

PPSP inks land lease contract with knitwear producer Marvel Garment

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Marvel Garment general manager Yan Delin (left) and PPSP chairman Tan Kak Khun. Photo supplied

The Cambodia Securities Exchange- (CSX) listed Phnom Penh SEZ Plc (PPSP) has signed a lease agreement for an additional 3.7ha of land with Marvel Garment Co Ltd, a leading knitwear manufacturer from China, PPSP said in a January 2 press release.

PPSP is the company behind the Phnom Penh Special Economic Zone (PPSEZ), a 357.3ha industrial park in Kambol district’s Kantaok commune on the outskirts of the capital.

Marvel Garment is the local arm of leading Chinese clothing manufacturer Shenzhou International Group Holdings Ltd.

PPSP said its chairman Tan Kak Khun signed the deal with Marvel Garment general manager Yan Delin last month.

It said: “The agreement involves 3.7ha of land, which is a symbol of cooperation between the two companies in order to create employment and promote national industry.”

It noted that Marvel Garment is the largest vertically integrated knitwear manufacturer in China and has been building new production facilities since March 2019 in PPSEZ.

As more production lines are completed, the company has stressed its “urgent need” to increase its pool of workers from 3,000 early in October to 6,000 by the end of next month.

The company is stepping up preparations of dormitories and surrounding facilities to accommodate its target of 10,000 workers by the end of the year, PPSP said in the release.

PPSP on December 21 broke ground on a new rental warehouse which is expected to be operational in July, according to a senior official of the industrial zone operator.

PPSP CEO Hiroshi Uematsu told The Post on December 22 that the warehouse would be used to store production materials and was constructed with total floor area of 5,850sqm on a 12,325sqm plot inside the PPSEZ.

Construction is slated to be completed in seven months, he said.

As a result, Uematsu said, total employees increased from 21,000 in January last year to 26,000 in November while the total export value hit \$547 million in the first 11 months of last year, increasing 13.7 per cent from the \$481 million chalked up in the same period of 2019.

He said: “I think that factories in PPSEZ are providing considerable contributions to Cambodia’s economy in these of toughest times.”

In the third quarter of last year, the PPSP reported total revenue of 10,228,877,000 riel (\$2.5 million), up 19.53 per cent year-on-year, and net income to the tune of 1,088,761,000 riel, up 134.86 per cent year-on-year, according to a financial report filed to the CSX.