

Paratus Namibia Holdings Ltd

Paratus Namibia Holdings Ltd (PNH, previously Nimbus Infrastructure) is a listed company under the Technology Sector on the NSX (Namibian Stock Exchange), with the objective of pursuing investments in the Information Communication and Technology Sector in sub-Saharan Africa. It is a subsidiary of the pan-African Paratus Group.

Strategy

Paratus continues to focus on its national network expansion while simultaneously expanding the retail arm through the addition of more national outlets in partnership with resellers. Paratus aims at raising cost-effective capital to invest further into its infrastructure with an emphasis on exceptional customer services. Paratus is continually upgrading core systems to improve and plan for increased capacity and network resilience, enabling Paratus to cater to customer needs and allow end-users to experience the benefits offered by Google's Equiano Submarine Cable.

Products and Services

Paratus is an ICT provider offering broadband internet services, 4G LTE mobile services, fiber, voice, MPLS, VSAT, portable products, LAN solutions, data centre services and cloud services. Fiber is its largest contributor to revenue with more than 3 500km's of fiber installed nationally. With its expanding infrastructure of fiber networks, satellites, licensed wireless access, 4G LTE, and data centers, Paratus has established itself as a reliable player in the industry. Paratus built Namibia's first carrier neutral, Tier-3 (by design) data centre, the Armada Data Centre.

Opportunities

High quality customer service complemented by high internet speeds at competitive rates & further investment into infrastructure makes Paratus a promising prospect in the ICT sector. Alongside projects completed (Armada Data Centre and Equiano Submarine Cable Landing Station) being value additions to the services PNH provides clients.

Challenges

Higher interest rates mean higher cost for financing infrastructure, which can be a hindrance over the short-term. Rand volatility compounds the cost of acquiring and installing new infrastructure and equipment. PNH faces competition in the fibre space while the regulator (Communications Regulatory Authority of Namibia) keeps a close eye on pricing in the market.

Basic valuation

	Year-end Jun		
	FY '21	FY '22	FY '23
Revenue (NAD'm)	341	405	472
Gross Profit (NAD'm)	180	214	245
EBITDA (NAD'm)	94	123	163
Profit for the Year (NAD'm)	29	22	20
HEPS (NADc)	59.5	43.8	38.6
PE (x)	20	27.4	31.0
DPS (NADc)	20	20.0	20.0
DY (%)	1.67	1.67	1.67
EV/EBITDA (x)	8.2	6.9	4.7

Source: PNH



Summary data

Share price (NAD)	11.99
12m hi/low (NAD)	13.20/11.99
Shares in issue (m)	49.0
Market cap (NAD'm)	584.0
Market cap (USD'm)	30.82
Bloomberg	PNH NW

Source: Bloomberg
 All prices correct as of 14 Feb '24

Paratus Representatives



Andrew Hall
 Chief Executive Officer



Stefan de Bruin
 Chief Financial Officer