



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 - 26.04.21 - BOOM.L, BIRD.L, CPX.L

Audioboom plc* (BOOM.L, 690p/£108.2m)

Update: Strong demand for Q3 inventory drives upgrades (23.04.21)

[Note published](#)

Allenby Capital comment: Positive trading update from Audioboom, one of the largest independent global podcasting companies, results in a second forecast upgrade in short order. Management reports a high volume of bookings since the Q3 advertising inventory was recently made available. Average fill rates on Audioboom’s Top 50 shows are also exceeding 85%. As a result, signed advertising bookings represented more than 95% of our existing revenue forecasts (\$37.5m) and management expects to significantly exceed these. We upgrade FY21 and FY22 revenue forecasts by 10% to \$41.4m and \$49.8m respectively but the FY21 forecast remains heavily underpinned (c. 85%). The increased revenue will enable BOOM to invest in its operations and the Audioboom Originals Network to capitalise on the growth opportunities. Hence the increase in adj. EBITDA forecasts is more modest. Applying our previous FY21 EV/revenue multiple to the revised forecasts suggests a new fair value of 935p/share (from 850p), equivalent to an FY22 EV/revenue of 4.0x.

** Allenby Capital acts as Nomad and Broker to Audioboom plc.*

Blackbird plc* (BIRD.L, 24.2p/£81.8m)

Contract expansion: TownNews increases Blackbird deployment (26.04.21)

- Blackbird's eponymous cloud native video editing software is being used by an additional 18 US TV stations for digital news production following a further expansion by TownNews. This is the fifth expansion of Blackbird by TownNews since the partnership began in 2018 with two stations.
- 69 US TV stations across 35 states now use Blackbird to rapidly access, edit and publish news content to social and web platforms. As an increasing percentage of the population sourcing their news from websites and social media, this represents an important channel for TV stations.

Allenby Capital comment: The partnership with TownNews has proved to be very successful for Blackbird with the combination of the Blackbird video editing platform and TownNews's Field59 video management system. News represents a core market for Blackbird and showcases the software's strengths rapid editing and publishing content but requiring much lower bandwidth and system requirements than rival products.

* Allenby Capital acts as Nomad and Broker to Blackbird plc.

CAP-XX Ltd* (CPX.L, 9.54p/£42.2m)

Contract win: Mobility IoT deployment (26.04.21)

- CAP-XX's DMT470 supercapacitor has been selected by VAIMOO, an Italian-based IoT and micro-mobility manufacturer, for its magnetic smartphone docking system for managing e-bike connectivity. VAIMOO chose the DMT470 prismatic supercap for its characteristic low Equivalent Series Resistance (ESR) that enables the high burst of power required for the system's Bluetooth and GPS/GPRS data communications and thin form factor.
- VAIMOO's e-bike share solution includes electric bikes, charging stations and mobile apps for using the service. VAIMOO has already deployed e-bike services in Copenhagen and Rotterdam as well as a e-scooter service in Cambridgeshire.
- The DMT470 was previously manufactured by Murata under licence from CAP-XX, is now produced at CAP-XX's new factory at Seven Hills using the production lines acquired from Murata.
- No change to [forecasts](#).

Allenby Capital comment: Interesting IoT application of CAP-XX prismatic supercapacitor that takes advantage of a supercapacitor's ability to deliver bursts of high power for data communications and the thin form factor specific to CAP-XX for design flexibility.

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