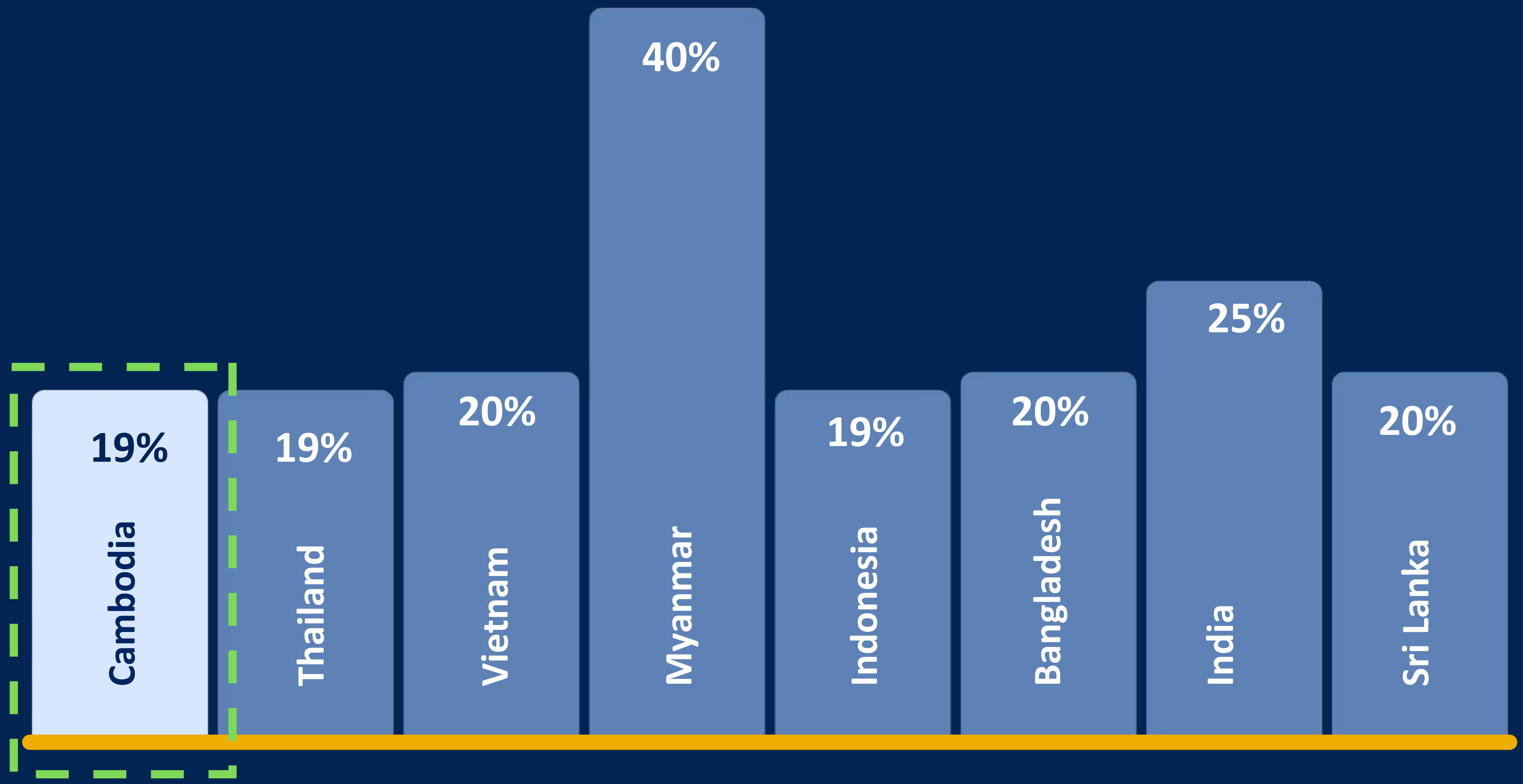
- Increase in FDI inflow, resulting in more investors seeking investment in SEZs.
- Cambodia receive a lower or equal US reciprocal tariff rate compared to other competitor
- Cambodia’s industrial base is diversifying beyond garments, and PPSP is well-positioned to ride this trend.

THREATS

- Ten new SEZs got approved and will start to operate soon. This would intensify the rivalry among all SEZs in Cambodia.
- Competition with regional countries that focus on similar industries, such as Vietnam, Indonesia, and Bangladesh.
- 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.

APPENDIX C : Industry and competitive positioning

Appendix C4: US Reciprocal Tariff Rate Comparison



Source: White House, Team Analysis

APPENDIX C : Industry and competitive positioning

Appendix C5: Integrated Railway System

The integrated railway system highlights Cambodia's ongoing transport upgrade, with the existing line successfully connecting Phnom Penh to Sihanoukville, strengthening domestic connectivity and access to the country's main deep-sea port. Looking ahead, the planned extensions toward the Vietnam border aim to enhance cross-border integration, facilitate regional trade, and support Cambodia's role within broader ASEAN logistics and economic networks.

Source: MPWT, Team Analysis

APPENDIX D : Environmental, social, and governance

Appendix D1: ESG Scorecard

Pillars	Categories	Themes	PPSP (Scoring)	Justification
ENVIRONMENT (45%)	Emission Levels (20%)	Greenhouse Gases	6	PPSP tracks Scope 1–2 emissions with efficiency measures, but Scope 3 is partial and no reduction targets set.
		Wastewater	8	PPSP invested USD 13M in two plants treating 1.8M m^3 wastewater in FY24, meeting standards. A USD 4.5M Green Bond–funded plant i underway to boost capacity and efficiency.
		Waste Management	7	PPSP manages waste per regulations, optimizes resources, partners with GOMI Recycle, and segregates special waste to suppor 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 fron 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 fuelbased backup plant and a 0.126 MW solar system (182.7 MWh, cutting 4,708 t CO_2), but remains reliant on th national grid and fuel generation.
		Water Usage	8	PPSP manages water sustainably with a 14,900 m^3/day purification system, a 25,000 m^3 rainwater pond, and a 4,500 m^3/day wastewate 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%)	Digitalization & Technologies	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 fo industrial purposes and supporting utilities/services, and no history of land disputes thanks to lawful, consensual acquisition. Howeve despite reporting on environmental management (water, waste, energy, emissions), PPSP does not yet disclose tenant-level data on lan 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	

APPENDIX D : Environmental, social, and governance

Appendix D1: ESG Scorecard

Pillars	Categories	Themes	PPSP (Scoring)	Justification
SOCIAL (25%)	Workforces (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, wit 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 electricit costs.
		Data Privacy	8	PPSP advances circular economy via green bonds for wastewater plants and a recycling JV with Gomi Recycle.
	Human Rights (3%)	Human Rights	9	There is no disclosure to data privacy, making information harder to access.
	Community (8%)	CSR	9	PPSP demonstrates strong social responsibility through impactful CSR initiatives, but inconsistent disclosures hinder transparency an long-term assessment.
	Social Average Score =		2	

APPENDIX D : Environmental, social, and governance

Appendix D1: ESG Scorecard

Pillars	Categories	Themes	PPSP (Scoring)	Justification
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 Defences	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 fournonexecutive directors (two independent). Concerns include Mr. Kang Wei Geih' long tenure, Chairman's absence, low female representation (14%), no minority shareholder mention, and inactive committees sinc 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%)	Human Rights	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.
		Social Average Score =	2	
		Overall Score =	**6.7**	**Out of 10**

APPENDIX D : Environmental, social, and governance

Appendix D2: PPSP Board of Directors

Name	Position	Appointed	Education	Compensation in 2025 (Ranges)	Nationality	Experiences
Neak Oknha Kith Meng	Non-Executive Chairman	**2022**	B.A. Economic	**$12.5K - $25K**	Cambodian	Chairman & CEO of Royal Group of Companies; President of Cambodian Chamber of Commerce
Mr. Uematsu Hiroshi	Executive Director & CEO	**2010**	B.A. Social Relations	**$12.5K - $25K**	Japanese	20+ years in business administration and engineering industries. CEO of PPSP since 2010
Mr. Hiroshi Otsubo	Non-Executive Director	**2014**	B.A. Economics	**<$12.5K**	Japanese	Director of Zephyr Co., Tomonius Co. Experienced in environmental and business operations.
						Group CFO of

APPENDIX D : Environmental, social, and governance

Appendix D3: UN SDGs Target Achieved by PPSP

3 GOOD HEALTH AND WELL-BEING

PPSP promotes a healthier environment through clean water and sanitation.

6 CLEAN WATER AND SANITATION

PPSP protects water quality through centralized water and wastewater treatment systems.

8 DECENT WORK AND ECONOMIC GROWTH

PPSP supports economic growth by attracting investment, creating jobs (including for youth), and ensuring safe and compliant working environments.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

PPSP supports industrialization through modern infrastructure and efficient support services.

10 REDUCED INEQUALITIES

PPSP encourages inclusive development and equal employment access.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

PPSP maintains transparency, ethical conduct, and strong governance practices to prevent corruption and bribery.

APPENDIX D : Environmental, social, and governance

Appendix D4: PPSP Sustainability Metrics and Target (1/3)

Sustainability matters	Approach	Metrics	Key Risks	Target
Economic Performance	• Investor engagement • Expand infrastructure. • Maintain financial resilience.	• Economic value generated and distributed. • Number of jobs created across SEZ.	Lower sales, occupancy downturns. Limited revenue for sustainability investment.	• Sustainable returns for our shareholders. • Attract/maintain investment and jobs in SEZ.
Anti-Corruption	• Anti-Corruption policy monitoring • Whistleblowing Policy • Training/Awareness.	• Number of confirmed corruption incidents.	Fraud, bribery, misconduct, harming trust and compliance.	• Zero confirmed corruption incidents
Land Rights	• Due diligence • Transparent negotiations, fair compensation • Local authority approvals.	• Number of land disputes and/or protests.	Land acquisition disputes, legal and reputational risk.	• Zero land disputes/protests
Sustainable & Green Design	• Consider an ecofriendly design • Maintaining and enhancing infrastructure.	• Green infrastructur e investments	Opportunity cost as result of lack of sustainable and green design strategy in our development.	• Green infrastructure investments (e.g. water treatment plant, wastewater treatment plant, bridges, etc.)
Procurement Practices	• Supplier code of conduct. • Prioritise local sourcing. • Compliance checks • Supplier diversification	• % spend on local suppliers	Supplier breaches and Supply continuity risks	• Maintain a healthy level of local content without compromising quality and standards.
Data Privacy	• IT policy aligns with data privacy laws	• Number of customer data breaches/le akages	Data breaches erode trust	• Zero confirmed data breaches.
Human rights & labour standards	• Policies on forced/child labour, fair wages, and anti-discrimination. • Tenant and Supply Chain due diligence • Grievance and whistleblowing channel.	• Number of human rights violations – substantiate d complaints	Labour law/human rights noncompliance and reputational harm.	• Zero human rights violations.

APPENDIX D : Environmental, social, and governance

Appendix D5: PPSP Sustainability Metrics and Target (2/3)

Sustainability matters	Approach	Metrics	Key Risks	Target
Occupational Safety & Health (OSH)	• OSH Committee • Compliance monitoring, training and incident investigation procedures.	• Number of Loss Time Injuries; • Number of fatalities	Workplace injuries, fatalities, penalties, and morale loss	• Zero fatalities and zero lost-time injuries.
Employee Management	• Diversity & Inclusion • Equal opportunity • Attractive benefits and conducive workplace. • Training & development	• • Gender diversity • Training hours. • Turnover rates	Talent attraction and retention challenges, leading to operation disruption	• ≥30% or 1 female in senior management; • 1 female director at board level
Community Engagement	• Corporate Social Responsibility ("CSR") initiatives	• Impact and value of CSR initiatives	Community dissatisfaction risks social licence	• Continued focus on CSR activities.
Biodiversity	• Compliance to environmental regulations • Applying hierarchy mitigation • Strengthening biodiversity governance.	• ESDD compliance.	Habitat disruption affects ecosystems and stakeholder trust	• Maintain 100% treatment compliance with local regulations.
Pollution Management	• Environmental compliance and monitoring	• Number of environmenta l regulations related penalties.	Pollution could breach laws, harm the environment and communities.	• Zero non-compliance incidents annually.
Water Management	• Operate own treatment plant. • Optimise own water usage	• Water disruption incident • Incidence of noncompliance with water treatment standards	Overuse or poor quality threatens supply and ecosystems.	• Maintain 100% treatment compliance with local regulations. • Zero water disruption incident.
Wastewater Management	• Operate two WWTPs, a new plant. • Monitor discharges regularly.	• Total wastewater treated and discharged:	Improper treatment risks pollution and noncompliance.	• Maintain 100% treatment compliance with local regulations.

APPENDIX D : Environmental, social, and governance

Appendix D6: PPSP Sustainability Metrics and Target (3/3)

Sustainability matters	Approach	Metrics	Key Risks	Target
Solid Waste Management	• Licensed collectors for our waste. • GOMI JV for recycling • Community engagement on recycling initiative.	• Total waste generated, which includes waste directed and diverted from disposal.	Improper disposal risks fines, pollution, and stakeholder concerns.	• Maintain 100% treatment compliance with local regulations.
Climate Change Management	• Climate risk profiling and adaptation approaches.	• Climaterelated operational disruption	Mismanagement of climate exposure and risk leads to operational disruption or loss of potential investments.	• Zero incident on climate-related disruption.
Energy Management	• Monitor, optimise usage. • Upgrade equipment	• Energy Consumption	High energy use increases costs, emissions; and risk to carbon targets	• Optimise electricity consumption.
Emissions Management	• Track Scope 1–3 emissions • Optimise energy consumption.	• Scope 1, 2 and 3 GHG Emissions.	Rising emissions may incur compliance costs and/or reputational risk.	• Explore the emission intensity reduction target by 2026.

APPENDIX D : Environmental, social, and governance

Appendix D7: Greenhouse Gas (GHG): Scope 1, 2 & 3

Scope 1

Direct greenhouse gas (GHG) emissions from sources owned or controlled by the Group. The emission conversion factors for Scope 1 are derived from the UK Government GHG Conversion Factors for Company Reporting 2024, based on 100% mineral petrol and diesel, of 2.35 $kgCO_2e$/litre and 2.66 $kgCO_2e$/litre respectively

Scope 2

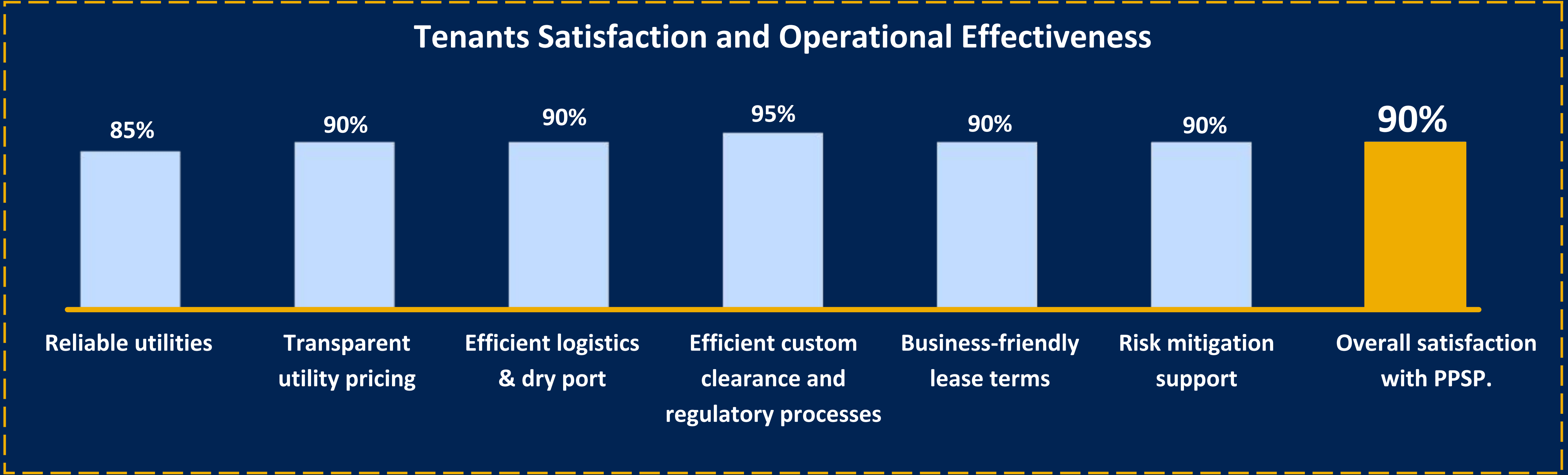
Indirect GHG emissions arising from the generation of purchased electricity consumed by the Group. The emission conversion factor used is derived from the Ministry of Environment Cambodia, Grid Emission Factors in Cambodia 2016, using the 2012 Colben Energy (Cambodia) PPSEZ Limited emission factor of 0.5909 $tCO2$/MWh

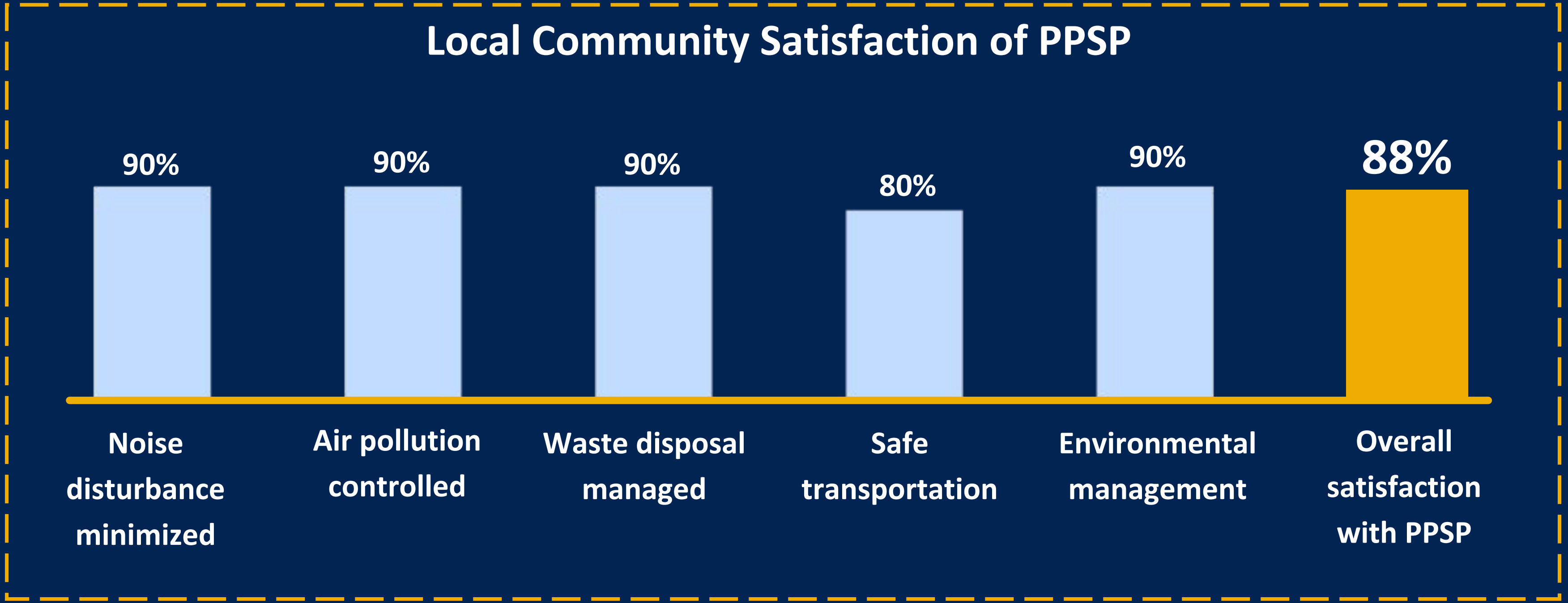
Scope 3

Indirect greenhouse gas emissions that occur across a company's value chain, including emissions from tenant operations, construction materials, and upstream suppliers, which are not directly controlled by the company.

APPENDIX D : Environmental, social, and governance

Appendix D8: Stakeholder Survey





Source: Team Analysis

APPENDIX D : Environmental, social, and governance

Appendix D9: $10 Million Green Bond Issuance

USD 5 million:

- Total treatment capacity: 10,000m³/day
- Location: Royal Group Kandal SEZ
- Coverage: RGPPSEZ+ RGKSEZ
- Project timeline: Estimated completion 2026 Q1

USD 5 million:

- An additional USD 5 million from the green bond issuance has been allocated to support the construction of other infrastructure projects within the zone.
- However, there is limited disclosure regarding the specific infrastructure plans.

Source: Team Analysis

APPENDIX E : Financial Analysis

Appendix E1: Income Statement Assumptions by PPSP

Item	Historical Evidence (2019–2024)	Forecast Assumption (2025–2029)	Key Rationale
Sale of Land	Highly volatile from Year to Year. Land is sales is High in 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 9M2025 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 (p.a. growth)	Stable growth; 4% CAGR; rising common-size share	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 (p.a. growth)	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 (p.a. growth)	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.
Administrative Expenses (% of Revenue)	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 E : Financial Analysis

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 E : Financial Analysis

Appendix E3: Statement of Profit and Loss Forecast Assumptiontions

Year	2019A	2020A	2021A	2022A	2023A	2026F	2024A	2025E	2027F	2028F	2029F
Revenue (p.a growth)	12.43%	(55.29%)	68.24%	(6.44%)	136.00%	(39%)	(78.94%)	213.28%	73%	(24%)	76%
COGS (% of revenue)	39%	51%	61%	60%	62%	52%	35%	404%	56%	53%	59%
Admin expenses (% of revenue)	17%	34%	24%	27%	13%	29%	66%	18%	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%	1%	45%	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	4,065,859	2,101,429	3,044,378	4,160,001	4,258,850	4,362,642

APPENDIX E : Financial Analysis

Appendix E4: Revenue Breakdown

Revenue Stream (USD)	2019A	2020A	2021A	2022A	2023A	2026F	2024A	2025E	2027F	2028F	2029F
Land Sales	33,020,441	8,380,253	21,189,142	11,313,940	47,317,939	7,800,000	1,070,689	25,630,893	24,000,000	11,000,000	33,000,000
Rental Income	971,610	1,963,857	2,090,903	3,444,296	4,805,798	5,915,843	5,725,309	5,013,427	6,980,695	8,237,220	9,719,920
Service Rendered	2,920,246	3,824,323	2,848,943	3,410,598	3,130,502	3,938,312	3,523,120	3,580,284	4,332,144	4,765,358	5,241,894
Construction Contract	401,484	2,513,199	1,936,294	8,089,692	6,715,092	7,194,838	2,731,878	6,661,887	7,770,425	8,547,467	9,402,214

Common size analysis	2019A	2020A	2021A	2022A	2023A	2026F	2024A	2025E	2027F	2028F	2029F
Land Sales	88%	50%	75%	43%	76%	31%	8%	63%	56%	34%	58%
Rental Income	3%	12%	7%	13%	8%	24%	44%	12%	16%	25%	17%
Service Rendered	8%	23%	10%	13%	5%	16%	27%	9%	10%	15%	9%
Construction Contract	1%	15%	7%	31%	11%	29%	21%	16%	18%	26%	16%

APPENDIX E : Financial Analysis

Appendix E5: Cost Breakdown

Cost Stream (USD)	2021A	2022A	2023A	2026F	2024A	2025E	2027F	2028F	2029F
Land Sales	14,320,097	7,695,971	31,094,312	5,148,000	958,144	15,878,846	15,840,000	7,681,390	23,100,000
Rental Income	737,191	737,191	977,615	1,183,169	1,119,162	944,796	1,398,074	1,729,816	2,041,183
Service Rendered	583,509	838,317	646,640	748,279	589,870	659,663	823,107	953,072	1,048,379
Construction Contract	1,809,235	6,171,091	5,749,884	5,755,870	1,962,158	5,844,923	6,216,340	7,008,923	7,709,815

COS as % of Revenue	2021A	2022A	2023A	2026F	2024A	2025E	2027F	2028F	2029F
Land Sales	68%	68%	66%	66%	89%	62%	66%	70%	70%
Rental Income	35%	21%	20%	20%	20%	19%	20%	21%	21%
Service Rendered	20%	25%	21%	19%	17%	18%	19%	20%	20%
Construction Contract	93%	76%	86%	80%	72%	88%	80%	82%	82%

APPENDIX E : Financial Analysis

Appendix E6: Statement of Profit and Loss Forecast

Q3 2025A	Year	2019A	2020A	2021A	2022A	2023A	2026F	2024A	2025E	2027F	2028F	2029F
37,072,591	Revenue	37,313,781	16,681,632	28,065,282	26,258,526	61,969,331	24,848,993	13,050,996	40,886,490	43,083,264	32,550,046	57,364,028
(21,465,882)	Cost of sales and services	(14,553,269)	(8,542,705)	(17,218,809)	(15,781,737)	(38,468,451)	(12,835,318)	(4,629,334)	(23,328,227)	(24,277,521)	(17,373,201)	(33,899,377)
280,852	Other income	372,879	35,783	194,130	279,675	203,216	163,930	5,869,083	374,469	284,223	214,735	378,434
(5,375,888)	Administrative expenses	(6,269,182)	(5,741,854)	(6,774,401)	(7,148,881)	(7,847,058)	(7,214,409)	(8,606,407)	(7,167,851)	(7,459,834)	(7,574,073)	(7,644,939)
(948,872)	Finance costs	(1,184,070)	(1,453,065)	(1,479,196)	(1,479,711)	(1,130,077)	(1,230,130)	(1,200,838)	(1,265,163)	(1,466,527)	(1,497,769)	(1,651,776)
191,156	Share of results of associates	976,560	663,945	270,944	326,020	439,115	376,641	445,061	296,368	389,296	376,842	359,787
(19,604)	Share of results of joint venture	-	-	-	-	53,913	36,611	36,611	36,611	36,611	36,611	36,611
(144,428)	Tax expense	(1,531,279)	(576,794)	(1,174,442)	(362,849)	(3,142,837)	(829,264)	(1,087,419)	(1,966,540)	(2,117,902)	(1,346,638)	(2,988,553)
-	Profit from Discontinued Operation	-	-	30,314	12,327	-	-	-	-	-	-	-

APPENDIX E : Financial Analysis

Appendix E7: 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**

APPENDIX E : Financial Analysis

Appendix E7: Statement of Financial Position Forecast

Year	2019A	2020A	2021A	2022A	2023A	2024A	2025E	2026F	2027F	2028F	2029F
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**

APPENDIX E : Financial Analysis

Appendix E7: Statement of Financial Position Forecast

Year	2019A	2020A	2021A	2022A	2023A	2024A	2025E	2026F	2027F	2028F	2029F
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 Non-current 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 E : Financial Analysis

Appendix E7: 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 Captial:											
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**

APPENDIX E : Financial Analysis

Appendix E8: Cash Flow Statement

Year	2019A	2020A	2021A	2022A	2023A	2024A	2025E	2026F	2027F	2028F	2029F
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)**

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Appendix E8: Cash Flow Statement

Year	2019A	2020A	2021A	2022A	2023A	2024A	2025E	2026F	2027F	2028F	2029F
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	8,412,115	10,131,728	(2,358,499)	1,379,585	1,181,242
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	22,357,850	32,489,578	30,131,079	31,510,664
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 E : Financial Analysis

Input Variable
Total assets
Total liabilities
Working capital
Retained earnings
EBIT
Market value of equity
Sales

Derived Variable
A = working capital / total assets
B = retained earnings / total assets
C = earnings before interest and tax / total assets
D = market value of equity / total liabilities
E = sales / total assets
Atman Z-score

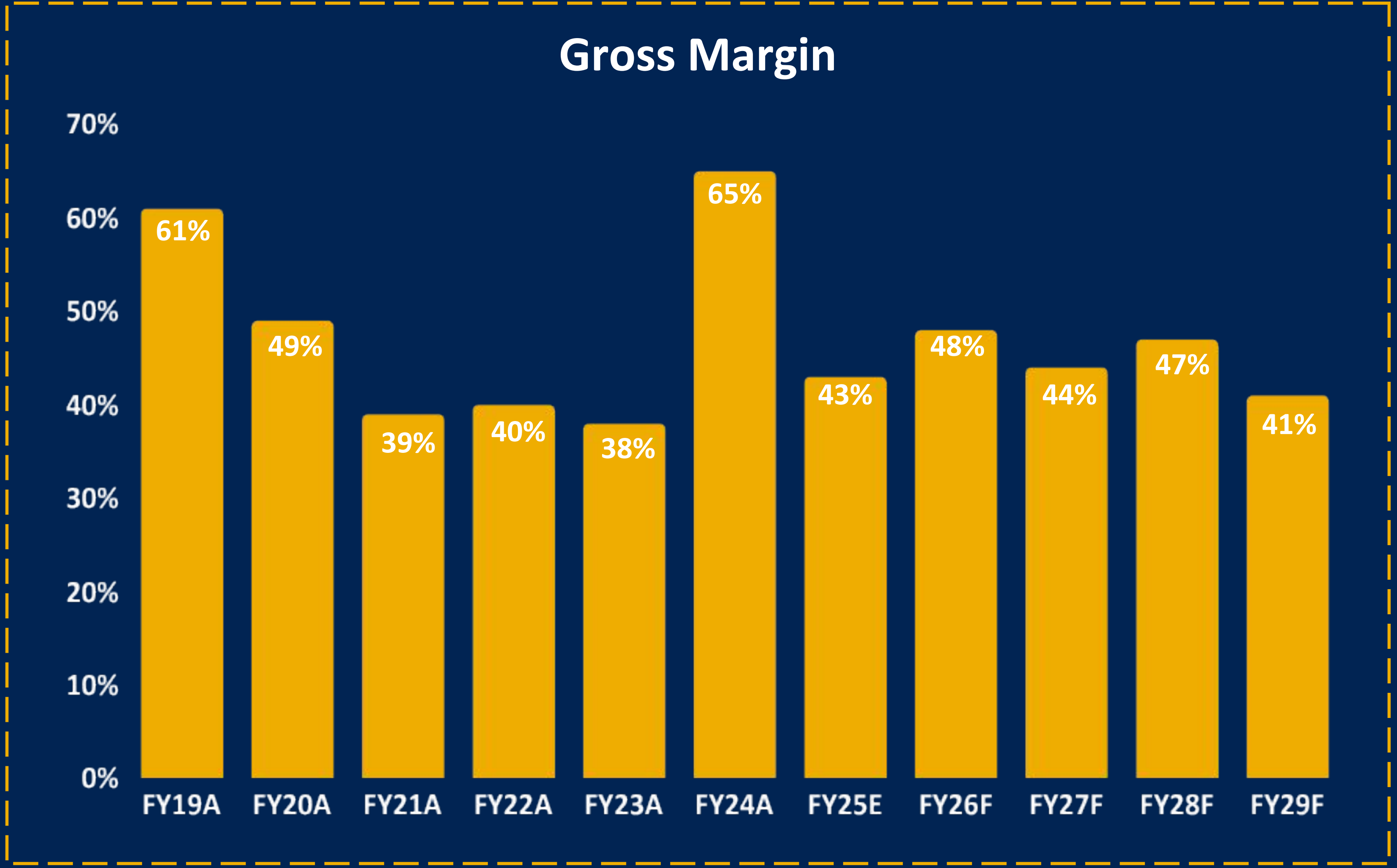
Average Altman Z-score

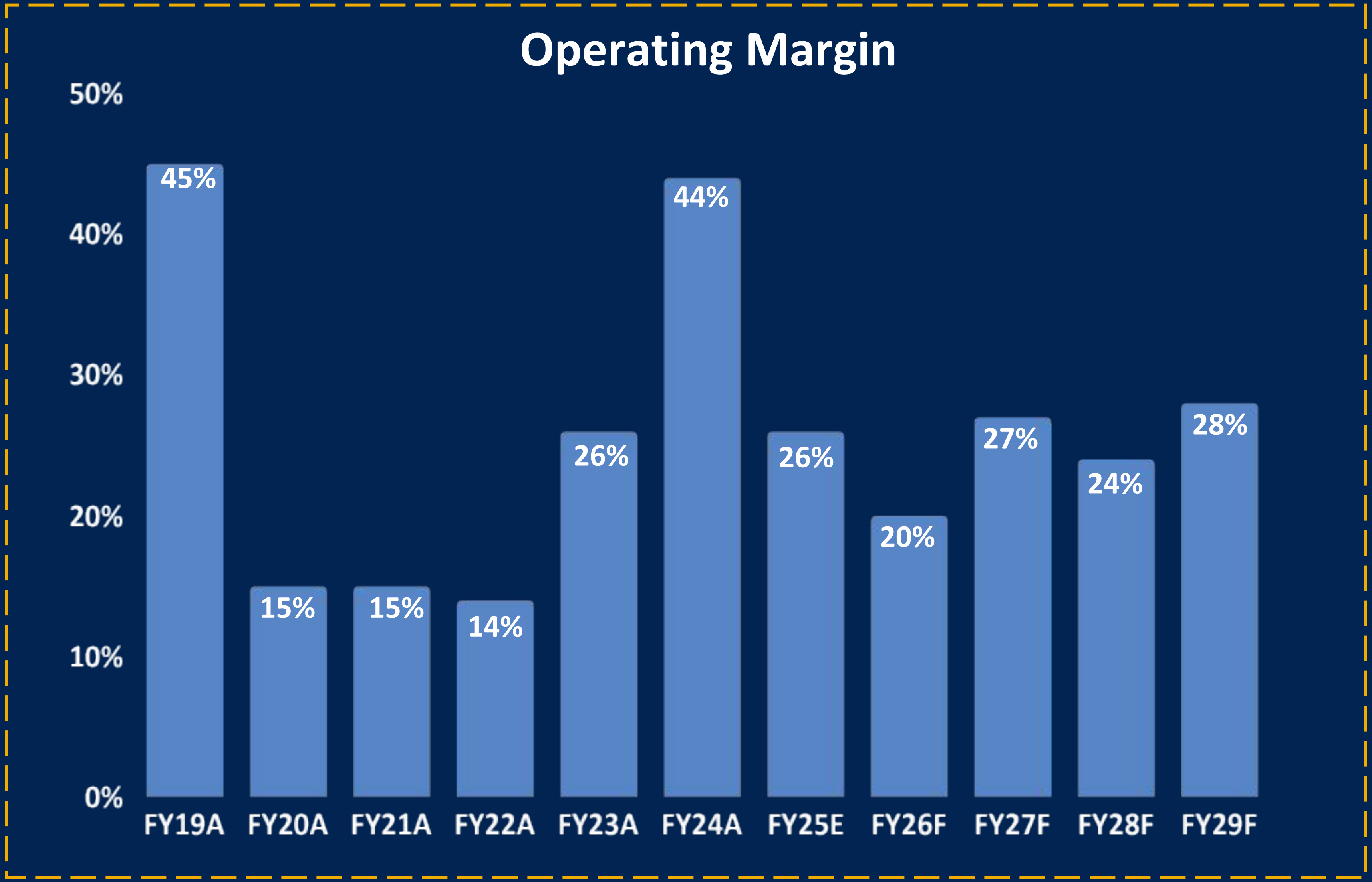
High Default Risk

1.8 **3.0**

APPENDIX E : Financial Analysis

Appendix E10: Profitability Ratios

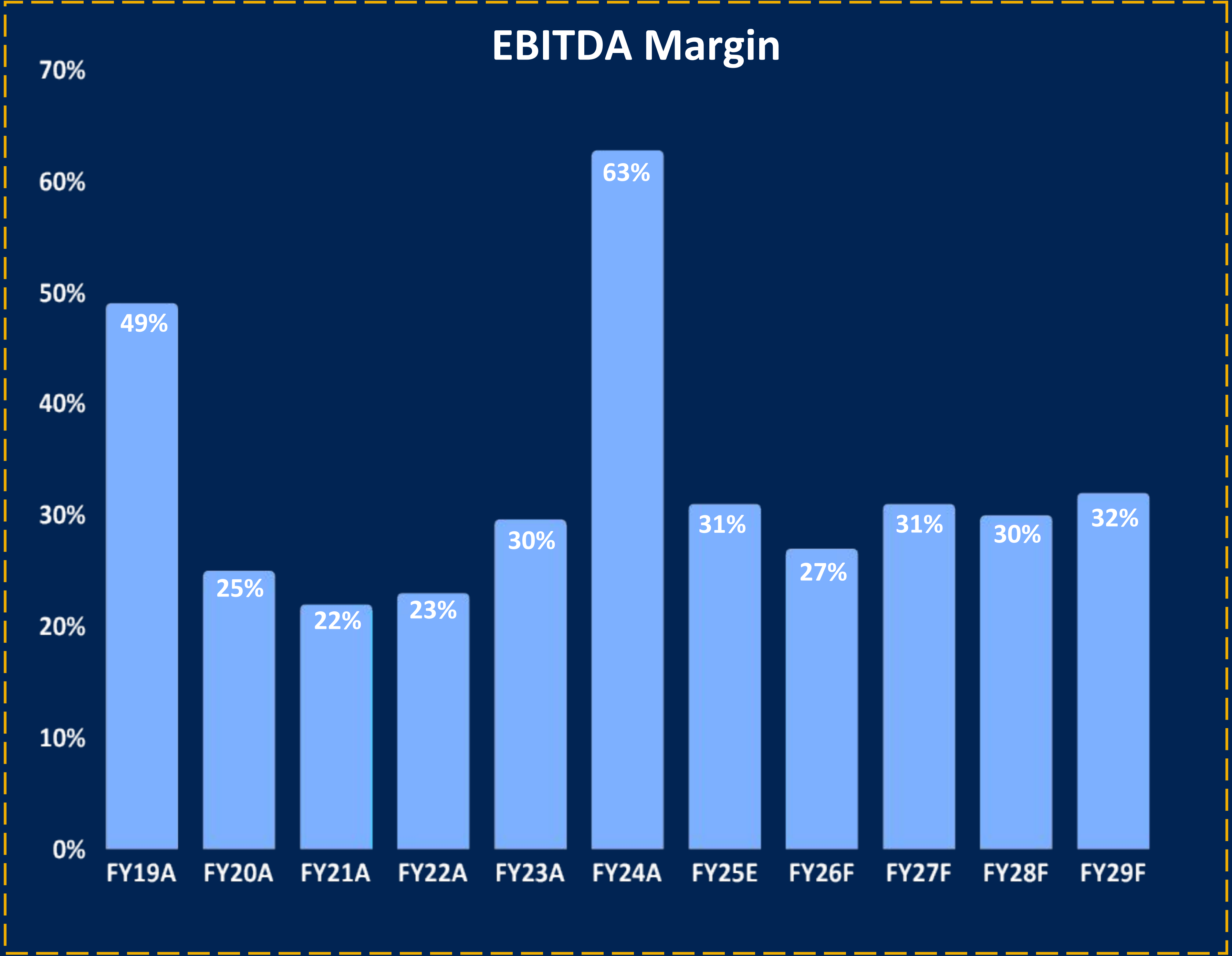


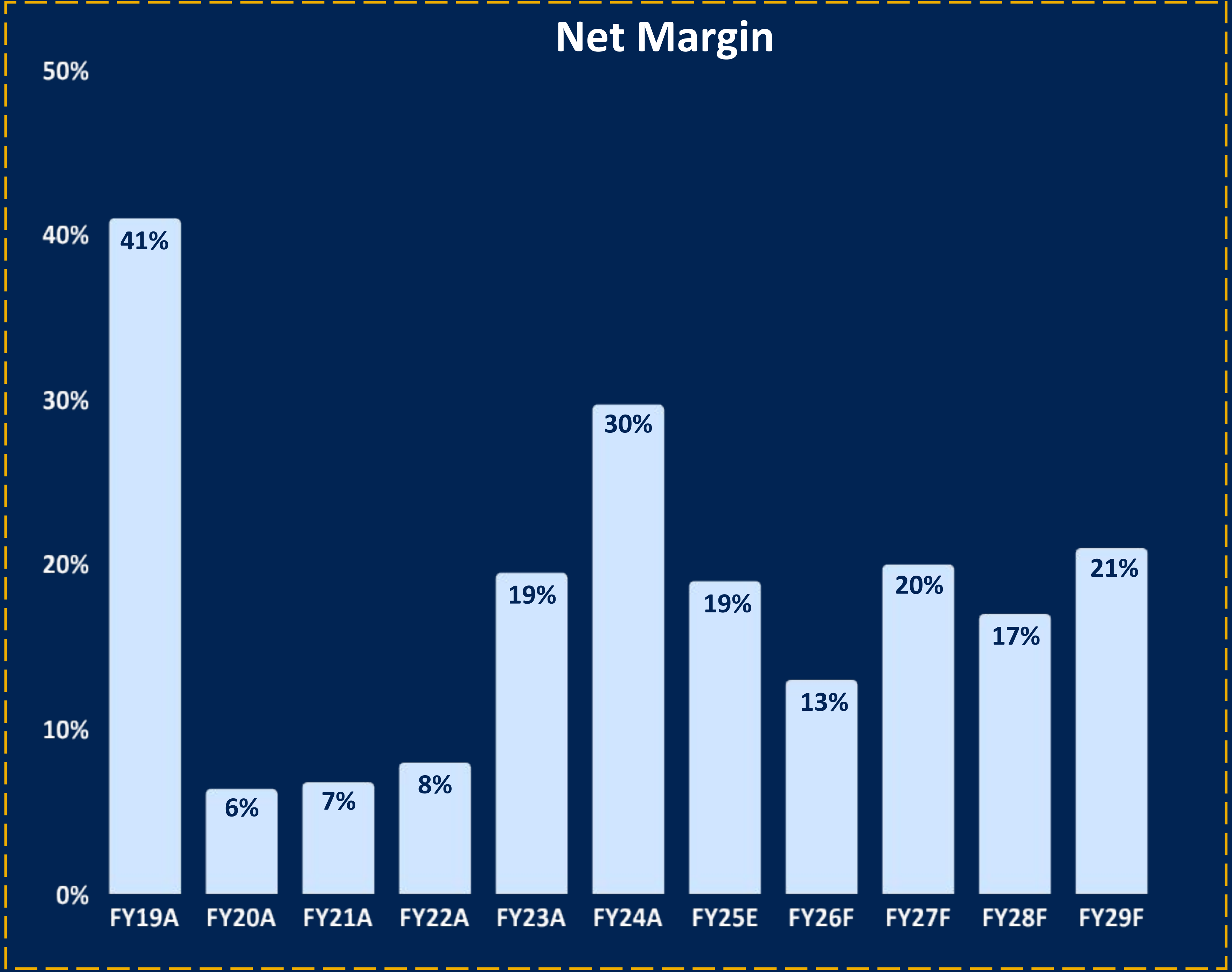


Source: PPSP, Team Analysis

APPENDIX E : Financial Analysis

Appendix E10: Profitability Ratios

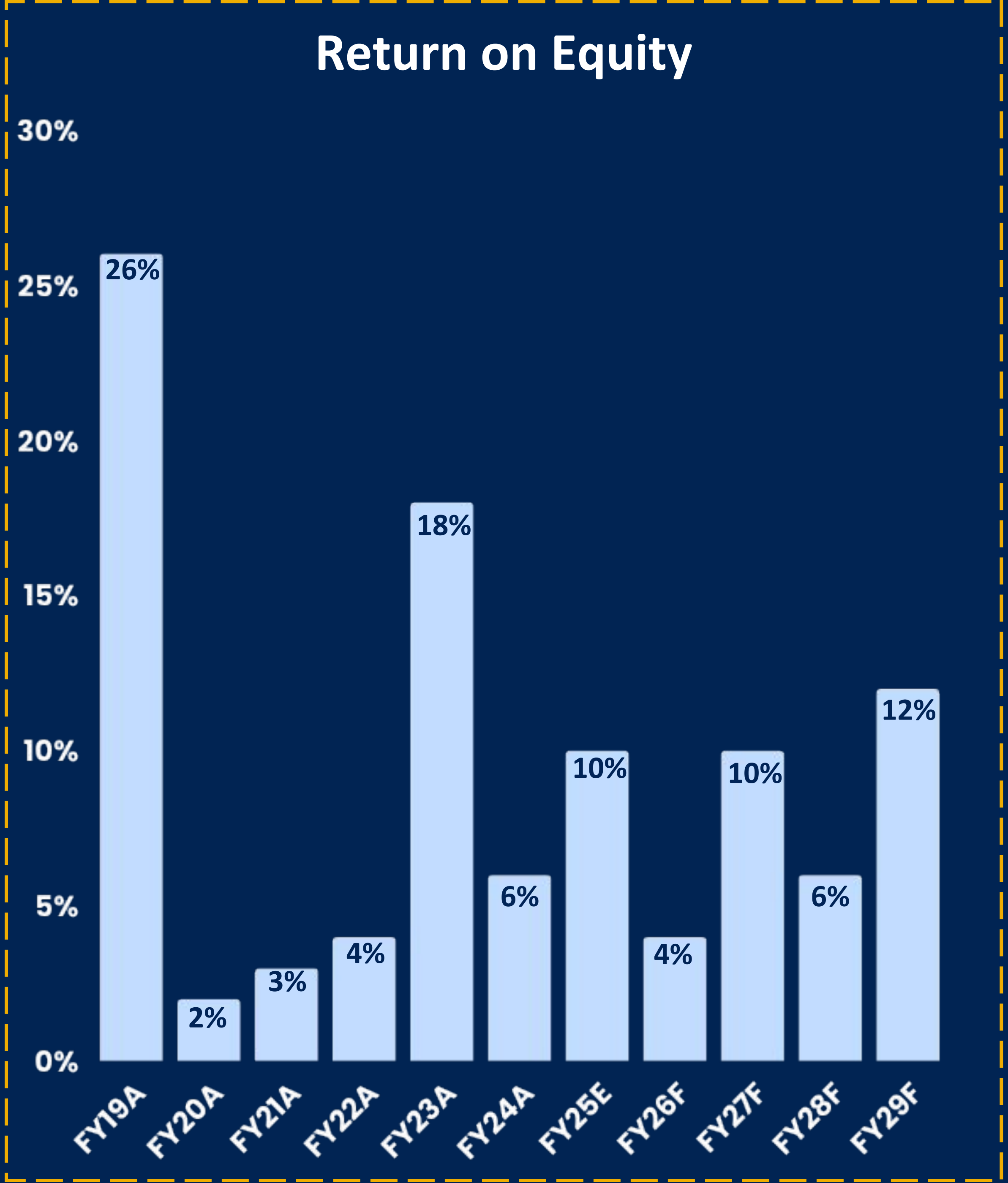


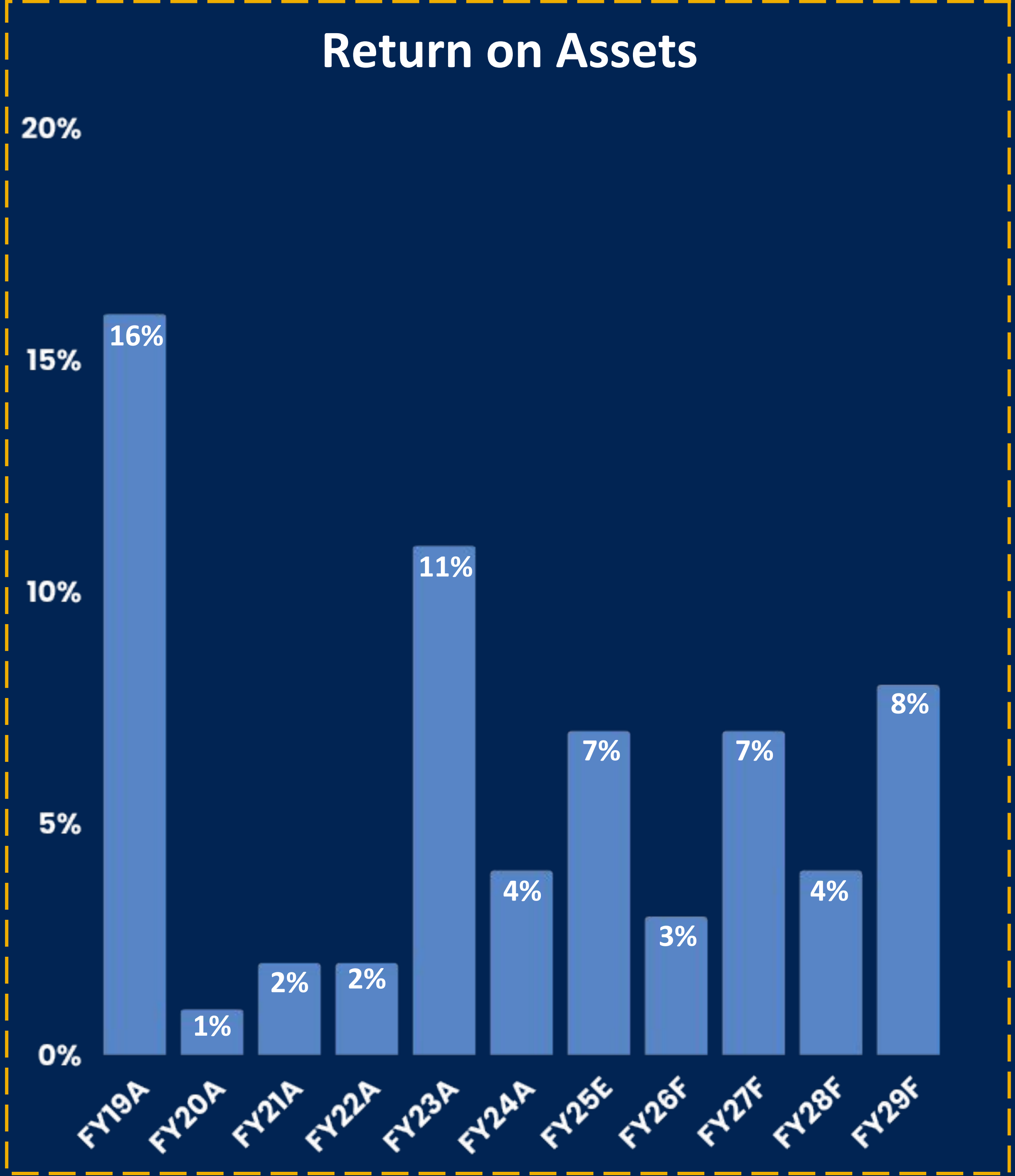


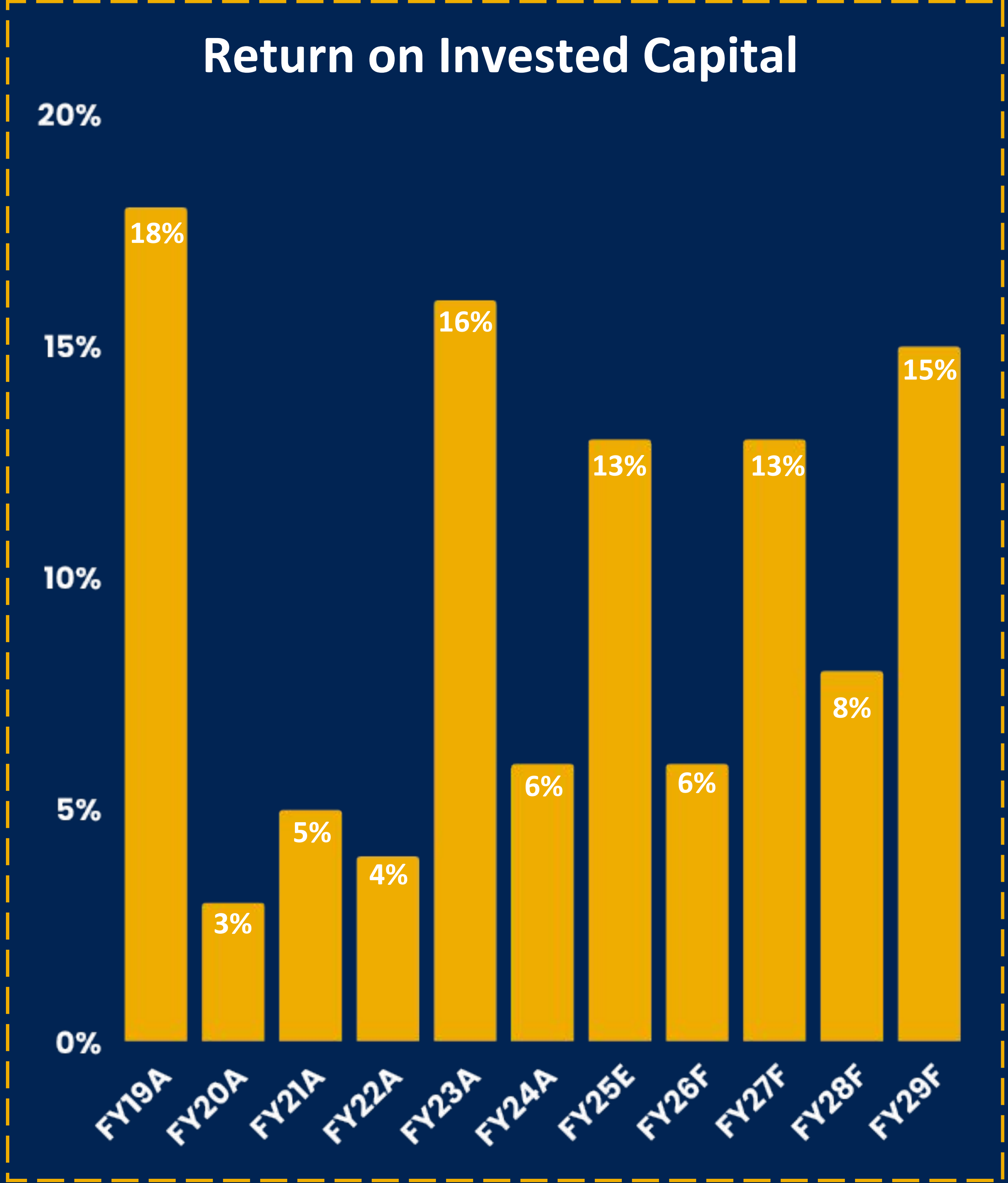
Source: PPSP, Team Analysis

APPENDIX E : Financial Analysis

Appendix E11: Return Ratios







Source: PPSP, Team Analysis

APPENDIX E : Financial Analysis

Appendix E12: PPSP’s Major Tenants

MINEBEA (CAMBODIA) CO., LTD

Product: Miniature Motors and Electronic Parts

Area: 200,000 m2

Employee: 8,840

SUMI (CAMBODIA) WIRING SYSTEMS CO., LTD

Product: Plastic Parts for Electronic Devices

Area: 125,189 m2

Employee: 5,830

MARVEL GARMENT CO., LTD

Product: Sports & Casual wear

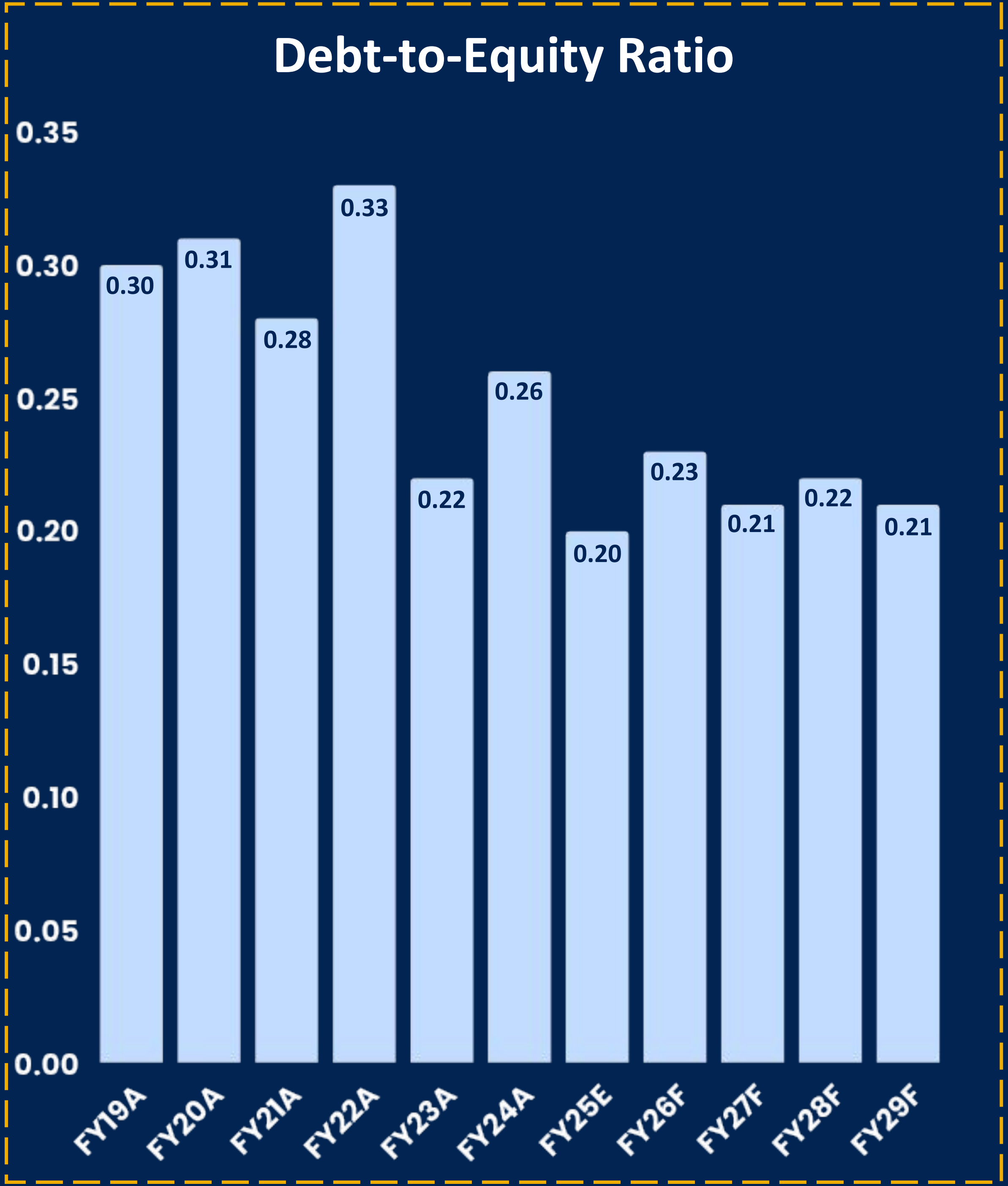
Area: 474,171 m2

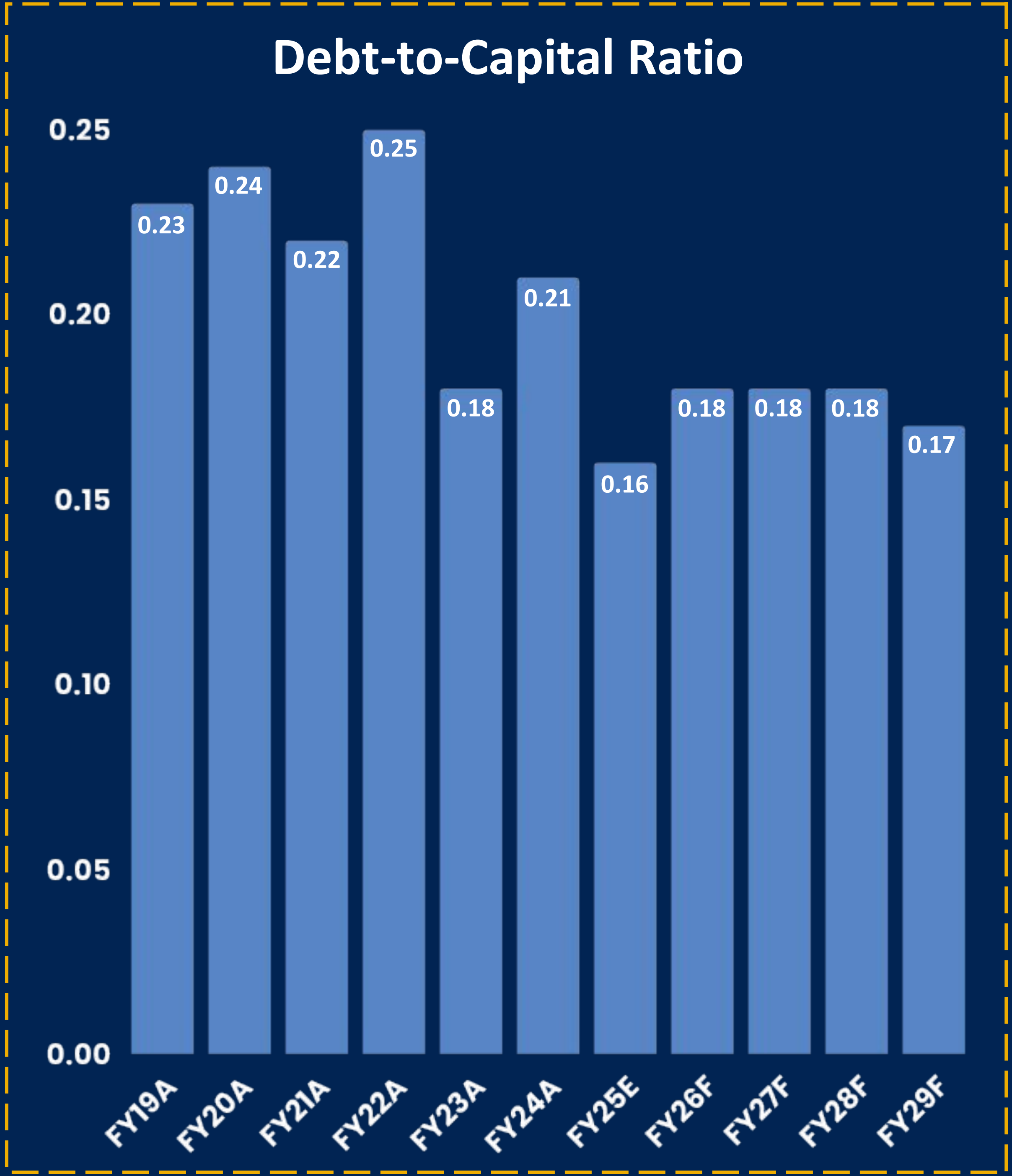
Employee: 19,000

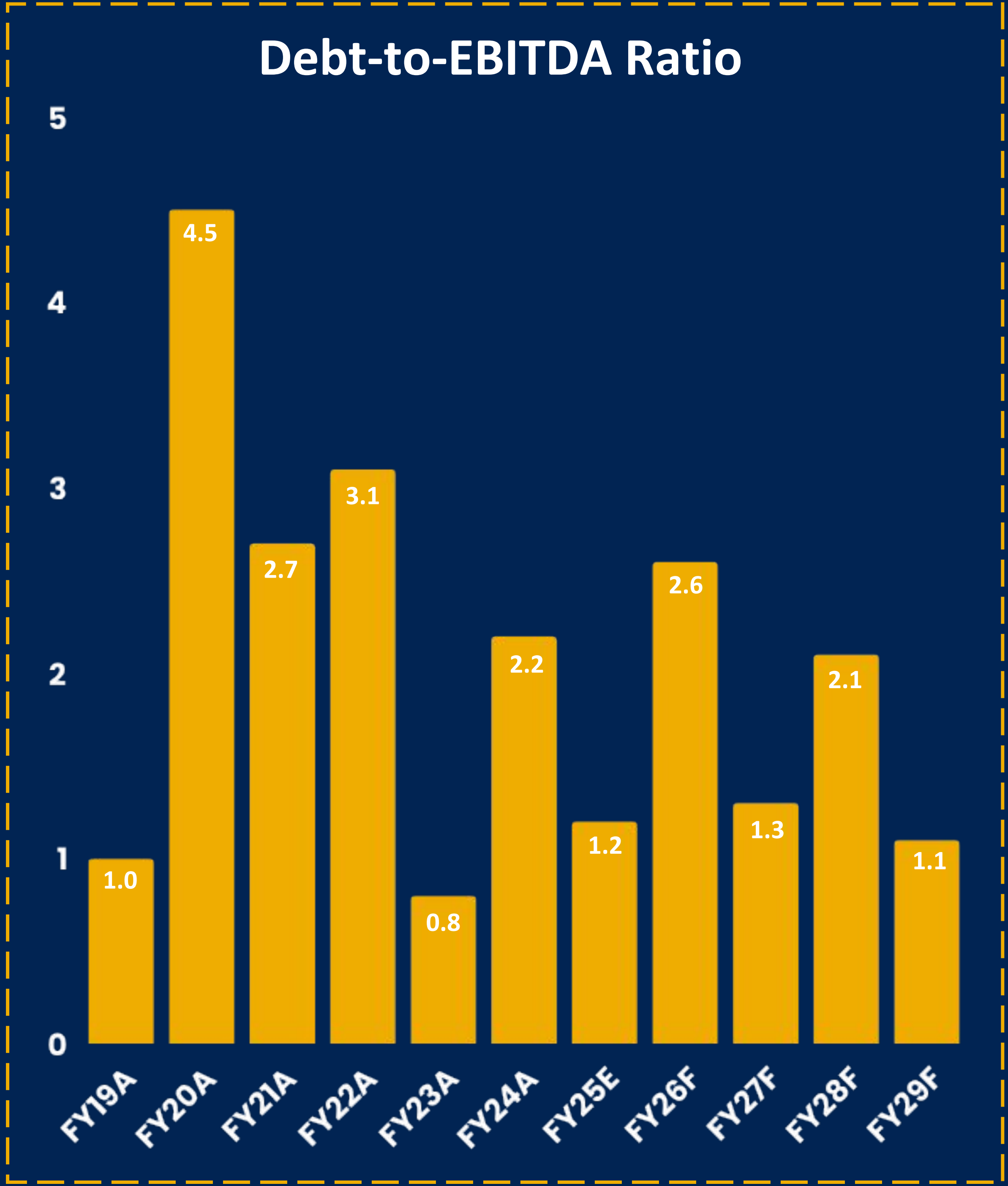
Source: PPSP, Team Analysis

APPENDIX E : Financial Analysis

Appendix E13: Leverage Ratios



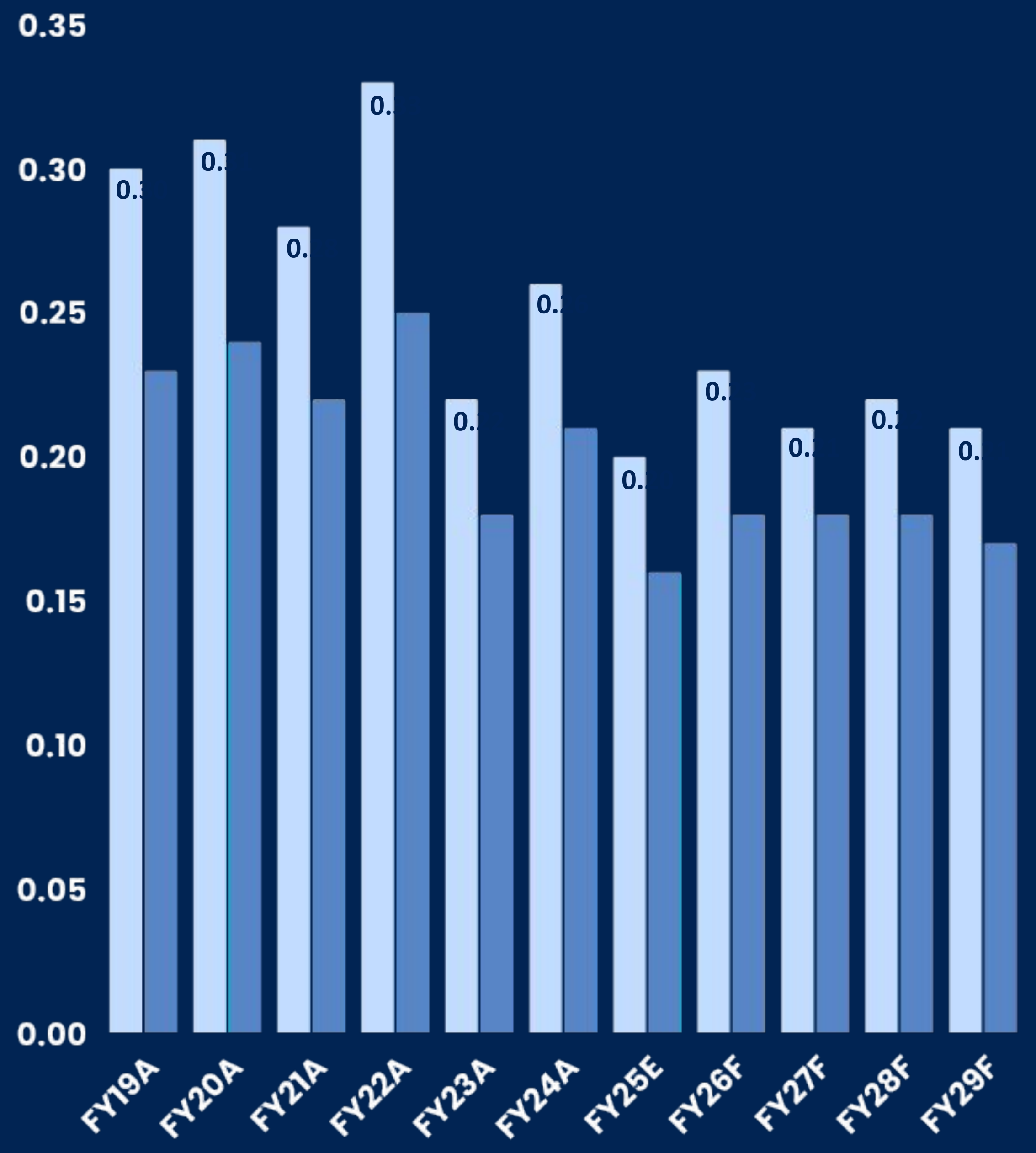


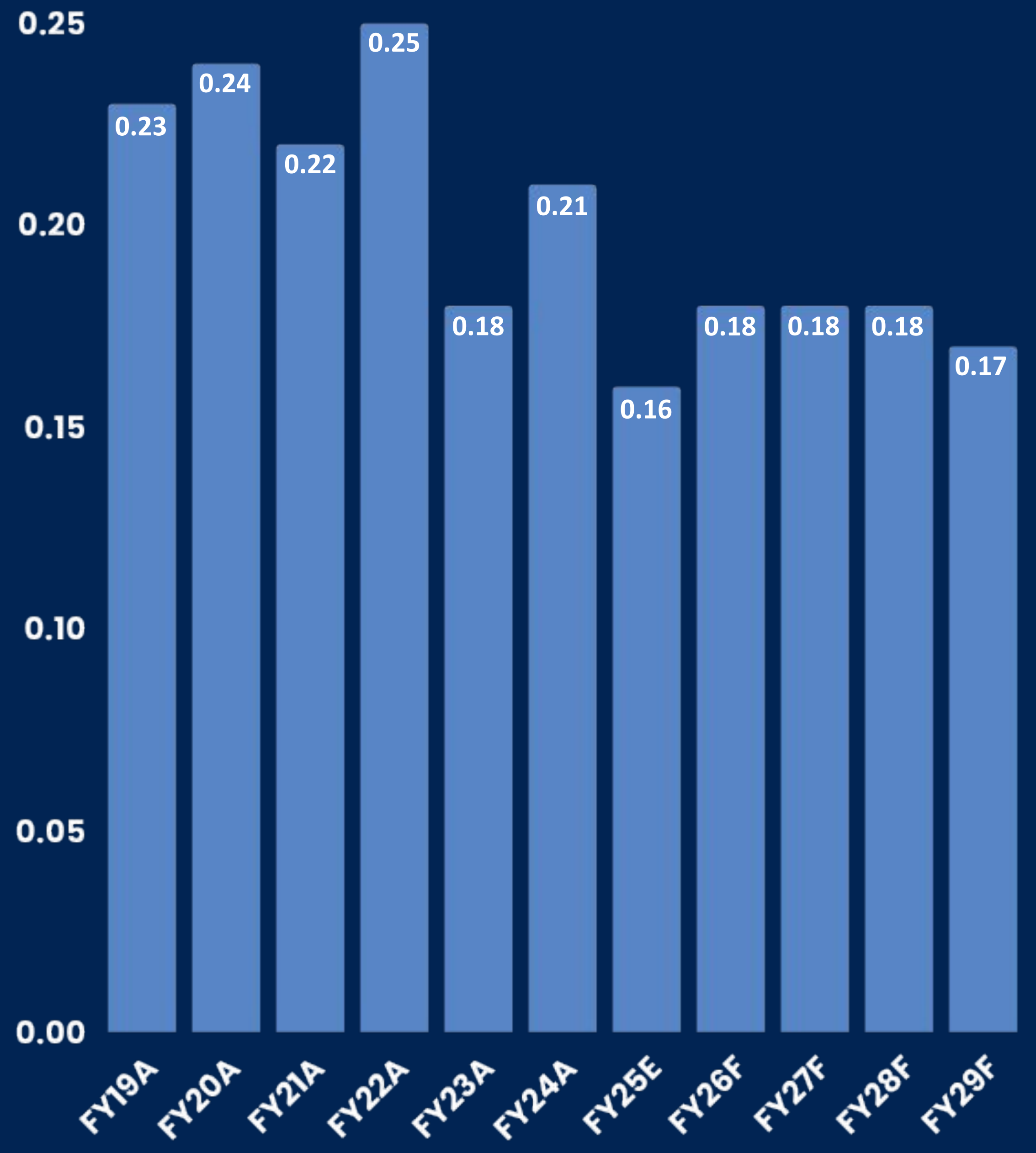


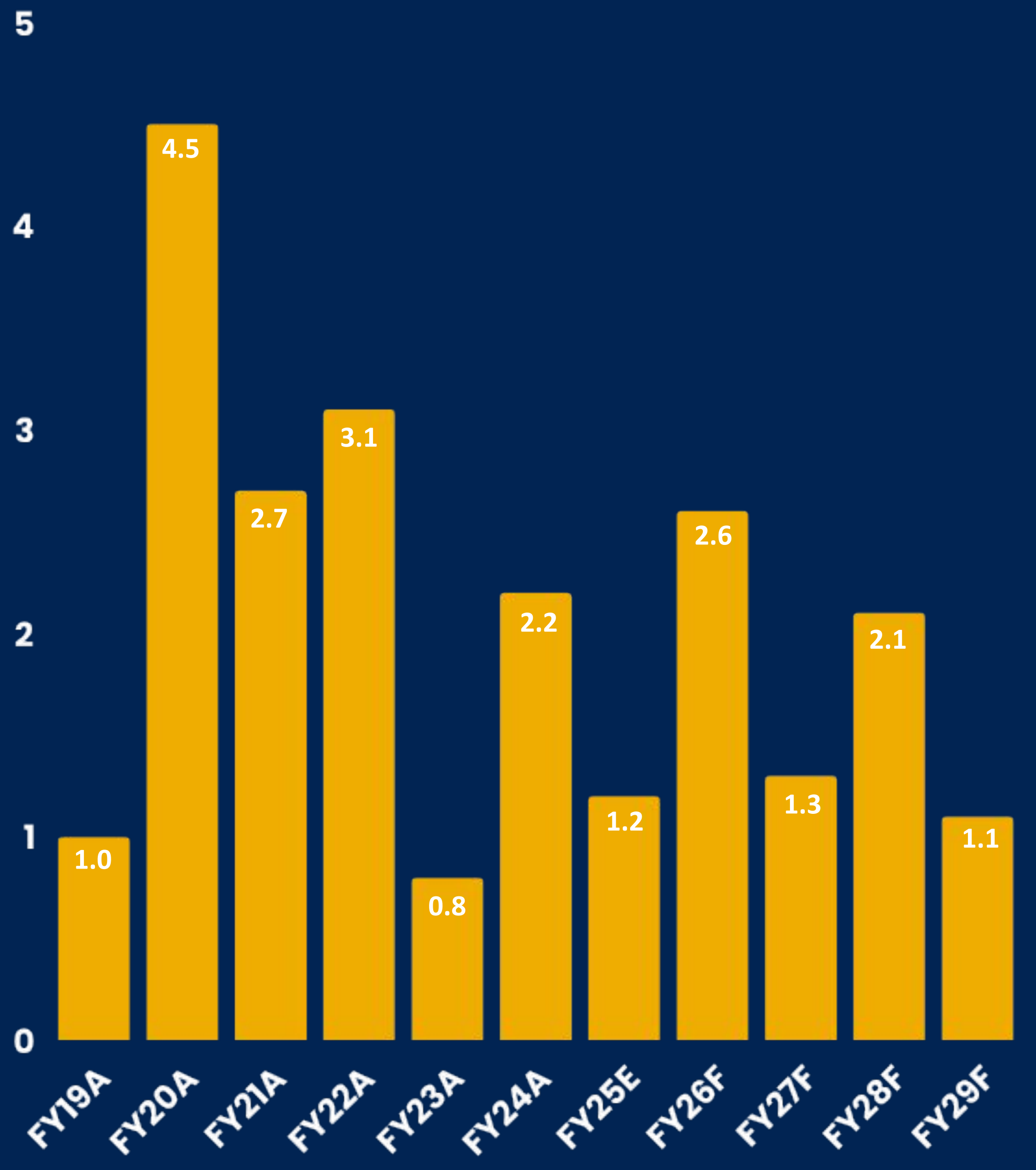
Source: PPSP, Team Analysis

APPENDIX E : Financial Analysis

Appendix E13: Leverage Ratios



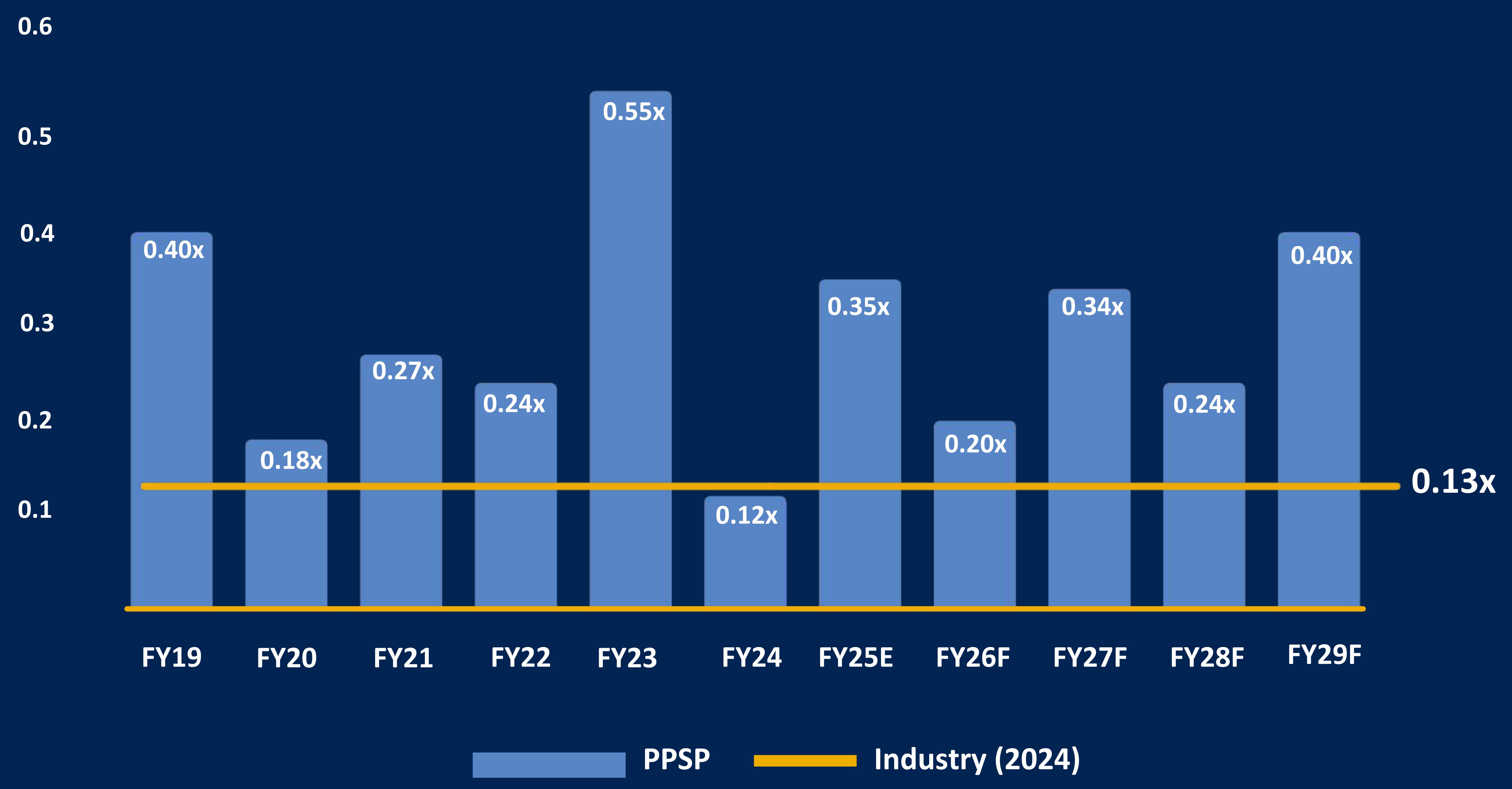




Source: PPSP, Team Analysis

APPENDIX E : Financial Analysis

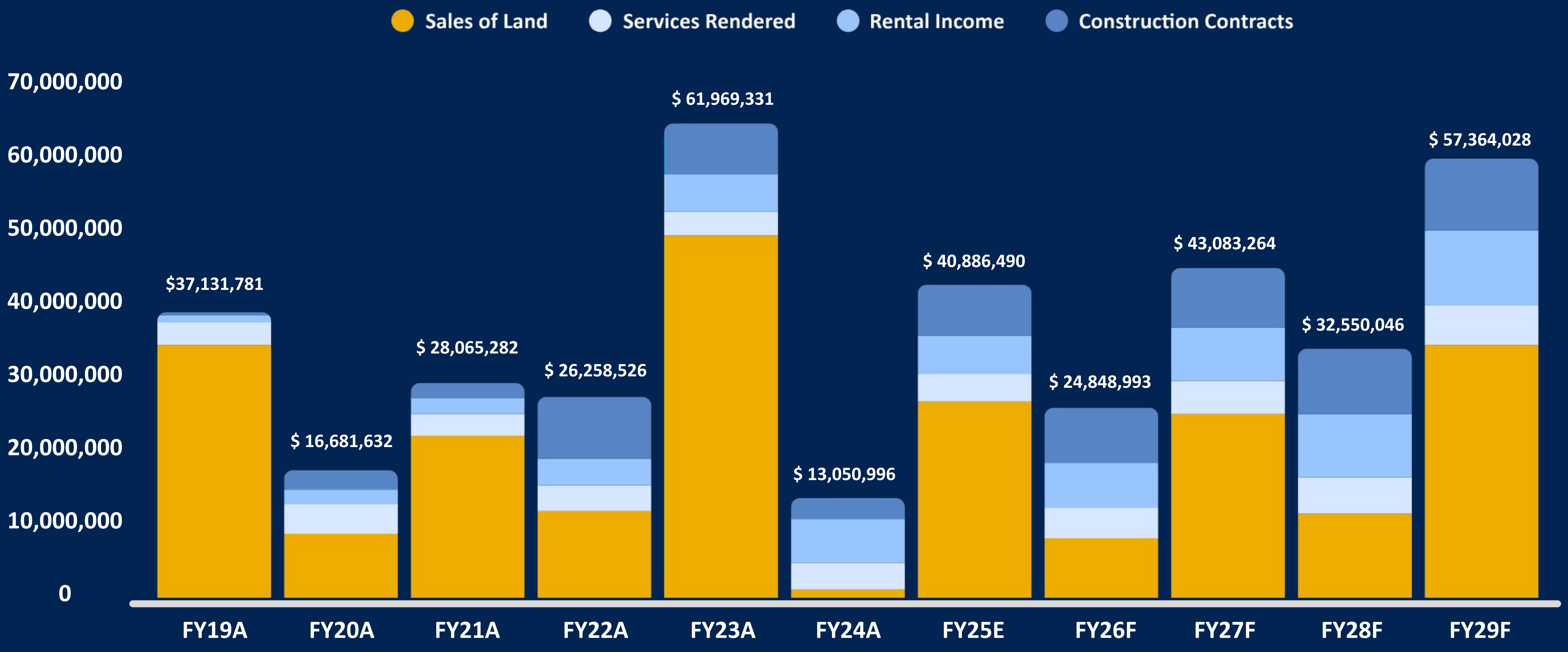
Appendix E14: Asset Turnover Ratios



Source: PPSP, Team Analysis

APPENDIX E : Financial Analysis

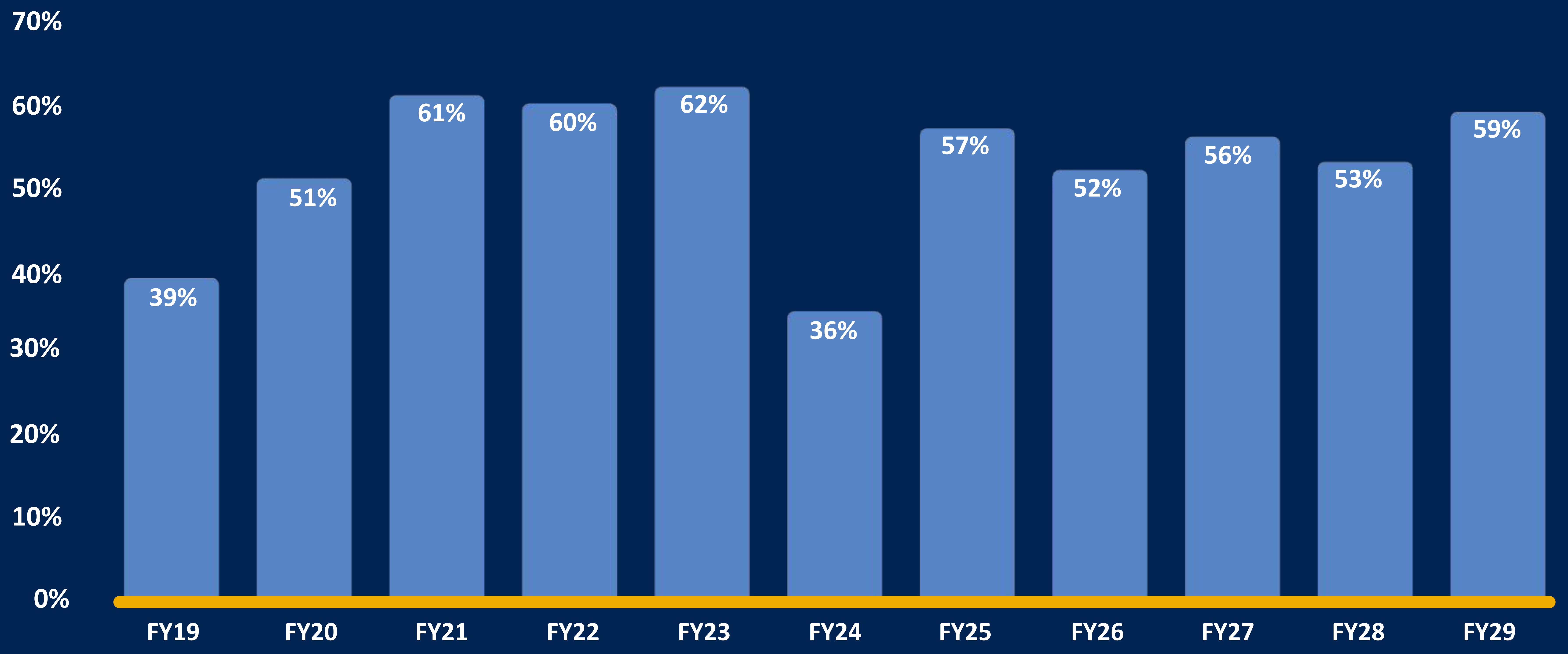
Appendix E15: Revenue Projection



Source: PPSP, Team Analysis

APPENDIX E : Financial Analysis

Appendix E16: COS as % of Revenue



Source: PPSP, Team Analysis

APPENDIX F : VALUATION

Appendix F1: Weighted Average Cost of Capital (WACC)

Cost of Equity (Ke)		
US Risk Free Rate		3.4%
US Equity Risk Premium		4.5%
Cambodia Country Risk		7.1%
PPSP Equity Beta		0.82
Cost of Equity (Ke)		14.2%

Risk Free Rate (US 5 years Treasury Bond Yield)	
5-years average (30%)	3.24%
Spot Rate (70%)	3.79%
US Default Spread	0.23%
Risk Free Rate	3.40%

Cost of Debt (Kd)	
Interest Coverage Ratio	4.7x
Synthetic Credit Rating	A2/A
US Risk Free Rate	3.4%
Cambodian Default Spread	4.7%
PPSP Default Spread	0.8%
After-tax Cost of Debt (Kd)	7.1%
WACC =	12.7%

WACC: Based on the weighted proportion of equity and debt, combined with their respective required rates of return, PPSP's WACC is calculated to be 12.7%.

Cost of Equity: The cost of equity was determined using the CAPM model, incorporating a risk-free rate of 3.4% based on the weighted average of Spot rate and 5 years average of US 5-year Treasury bond, which further adjusted for default spread and an equity risk premium of 4.5%. The equity risk premium was adjusted by multiplying it with an equity beta of 0.82 and adding a Cambodia country risk of 7.1%, yielding a cost of equity of 14.2%.

Cost of Debt: In 2024, PPSP has an Interest Coverage ratio of 4.7x, resulting in A2/A synthetic credit rating. The cost of debt was calculated by taking the weighted average of the spot rate and the 5-year average of the US 5-year Treasury bond yield of 3.4%, adding Cambodia's default spread of 4.7% and PPSP's default spread of 0.8%, and then adjusting for a 20.0% tax rate. This resulted in an after-tax cost of debt of 7.1%.

APPENDIX F : VALUATION

Appendix F2: Beta Calculation

Due to the limited liquidity of Cambodia Securities Exchange (CSX), a reliable regression beta for PPSP is not feasible. Instead, we adopt the higher value between Damodaran's industry beta and the three-year average daily regression beta of local peers from Bloomberg, yielding an unlevered beta of 0.678. 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 0.819.

Name	Country	Levered Beta	5Y Average Effective Tax Rate	Debt (USD)	MKT Cap (USD)	Unlevered Beta
Saigon VRG Investment Corp	Vietnam	1.040	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	1.350	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**
Damadaran Industry Beta						**0.480**
PPSP D/E Ratio						26%
Tax Rate						20%
PPSP Levered Beta						**0.819**

APPENDIX F : VALUATION

Appendix F3: Terminal Growth

Year	GDP Growth	Inflation
2025	4.8%	1.6%
2026	4.0%	1.8%
2027	4.5%	3.0%
2028	5.0%	3.0%
2029	5.3%	3.0%
2030	5.5%	3.0%

	Average	Weighted
GDP Growth	4.9%	40%
Inflation	2.6%	60%

Terminal Growth Rate	3.5%

Macroeconomic Alignment: PPSP's business model is deeply tied to Cambodia's economic momentum, making GDP growth a vital indicator for long-term demand. As the economy expands with higher import and export activity, Foreign Direct Investment (FDI) tends to rise which impact demand and retention rate for existing tenants.

Revenue Structure Transition: At the same time, As PPSP shifts from one-off land sales toward more recurring income from utilities, rentals, and services, inflation becomes more relevant. Inflation affects both the fees PPSP can charge tenants and its operating and financing costs for future expansion.

Better long-term growth projection: The terminal growth rate is set to reflect long-term economic growth while adjusted for the inflation without being overly optimistic. Using GDP growth and inflation helps keep the valuation conservative and realistic, while still capturing PPSP's ability to grow steadily over time.

APPENDIX F : VALUATION

Appendix F4: DCF - Free Cash Flow to Equity Model

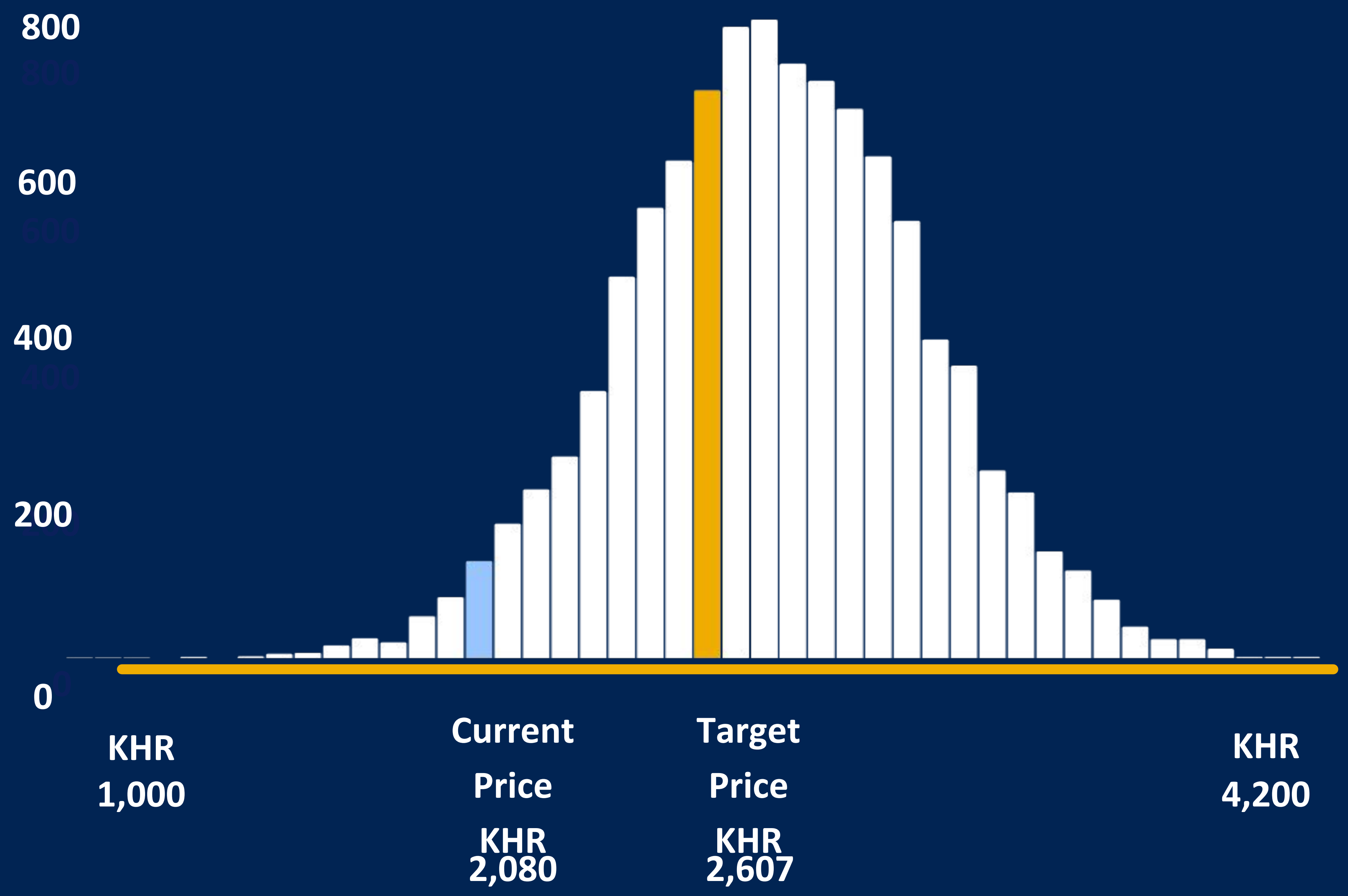
FCFE in USD	2025E	2026F	2027F	2028F	2029F	Terminal
Net profit	7,866,158	3,317,056	8,471,609	5,386,551	11,954,214	
Add: Depreciation	1,171,397	1,229,967	1,291,466	1,356,039	1,423,841	
Less: Δ in working capital	13,782,499	4,004,511	(6,192,516)	306,607	(5,258,645)	
Less: CAPEX	(3,044,378)	(4,065,859)	(4,160,001)	(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 F : Valuation

Appendix F5: Monte Carlo Simulation



BUY	HOLD	SELL
92%	7%	1%

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%**

Mean	Variable	Standard Deviation
3.5%	Terminal Growth	1%
14.2%	Cost of Equity	1%
12%	Recurring Revenue Growth	1.5%
48%	COS % of revenue	1.5%
45%	Land sale % of revenue	3%

APPENDIX F : Valuation

Appendix F6: Sensitivity Analysis

COST OF EQUITY

TERMINAL GROWTH

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

BUY

RECOMMENDATION

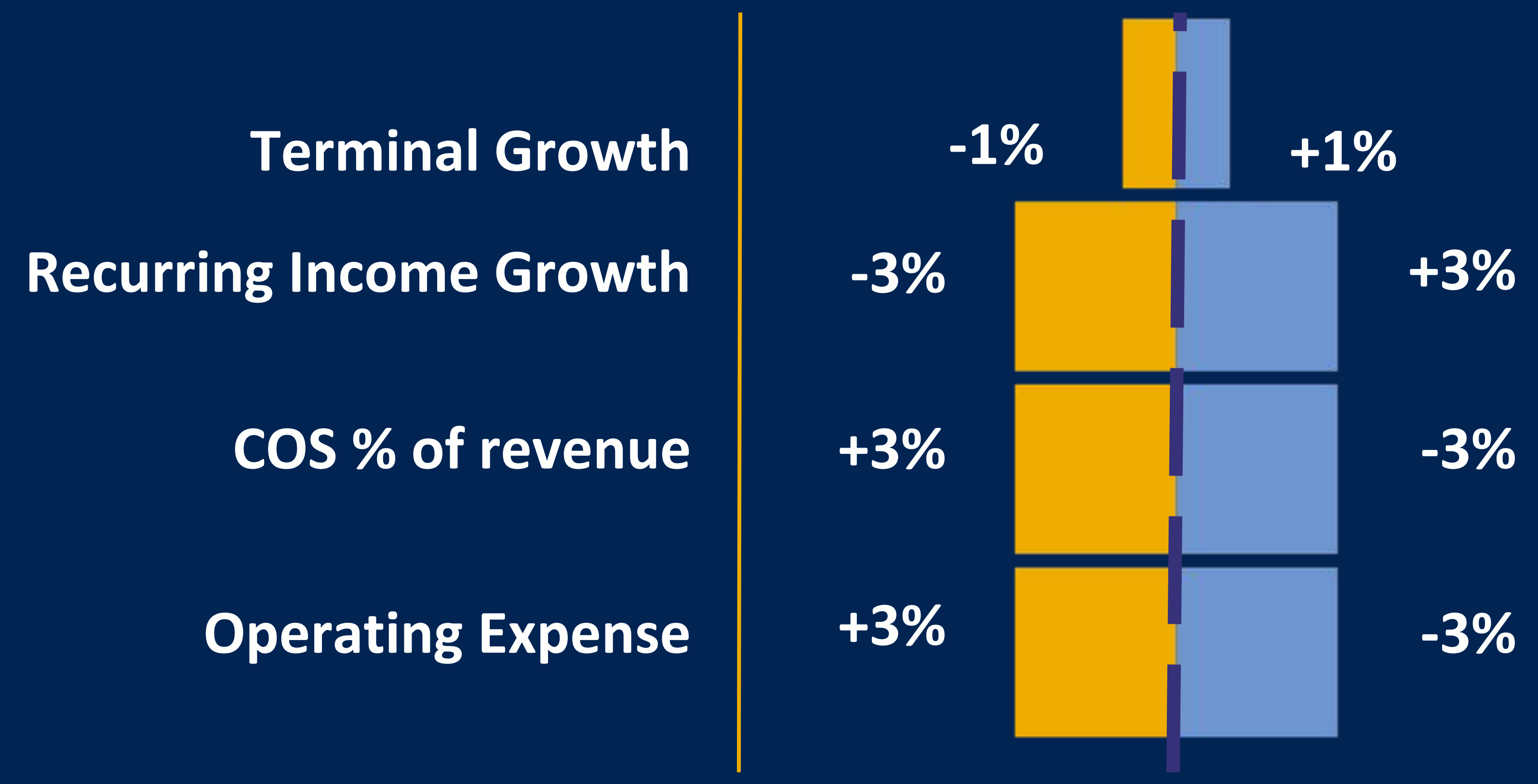
At the target price of
KHR 2,607 ($0.65)

BUY	> KHR 2,288	+10% Upside
HOLD	KHR 2,288 - KHR 1,872	± 10%
SELL	< KHR 1,872	-10% Downside

Source: Team Analysis

APPENDIX F : VALUATION

Appendix F7: Bull and Bear analysis Assumption



	Bear	Base	Bull
Total Intrinsic Value	$28,029,717	$46,550,099	$71,447,094
Intrinsic Value/shares (KHR)	1,570	2,607	4,002
Upside/Downside	-25%	25%	92%
Recommendation	Sell	Buy	Buy

APPENDIX F : VALUATION

Appendix F8: Relative Valuation

Name	Debt/Equity	Country	P/E (TTM)	EV/EBITDA (TTM)	P/BV (TTM)	Dividend Yield (TTM)
Saigon VRG Investment Corp	127%	Vietnam	9.75	14.31	1.35	5.92%
Amata Corp Public Co.Ltd	0%	Thailand	21.97	16.86	3.07	0.56%
WHA Corp PCL	66%	Thailand	5.77	8.70	0.77	5.73%
Fraser Property Thailand PC	74%	Thailand	10.61	8.28	2.68	2.87%
NESCO Ltd	139%	India	9.67	25.83	0.38	5.29%
Vinh Phuc Infrastructure Development	6%	Vietnam	24.39	24.65	3.63	0.00%
Hiep Phouc Industrial Park JSC	11%	Vietnam	8.37	8.22	1.19	3.79%
Average	**74%**		**12.93**	**15.26**	**1.35**	**4.03%**
PPSP	**26%**	**Cambodia**	**9.39**	**2.75**	**0.96**	**3.67%**

APPENDIX F : VALUATION

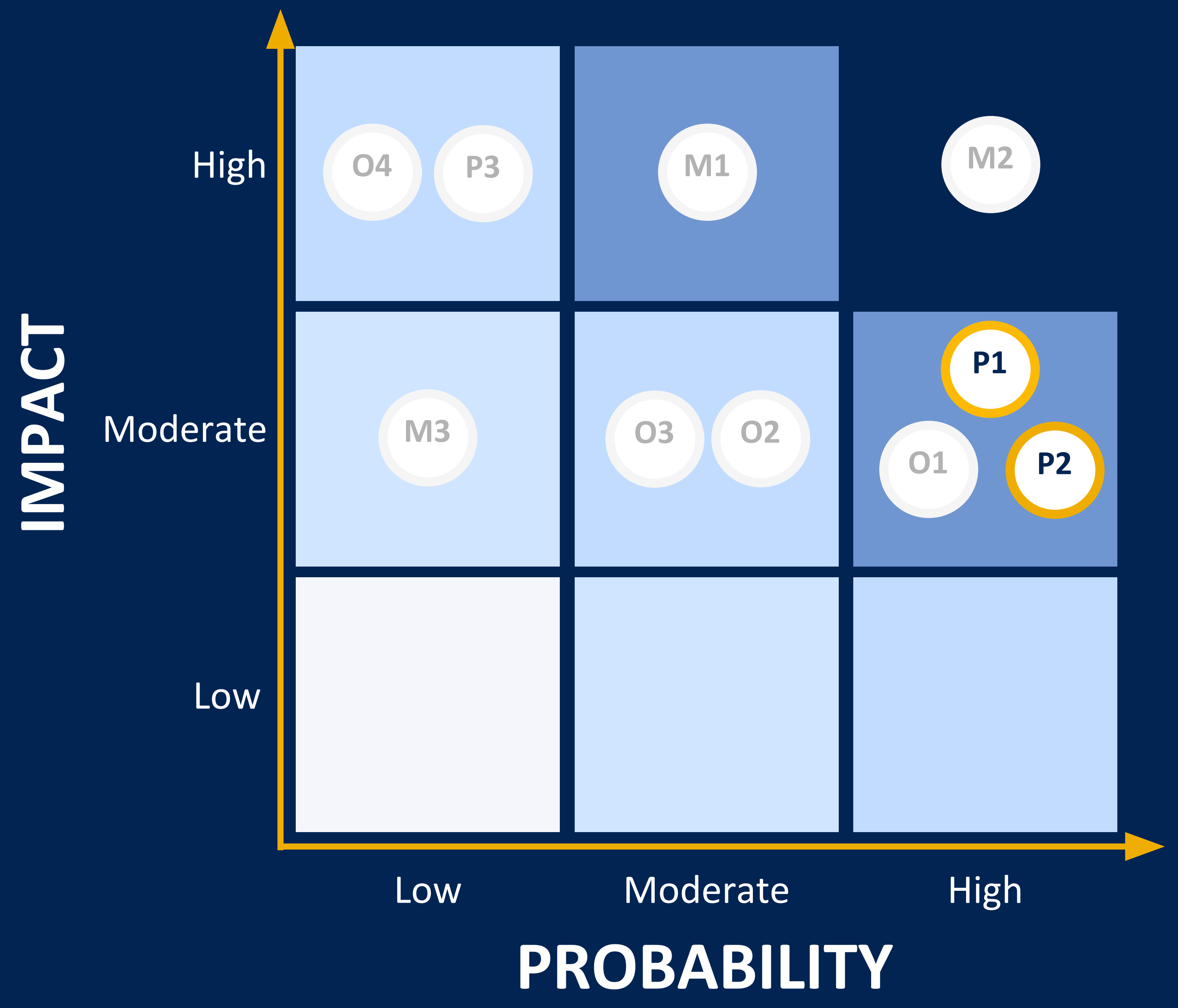
Appendix F8: Relative Valuation

P/E		
Industry Average		12.9x
Relative Value		KHR 2,812
PPSP Price		KHR 2,080
Upside		35.18%
Recommendation		BUY

P/BV		
Industry Average		1.36
Relative Value		KHR 5,218
PPSP Price		KHR 2,080
Upside		150%
Recommendation		BUY

APPENDIX G: INVESTMENT RISK

Appendix G1: Political Risks (1)



P1 — 2026 Iran War

Increase in Oil price and Disruption of logistic route lead to increase tenant's export cost

Potential delay in existing tenant expansion and also new tenant looking to invest

Mitigations

Trade risks are manageable if PPSP diversified its tenants through prioritising ASEAN, EU, and domestic market tenants.

P2 — Border Tension

Logistic delay, cost volatility, and supply risk

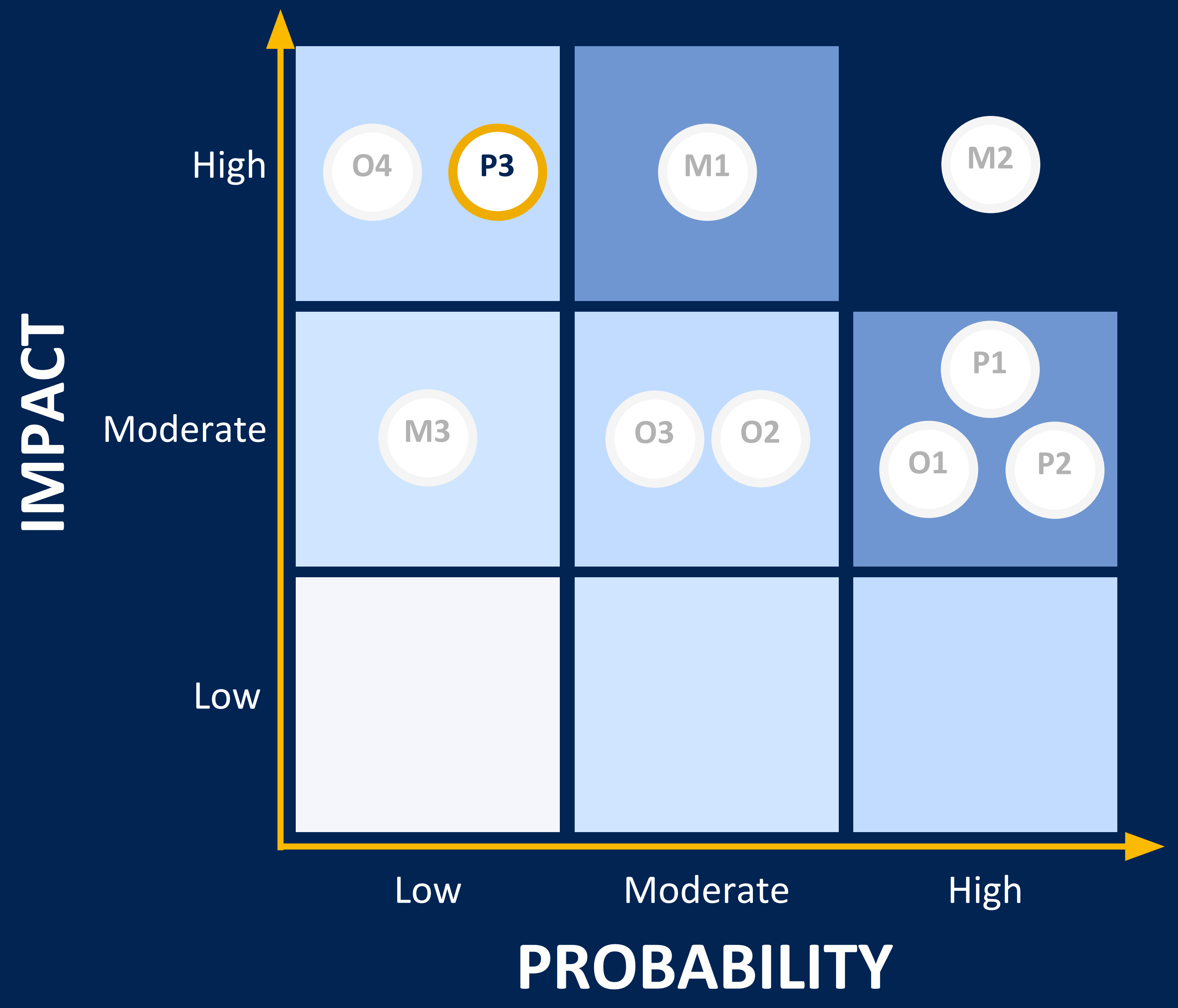
Potential delay in FDI commitment from investors

Mitigations

PPSP's strong logistic connectivity and diversified supplier base can lower its dependency on a single trade route.

APPENDIX G: INVESTMENT RISK

Appendix G1: Political Risks (2)



P3 **Regulatory, Legal, and SEZ Policy Risks**

PPSP faces high exposure to policy, tax, land-use, and environmental regulatory

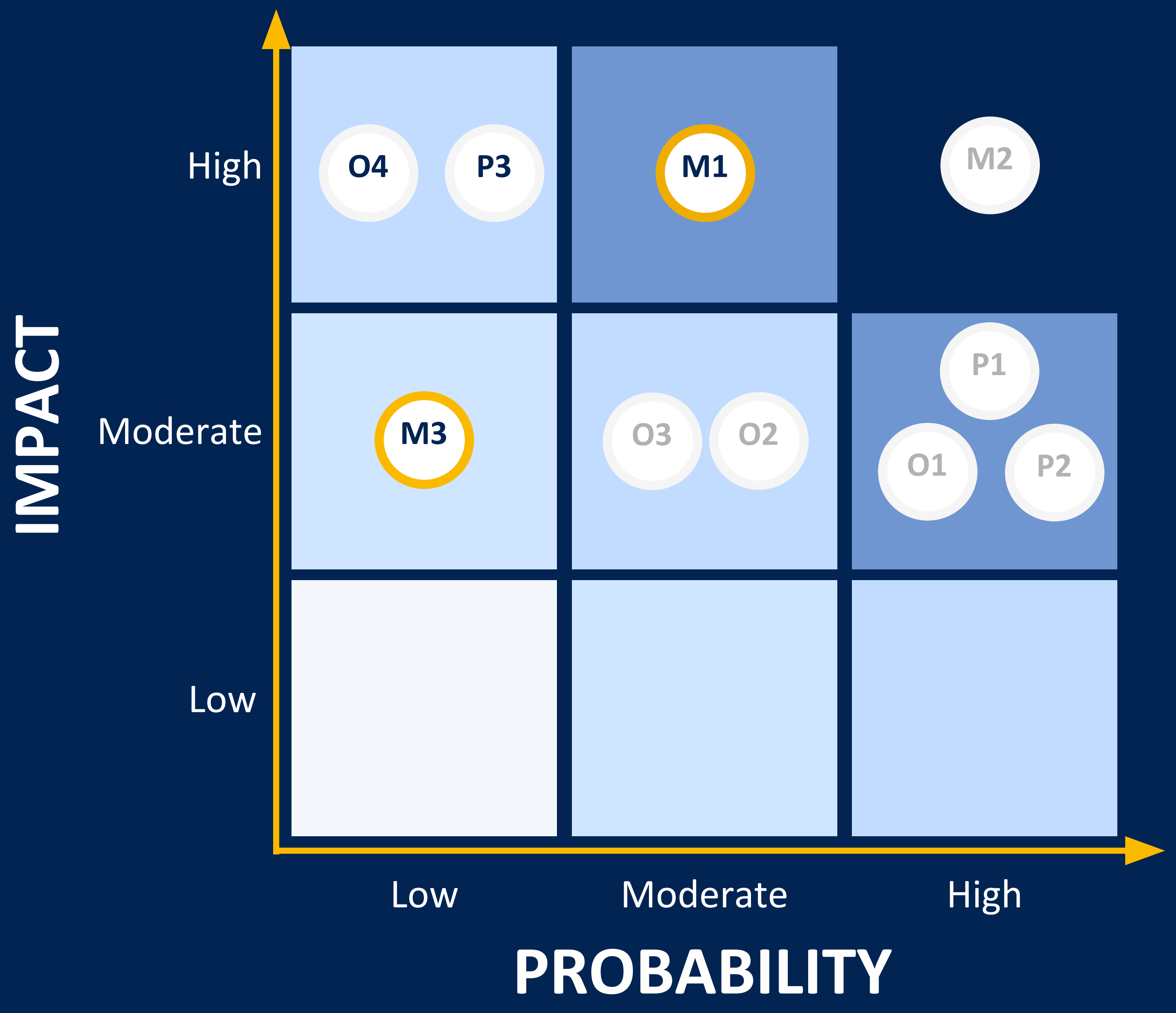
Stricter regulations or enforcement may raise compliance and operating costs, reducing the competitiveness of Cambodian SEZs.

Mitigations

PPSP benefits from long-standing SEZ status. Cambodia's push for industrial modernization reduces the likelihood of regulatory changes, while PPSP's recurring service revenues are less sensitive to tax reforms.

APPENDIX G: INVESTMENT RISK

Appendix G2: Market Risks (1)



M1 Macroeconomic and FDI Sensitivity Risk

PPSP's reliance on FDI and industrial growth exposes it to global and geopolitical risks.

Mitigations

Manufacturing diversification supports PPSP's recovery potential, with a diversified SEZ footprint reducing industry and investor concentration risk.

M3 Competitive Risks

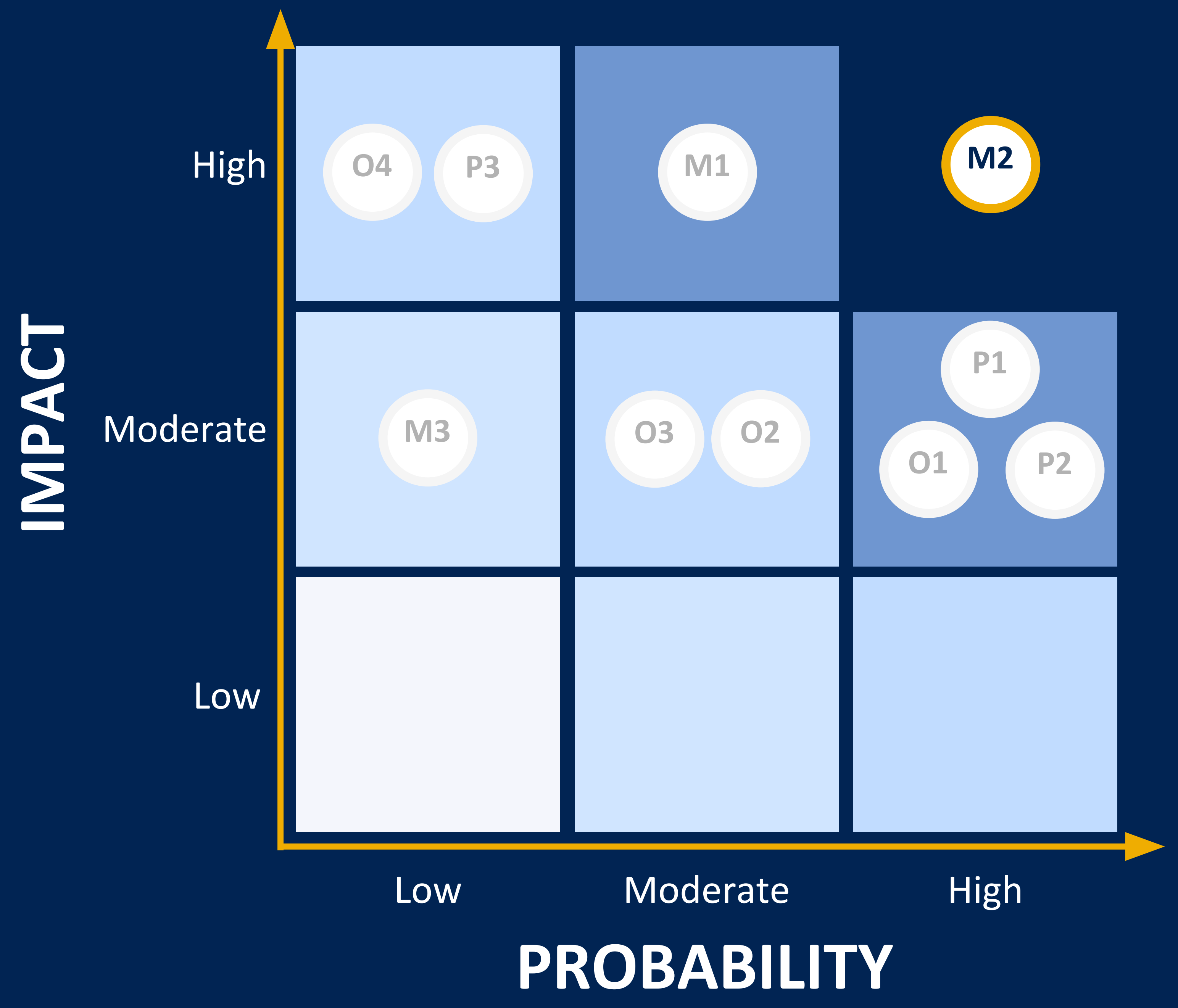
New SEZ entrants may emerge, but high entry barriers limit near-term risk, while PPSP's operating maturity supports a defensible position.

Mitigations

PPSP can mitigate competition by reinforcing its premium services and landbank control support PPSP's competitive positioning.

APPENDIX G: INVESTMENT RISK

Appendix G2: Market Risks (2)



M2 Constraint in Land Supply

An increase in land price and development cost is causing pressure on PPSP's gross margin.

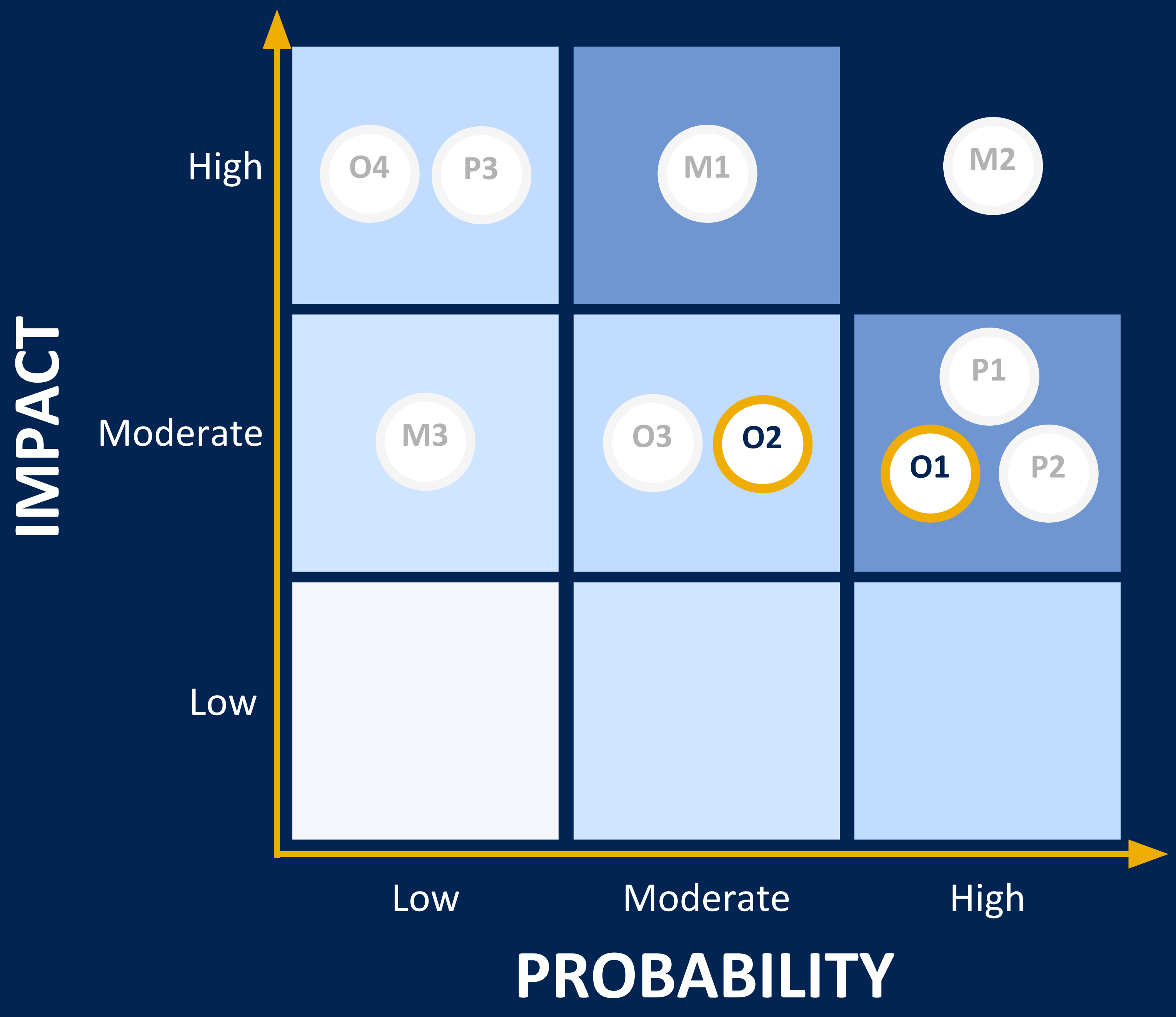
Future land acquisition would potentially face challenges despite PPSP's good track record.

Mitigations

PPSP mitigates this risk through its strong government relationship and land redevelopment, enabling cost control without pressuring its margin.

APPENDIX G: INVESTMENT RISK

Appendix G3: Operational Risks (1)



O1 Land Sale Revenue Volatility

Cyclical Land sale has create earning and margin volatility, while reducing valuation certainty.

Mitigations

As PPSP shifts to a recurring revenue model, contributing almost 90% of 2024 revenue, it has enhanced its cash flow stability.

O2 High BTS CAPEX

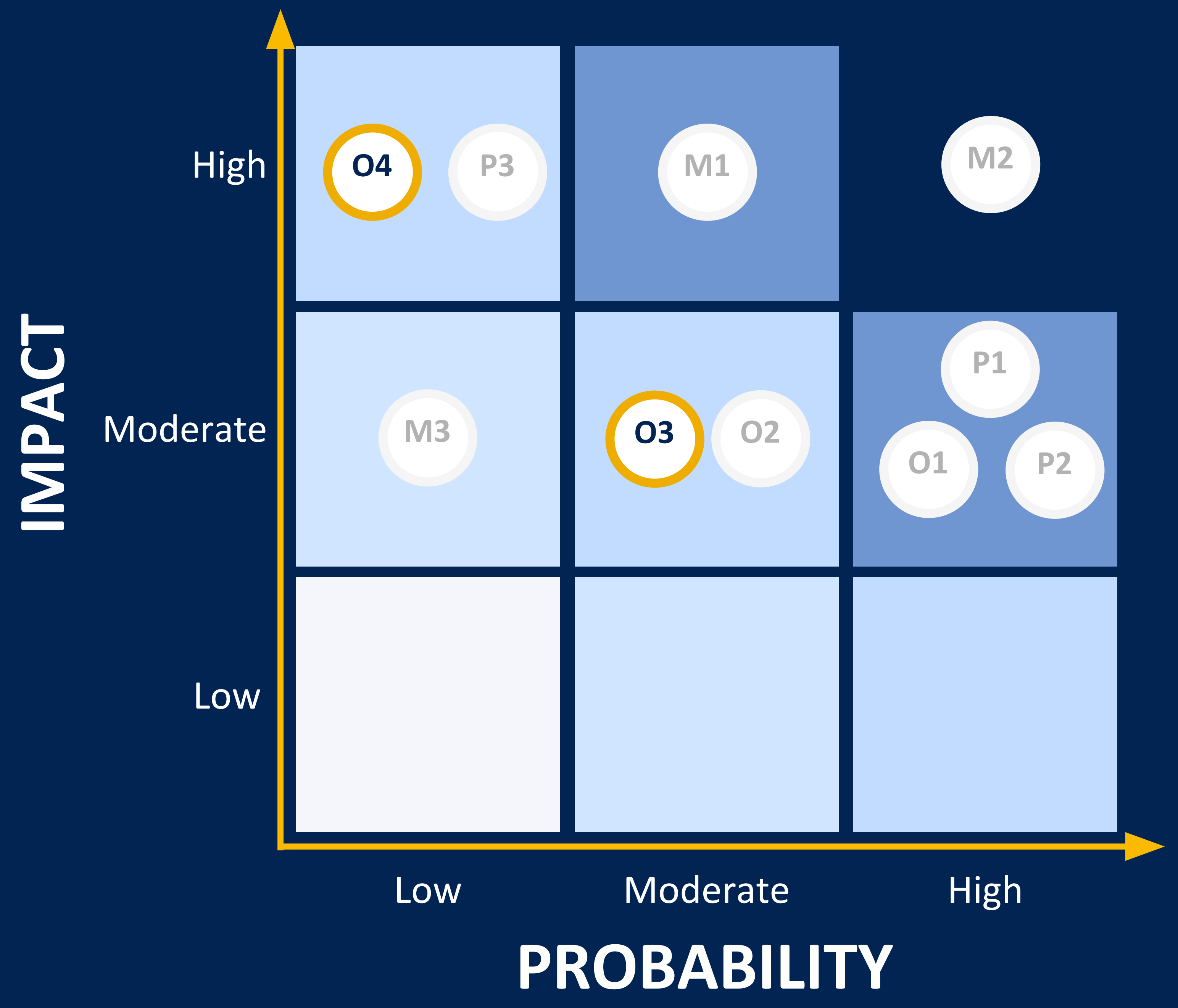
High initial CAPEX can create short-term liquidity pressure and expose PPSP to capital recovery if tenants withdraw.

Mitigations

PPSP can mitigates the risk through the phased development with a flexible design and funding to limit the cash strain and tenant risks.

APPENDIX G: INVESTMENT RISK

Appendix G3: Operational Risks (2)



O3 New SEZ Execution Risk (Kandal and Poipet)

Expanding into new SEZs requires significant capital and operational execution.

Mitigations

PPSP's proven SEZ track record, strong investor network, and phased development approach mitigate execution and financial risks.

O4 Concentration Risk from Japan and China Risk

Tenant concentration (≈40% Japan, ≈30% China) exposes PPSP to geopolitical and policy risks.

Mitigations

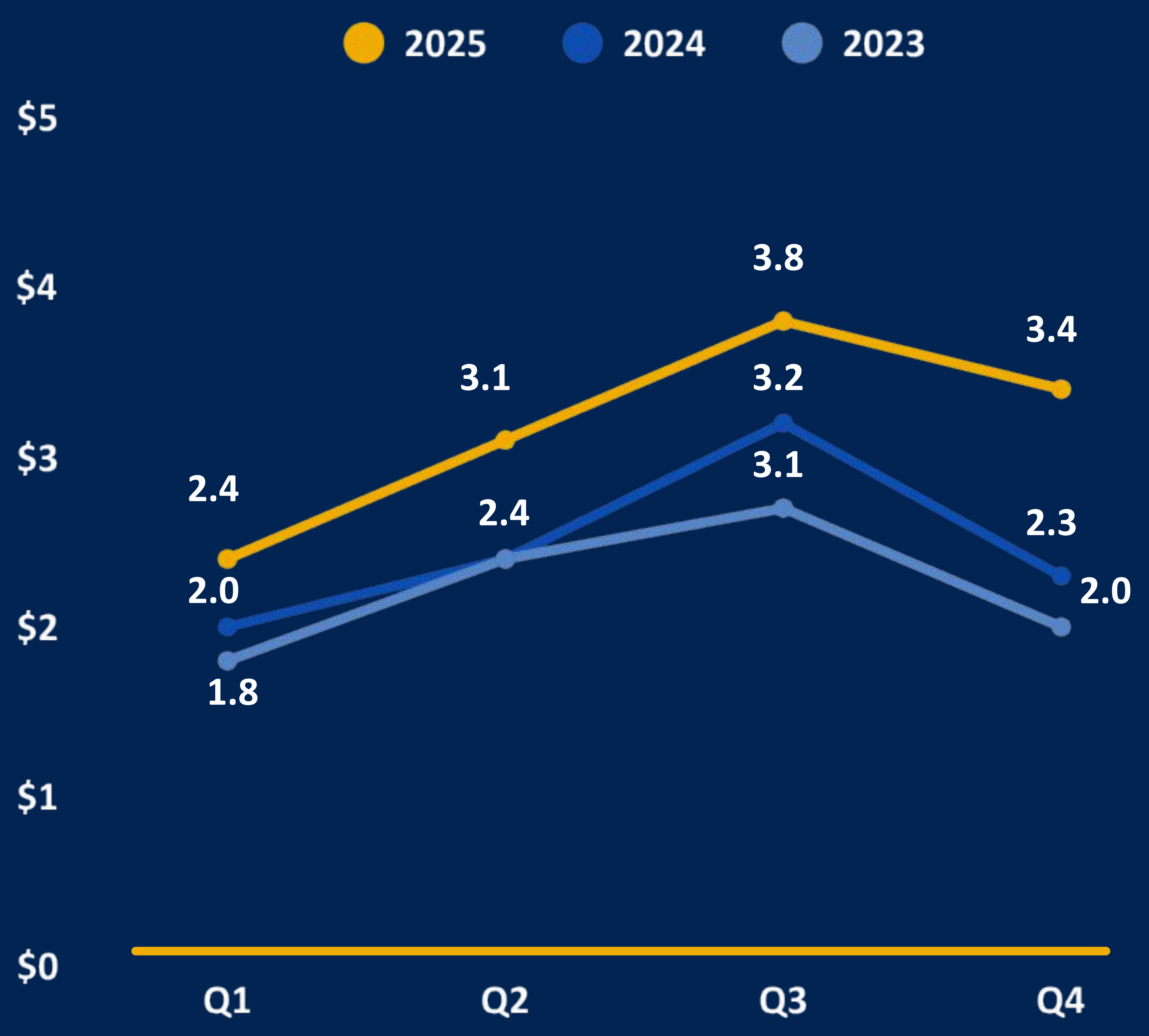
Strong ties with Japan and China reduce disruption risk, and PPSP can mitigate concentration risk through tenant diversification.

APPENDIX H: OTHERS

Appendix H1: The US is buying more from Cambodia

Quarterly Cambodian Exports to the US

(Billion USD)

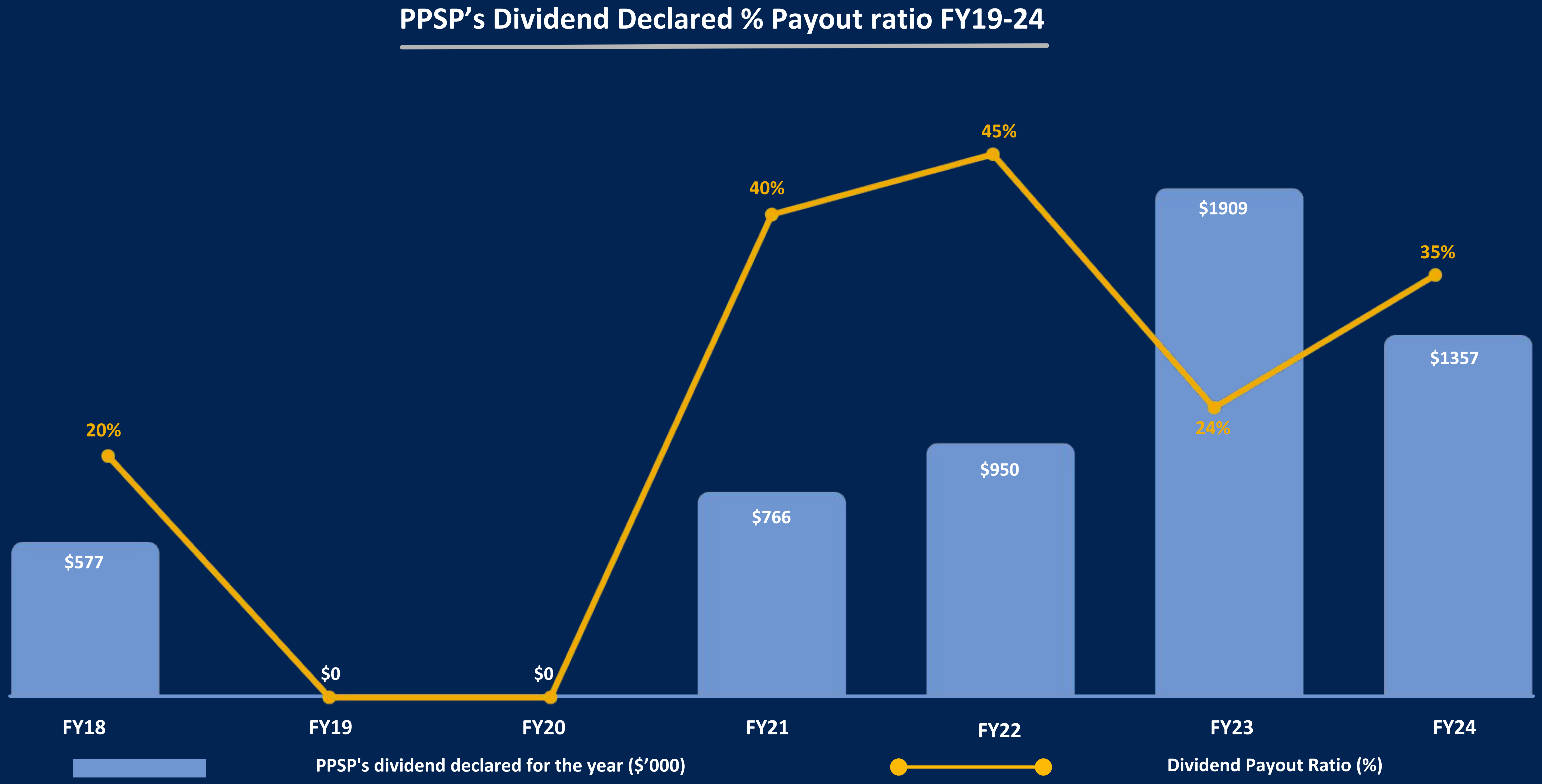


Annual Cambodian Exports to the US

	2024 $ Million	2025 $ Million	Growth
Apparel	3,290	4,323	31%
Bags and Travel Goods	1,492	1,585	6%
Furniture and Bedding	1,088	1,462	34%
Tires and Rubber	775	1,126	45%
Footwear	572	869	52%
Electrical Equipment	1,021	722	-29%
Toys	247	615	149%
Wood Items and Paper	**455**	539	**18%**
Vehicles and Parts	**233**	**366**	**57%**
Plastic Items	**312**	**348**	**12%**
Steel and Aluminum Goods	**112**	**264**	**135%**
Animal Feed	**101**	**161**	**60%**
Other	**198**	**336**	**70%**
	9,897	**12,715**	**28%**

APPENDIX H: OTHERS

Appendix H2: PPSP's Dividend Payout



Source: CSX, PPSP, Team Analysis

APPENDIX H: OTHERS

Appendix H3: PPSP’s Contribute to Job Creation

Business July 2, 2025

Ministry of Labour partners with companies to create jobs for returning workers

The Ministry of Labour and Vocational Training has partnered with Phnom Penh Special Economic Zone (PPSEZ), Zhejiang Special Economic Zone, the Textile, Apparel, Footwear and Travel Goods Association of Cambodia (TAFTAC), and Spot Tech Factory to provide immediate employment opportunities for Cambodian workers returning from Thailand via the border crossing.

Source: Khmer Times

APPENDIX H: OTHERS

Appendix H4: Potential Expansion to Kampong Thom

Business January 9, 2026

Kampong Thom, Royal Group sign MoU for agro-industrial park study

Sum Manet / Khmer Times

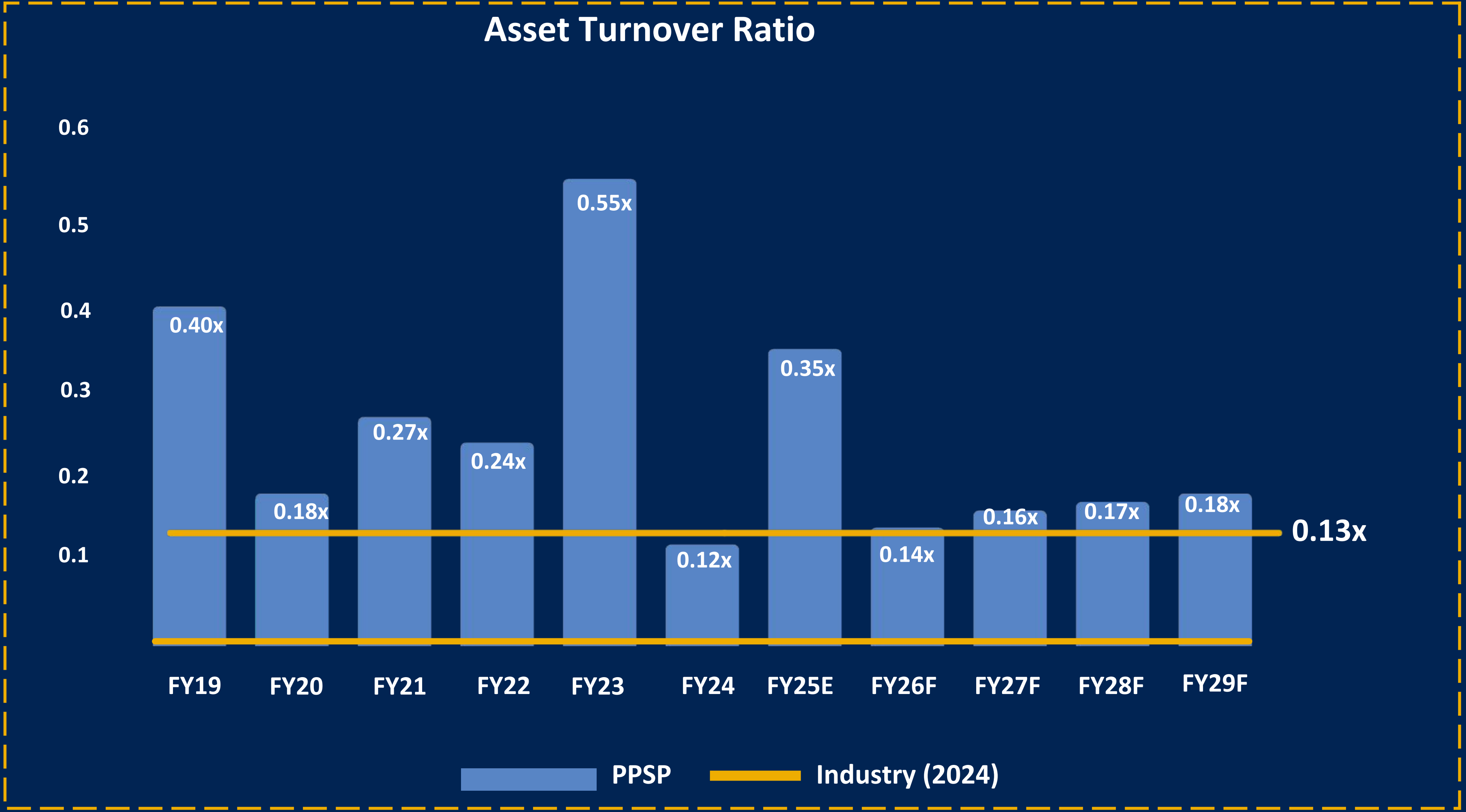
Kampong Thom Provincial Administration Tuesday signed a memorandum of understanding (MoU) with the Royal Group Phnom Penh SEZ Plc. to conduct a feasibility study on establishing an agro-industrial park for agricultural processing in the province.

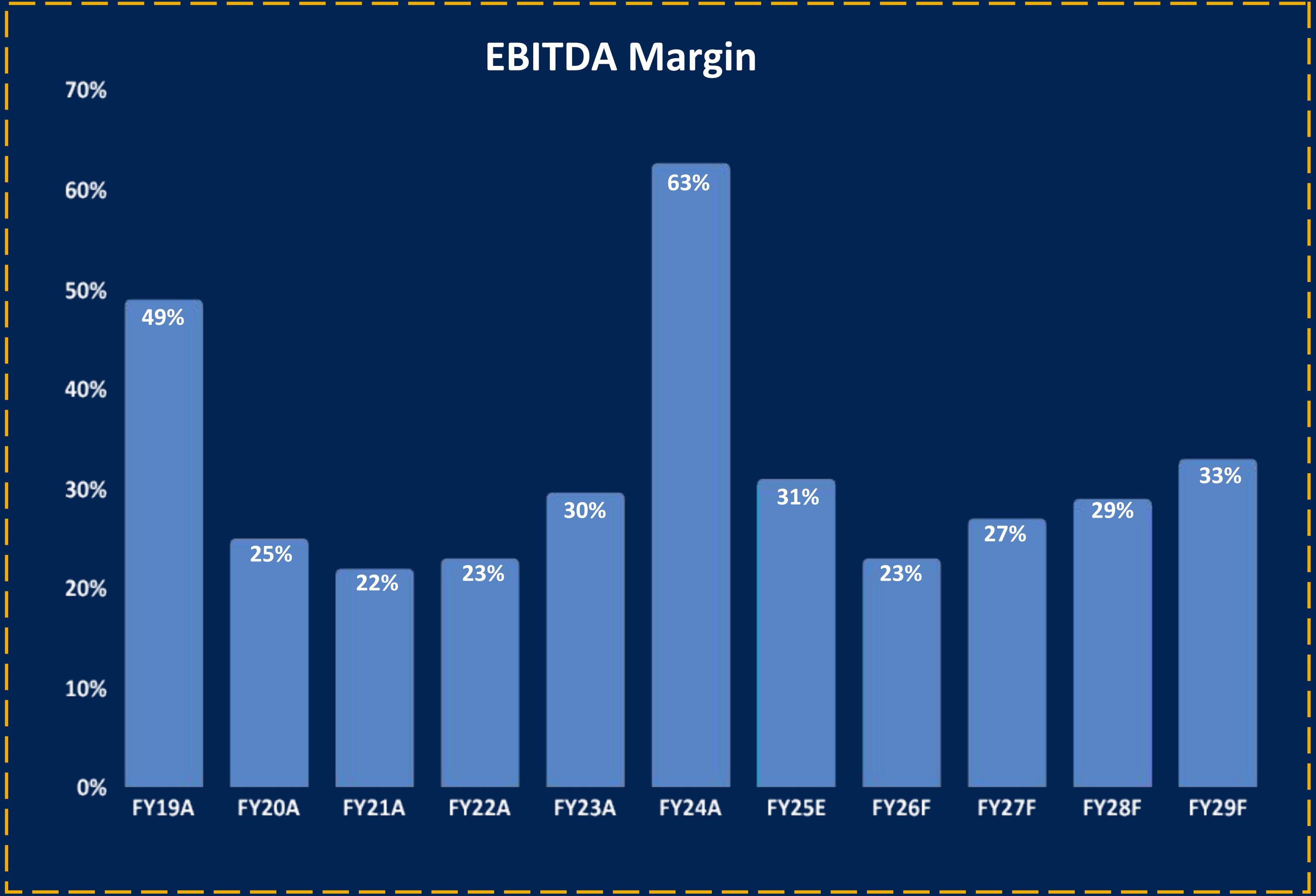
The proposed project would cover around 300 hectares and focus on processing a range of agricultural products, with the aim to adding value before they are supplied to domestic and export markets.

Source: Khmer Times

APPENDIX H: OTHERS

Appendix H5: What-IF Scenario: No Land Sales





Market Price: KHR 2,080

Target Price: KHR 2,234

HOLD

7% Upside

Source: Khmer Times

APPENDIX H: OTHERS

Appendix H6: Internal Rate of Return (IRR)

Year	Net Cash Flow
Y0	($37,133,631)
Y1	$16,758,927
Y2	$7,337,287
Y3	($212,572)
Y4	$4,648,103
Y5	$4,294,494
Terminal	$41,540,194
IRR	**19.7%**

Source: Khmer Times

APPENDIX H: OTHERS

Appendix H6: Internal Rate of Return (IRR)

Source: PPSP

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