



Please find below our weekly update covering themes that we feel that are of interest to investors and participants in the small and mid-cap TMT sector as well as commentary on recent newsflow. The cost of Allenby Capital's research on individual clients is paid for by our research clients.

For the purpose of MIFID II, the content of the following email qualifies as “non-substantive material or services consisting of short-term market commentary on the latest economic statistics or company results” and so can be treated as ‘acceptable minor non-monetary benefits’ and not as ‘chargeable research’ per the European Commission’s Delegated Directive of 7.4.2016.

Allenby Capital TMT Update - 22.02.21 - CPX.L, ECSC.L, MWE.L

CAP-XX Ltd* (CPX.L, 11.0p/£48.6m)

Product launch: Light energy harvesting modules (16.02.21)

- CAP-XX has been selected as the provider of supplier of supercapacitors by Epishine, a Swedish manufacturer of printed organic solar cells, for its indoor light energy harvesting (LEH) evaluation module. e-peas is supplying an energy harvesting power management integrated circuit (PMIC) for supercap charging and overall system power management.
- The module features Epishine's 50mm by 50mm photovoltaic indoor light cell to harvest ambient indoor light, a high-efficiency CAP-XX 3.5mm thin 400mF GA230 supercapacitor and the e-peas AEM10941 PMIC.
- Target applications for the module include indoor wireless sensors, electronics, IoT and other low power devices that would traditionally rely on batteries. The supercapacitor can either remove the need for a battery or prolong battery life.
- Epishine, CAP-XX and e-peas will present a webinar, 'Eliminate Batteries with Indoor Light Energy Harvesting and Supercaps,' on March 3 at 4pm GMT. To register go to: <https://www.cap-xx.com/eval-module-webinar/>
- No changes to [forecasts](#).
- CAP-XX is scheduled to report interim results on 25 February. Please get in contact if you would like a meeting with management.

Allenby Capital comment: A potentially interesting application for CAP-XX's products that plays to strengths of its prismatic supercapacitors (99% charge efficiency, an ultra-thin form factor and multi-year charge/discharge lifecycle) to supplement or replace traditional batteries. As the volume of wireless sensors continues to expand, maintenance becomes an increasing challenge.

** Allenby Capital acts as Nomad and Broker to CAP-XX Ltd.*

ECSC Group plc* (ECSC.L, 75p/£7.5m)

Contract wins: Increasing MDR visibility (17.02.21)

- Two significant contract wins in ECSC's Managed Detection and Response (MDR) division with a major UK charity and a national leisure group worth more than £550k over an initial three year period.

- The charity customer was an existing MDR customer, originated from ECSC's Partner Programme and the contract is a service extension. The other is a new client win.
- ECSC also gained 11 new clients within its Assurance division during January for a wide range of consultancy engagements across multiple sectors. Four of these clients were secured through the Partner Programme.
- Forecasts are currently under review.
- Management is hosting additional webinars - 'Cyber Security: Stopping E-Commerce Attacks' and 'Cyber Security: Building An Effective Risk Assessment' on 25 February. Registration is available at www.ecsc.co.uk.
- Final results for the year ended December will be announced on March 24. Please get in contact if you would like a meeting with management.

Allenby Capital comment: Commercial momentum continues at ECSC, the UK's longest-running full service cyber security provider, with the contracts increasing recurring revenue and should help to increase gross margins through higher utilisation of its Security Operations Centres in the UK and Australia. The Assurance contract wins are encouraging given the impact of COVID-19 on consultancy engagements in 2020 and the Assurance division represents the main source of MDR clients. ECSC has successfully built up its Partner Programme that provides the company with much greater sales and marketing reach.

** Allenby Capital acts as Nomad and Broker to ECSC Group plc.*

MTI Wireless Edge Ltd* (MWE.L, 81p/£71.7m)

Update: New Canadian office (18.02.21)

- Mottech Water Solutions, MTI's subsidiary in the wireless irrigation control solutions sector, is opening a new office in Alberta, Canada and has registered a wholly-owned Canadian subsidiary.
- This follows the decision by the company's local value added reseller to retire.
- Forecasts are [unchanged](#).
- MTI Wireless is scheduled to report FY results on 1 March. Please get in contact if you would like a meeting with management.

Allenby Capital comment: Canada has represented an important market for Mottech for many years and the shift to a direct presence makes sense given both the existing client base and the potential for growth. Mottech has previously migrated to direct from indirect operations. In 2019, MTI successfully acquired 50% of Parkland Australia, Mottech's value added reseller in Australia, and in 2020 it acquired its joint venture partner's 40% holding in the Mottech China JV that was established in 2017.

** Allenby Capital acts as Nomad and Joint Broker to MTI Wireless Edge Ltd.*

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The changes initiated by MiFID II has had far reaching implications on both the quantity and continued availability of research on smaller cap companies, including those within the TMT sector. We would therefore remind interested companies that Allenby Capital can offer a "paid for" research service for those corporates that wish to retain an alternative and authoritative source of research that can be accessed freely by the entire investment community. If you would like further information on this service please contact d.johnson@allenbycapital.com.

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David Johnson is the author of this research recommendation. David Johnson is employed by Allenby Capital Limited as an Equity Analyst.

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