GREATER THAN AB (GREAT)

SHOWS THE VALUE OF DATA

Access to data is a strong value-driver for companies that want to understand and predict customer behavior. During Covid-19, this has become clear, with the demand for real-time data increasing. Greater Than has during the second quarter initiated collaborations with third-party supplier and thereby increased the intake of real-time data to their database, from over 250,000 cars in Germany and the US via a collaboration with Otonomo. Greater Than's AI platform now consists of over 750 million unique driving profiles that are developed every day based on new real-time data, an important cornerstone in the valuation of the Company. Greater Than's turnover LTM is at SEK 14 M and are forecasted to reach above SEK 110 M in 2024. By applying a target multiple derived from a relative valuation, this yields a present value per share of SEK 115 (105) in a Base scenario.

▪ Adjustment in the Revenue Mix Results In Lower Short-Term Sales

During Q2, sales amounted to SEK 3.5 M (4.0), a 13% decrease to comparable quarter. The fact that revenues are declining is partly due to that Greater Than previously had higher revenues from hardware sales. Now that the revenue mix is changing, where the share of repetitive revenues increases relative to hardware sales, it is natural that total sales will suffer in the short term. In the longer term, however, this is what we believe will build the greater value in Greater Than, where a higher proportion of recurring income, together with the Company's AI which provides important insight to the insurance industry, constitutes important value drivers.

▪ Revenue Based on the Company's AI Increased by 20%

Although sales decreased Q-Q, in a comparison between Q1-20 and Q2-20, the growth of the Company's revenues amounted to approximately 18%, an increase from SEK 2.9 M to SEK 3.5 M. During the quarter, Greater Than also managed to lower its costs, something that we consider to be extra positive considering the uncertain times that we are in. During Q2-20, Greater Than's burn rate amounted to approximately SEK -1.9 M/month, which can be compared by SEK -2.3 M/month during Q1-20 and is thus an improvement.

▪ Record IPO Shows the Interest for InsurTech

The InsurTech company Lemonade was listed in the US in July, reaching a valuation of USD 3.9 bn after the share rose by almost 140% on the first day of trading. With the help of AI and an extensive database, Lemonade can offer tailor-made home insurance solutions, and together with behavioral economics predict, detect and block fraud - an offer and a method that has similarities to what Greater Than offers insurance companies in the automotive industry. Transactions like Lemonade show that Insur-Tech remains interesting for investors, and that data and insights about consumer behavior have, to say the least, a high value in today's society.

SHARE PRICE | 109 SEK

VALUATION RANGE, PRESENT VALUE 2024Y FORECAST

BEAR	BASE	BULL
90 SEK	115 SEK	140 SEK

The valuation is derived as a present value of sales forecasted in the year 2024. The potential valuation increase is expected to be gradual, given that assumed events occur.

GREATER THAN	
Share Price (2020-08-28)	109.0
Number of Shares Outstanding	10,721,171
Market Cap (MSEK)	1,168.6
Net Cash (-)/Debt(+) (MSEK)	-13.5
Enterprise Value (EV) (MSEK)	1,155.1
W.52 Price Interval (SEK)	54.0 – 125.0
Stock Exchange	Nasdaq First North Growth Market

SHARE PRICE	
1 Month	+1.8%
3 Months	+9.7%
1 Year	+93.2%
YTD	+32.2%

TOP SHAREHOLDERS (AS OF 2020-06-30)	
Sten Forseke	35.1%
Keel Capital	17.6%
Karin Forseke	4.6%
Roger Karlsson	3.1%
Carn Capital	3.1%

CEO	Liselott Johansson
Chairman of the Board	Lars M. Berg

FINANCIAL CALENDAR	
Quarterly Report Q3-20	2020-10-28

FORECAST (BASE), MSEK	2019	2020E	2021E	2022E	2023E
Revenues	15.1	13.5	25.8	39.8	78.9
Revenue Growth	8.3%	-10.2%	90.5%	54.4%	98.5%
Gross Profit	12.5	11.5	13.4	25.9	63.2
Gross Margin	48.2%	48.0%	52.0%	65.0%	80.0%
EBIT	**-29.5**	**-23.6**	**-29.7**	**-27.4**	**4.1**
EBIT-margin	neg.	neg.	neg.	neg.	5.2%
P/S	N/M	N/M	45.4	29.4	14.8
EV/S	N/M	N/M	44.8	29.0	14.6
EV/EBIT	neg.	neg.	neg.	neg.	283.0

DISCLAIMER