



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.

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TMT UPDATE - 30.04.18 (CCT.L, ACC.L)

The Character Group plc* (CCT.L, 477p/£101m)

Interims: The right stuff (25.04.18)

[Note published](#)

Allenby Capital comment: Interim results from The Character Group (CCT.L), the UK's leading independent toy company, reflect a good performance against a tough retail backdrop that has seen its larger rivals (including Hasbro, Mattel and Lego) suffer. This reflects the success of Character's strategy of offering price-competitive products that are not aligned to any particular film franchise coupled with a number of 'ever-green' brands (including *Peppa Pig*, *Little Live Pets*, *Scooby Doo* and *Stretch Armstrong*). Character is also riding the wave of lower priced 'craze' products successfully with four of its new Spring lines – *Soft and Slo* memory foam toys, *Cake Pop Cuties*, *Cra-z-Slimy* and *Mine It* – all doing well. 2018 has started well domestically and, given the higher gross margins available on domestic sales, we upgrade FY18 EPS forecasts by 13.8% to 43.6p and FY19 by 11.2% to 50.5p. CCT continues to enjoy a strong balance sheet that provides scope for share repurchases and a progressive dividend policy. We maintain a fair value of 580p/share, equivalent to a FY18 PER of 13.3x and 4.0% yield.

** Allenby Capital acts as Joint Broker to The Character Group plc
Allenby Capital's coverage on The Character Group is available [here](#)*

Access Intelligence plc* (ACC.L, 4.25p/£20.7m)

Placing: Vuelio - Platform for profitable growth (25.04.18)

[Note published](#)

Allenby Capital comment: Access Intelligence, a leading provider of corporate communications and reputation management software that combines PR, public affairs and social engagement to the UK public and private sectors, has conditionally raised £2.8m at 4p/share to further extend the functionality of its Vuelio platform around mobile, social media management and analysis. The company has transformed over the past couple of years from a diverse software portfolio into a streamlined operation focused on Vuelio. The bulk of the restructuring was completed in Q1 FY17 and the existing customers have been migrated to the Vuelio platform. Since then, the Annual Contract Value (ACV) growth rate has started to accelerate through new customer wins plus upsells. At the same time, ACC has rationalised its cost base. As a result, the company started to generate cash during Q4. The growth outlook remains positive with digital media continuing to bring upheaval to the

communications management market, competitors occupied with integrating recently acquired legacy businesses, and organisations still struggling to link communications to broader business objectives – alongside the specific catalyst provided by the imminent GDPR (General Data Protection Regulation) data privacy requirements.

** Allenby Capital acts as Nomad and Broker to Access Intelligence plc*

Allenby Capital's coverage on Access Intelligence plc is available [here](#)

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

Tel: 020-3394-2977

Email: d.johnson@allenbycapital.com

Unless otherwise stated the share prices used in this publication are taken at the close of business for the day prior to the date of publication.

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Allenby Capital

5 St Helen's Place London EC3A 6AB

+44 (0)20 3328 5656

www.allenbycapital.com
