



Sweden

Technology Hardware & Equipment

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Net Insight

Small but strategically important orders for Time Sync

News Flash

Fair value range:
SEK6.0–9.0

Share price:
SEK7.7

What is new?

Over the past week, Net Insight has announced several new orders for its Time Synchronisation product, Zyntai. Last week, an order for 50 Zyntai units was disclosed from Synch Industries, a South African Time-as-a-Service (TaaS) provider. This week, additional orders were announced, including one from a leading European telecom operator for 25 units, and two pilot orders from reselling partners in Malaysia and Vietnam.

What does it mean?

The order from Synch Industries introduces a new type of customer with plans to build a GNSS-independent national time distribution network in South Africa. This network will deliver TaaS to various industries, including telecom, fintech, media and power utilities, while integrating with its existing network infrastructure. According to Net Insight, this marks only the first phase of this network, with partial Zyntai deliveries planned for Q4(24) and 2025. The European telecom operator's order, though unnamed, was secured in partnership with Turkish Sekom, suggesting that the operator may be a new Turkish telecom player. This would underscore Net Insight's growing presence in the region and highlight opportunities for further collaboration. Lastly, the two pilot orders from the reselling partners in Malaysia and Vietnam are likely aimed at testing, validating, and marketing the Zyntai solution within their respective markets, with deliveries expected in Q4(24).

What do we do?

The common thread among these orders is their small scale, either as pilot orders or involving only a few units of Zyntai. We assume the order value to be modest, and our estimates are unchanged following these announcements. Nonetheless, we firmly believe they underscore the value of Net Insight's solution, validating the company's technology and highlighting its potential to address critical industry needs. Both the Synch Industries and European telecom operator orders demonstrate the potential for Zyntai to play a significant role in their respective network expansion plans. The two pilot orders also indicate ambitions to expand in APAC where GNSS independency is likely to be important. We reiterate our fair value range of SEK6–9/share.

Research analysts:

Andreas Joelsson
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Upcoming events

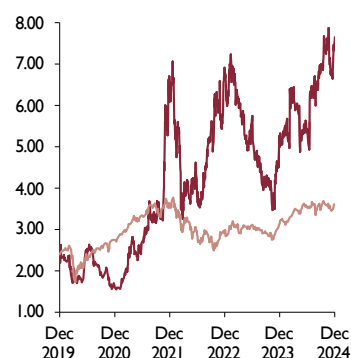
Q4 Report	19 Feb 2025
Q1 Report	29 Apr 2025
Q2 Report	18 Jul 2025

Key facts

No. shares (m)	336.6
Market cap. (USDm)	234
Market cap. (SEKm)	2,575
Net IB Debt. (SEKm)	-231
Adjustments (SEKm)	0
EV (2024e) (SEKm)	2,344
Free float	100.0%
Avg. daily vol. ('000)	567
Risk	Medium Risk
Fiscal year end	December
Share price as of (CET)	11 Dec 2024 10:28

Key figures (SEK)	2023	2024e	2025e	2026e
Sales (m)	559	631	702	809
EBITDA (m)	143	168	192	253
EBIT (m)	71	86	102	156
EPS	0.17	0.21	0.26	0.39
EPS adj.	0.17	0.21	0.26	0.39
DPS	0.00	0.00	0.00	0.00
Sales growth Y/Y	18%	13%	11%	15%
EPS adj. growth Y/Y	14%	24%	22%	53%
EBIT margin	12.7%	13.6%	14.5%	19.3%
P/E adj.	45.2	36.4	29.9	19.5
EV/EBIT	22.1	27.3	22.0	13.8
EV/EBITA	22.1	27.3	22.0	13.8
EV/EBITDA	11.0	14.0	11.6	8.5
P/BV	4.3	4.0	3.4	2.9
Dividend yield	0.0%	0.0%	0.0%	0.0%
FCF yield	0.0%	1.3%	1.9%	3.3%
Equity/Total Assets	74.2%	72.8%	72.8%	73.1%
ROCE	12.0%	13.8%	15.2%	19.8%
ROE adj.	9.8%	11.3%	12.4%	16.3%
Net IB debt/EBITDA	-1.7	-1.4	-1.4	-1.4

Share price -5Y



Net Insight
OMX Stockholm_PI (Se) (Rebased)

High/Low (12M)	SEK7.9/4.9			
Perf.	3M	6M	12M	YTD
Abs.	10.4	43.0	47.4	47.1
Rel.	7.7	42.2	33.7	37.4

Source: Carnegie Research, FactSet, Millstream & company data

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