



Shape Robotics  
Interim report  
January – June 2022

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CEO André Reinhard Fehr

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Statement by the Board and Executive Management

On August 25, 2022, the Board of Directors has approved the half-year Interim Report for 2022 (January 1 – June 30).

The interim report is unaudited.



Moises Pacheco (CTO) and André Fehr (CEO)

# About Shape Robotics A/S

Shape Robotics is a Danish robotics company with a strong position in the global educational technology ("EdTech") market. The company has developed a STEAM\* lab concept, which includes the inhouse developed Fable robot system along with external sourced elements that provide an integrated digital educational ecosystem.

Shape Robotics helps educational institutions provide excellent teaching that will prepare students for a fast-changing future where digital technologies, artificial intelligence, and automation are transforming life and work.

\*A STEAM Lab is a space to engage in hands-on science, technology, engineering, art, and math activities that encourage creativity, curiosity, and critical thinking.

## About the Interim Report

### Auditor's review

The Interim report has not been reviewed by the Company's auditor

### Net sales and operating result

Net sales for 1H 2022 was TDKK 15.636 (4.345). EBITDA (bf. non-operating activities) was TDKK -4.677 (-6.343).

### Balance sheet and equity ratio

Total assets amounted to TDKK 41.217 (17.366), and primarily consisted of inventories, tangible/intangible assets, and trade receivables.

Shareholder's equity amounted to TDKK 8.436 (13.888), and liabilities amounted to TDKK 32.745 (3.478). Shareholders equity includes TDKK 562 (1.862) of Treasury shares.

### Cash Flow and investments

Cash flow for 1H 2022 amounted to TDKK 208 (-7.002).

### The share

The shares of Shape Robotics A/S were listed on Nasdaq First North Growth Market Denmark on June 25, 2020. On June 30, 2022, the total number of shares was 7.962.619 (of which 70.067 are treasury shares).

### Certified Advisor

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## Key Figures



Group revenue  
**+260%**  
*compared to 1H 2021*

Revenue primarily from Romania, US, Australia and Denmark



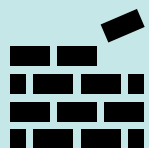
EBITDA  
**+26%**  
*compared to 1H 2021*

With x3.6 revenue, and a product mix with an average contribution margin of 37% (expected 26%) in the 1st half of 2022, the EBITDA increased almost 1.7 mio. kr. compared to 1H 2021



Inventories  
**+107%**  
*compared to FY 2021*

Investments in semi-conductors / critical components for 2023 and finished goods for revenue peaks in Q3 and Q4 2022



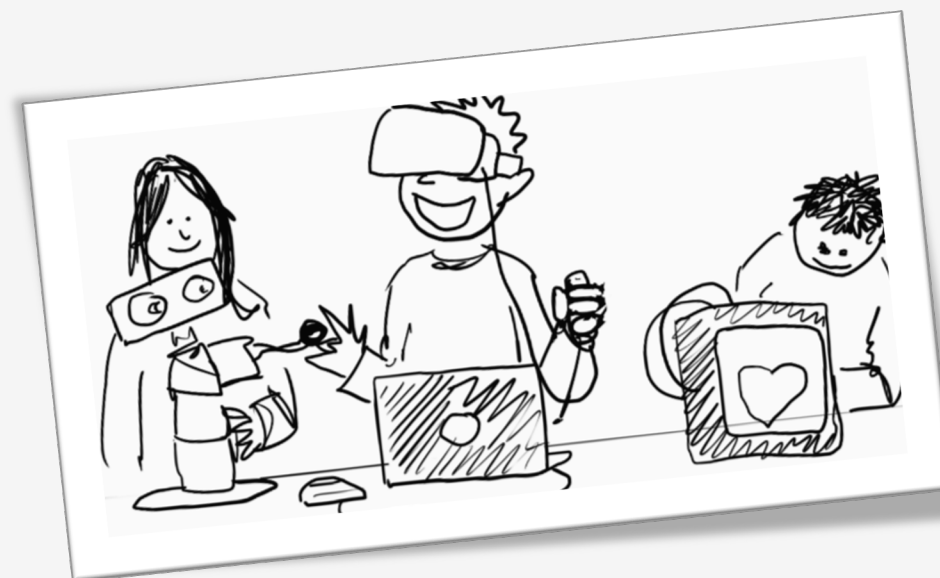
Share price  
**+37%**  
*from January to June*

Large orders awarded Shape Robotics and communicated through press releases. Even more focus on investor relations in the 2nd half of 2022, as the company starts to deliver in several projects in Q3 and Q4



# Key Figures

KEY FIGURES		1H	1H	FY
Amount, DKK ('000)		2022	2021	2021
INCOME- STATEMENT	Revenue	15.636	4.345	17.772
	Contribution margin	5.725	2.109	6.280
	Contribution margin %	37%	49%	35%
	Result before special items	-5.508	-6.821	-16.593
	EBITDA	-4.677	-6.343	-15.510
	Result before financial items and tax	-5.508	-6.555	-16.132
	Financial items net	-520	-36	-127
Net result	-6.713	-6.591	-16.321	
BALANCE	Total assets	41.217	17.366	26.048
	Total equity	8.436	13.888	14.993
CASH FLOW	Cash flow from operating activities	-20.815	-6.893	-17.803
	Cash flow from investing activities	-424	-236	-3.099
	Cash flow from financing activities	21.448	127	13.662
	Net cash flow	208	-7.002	-7.239



## CEO letter 1/2

Since the start of her mandate the President of the European Commission, Ursula Von Der Leyen, has decided that digital learning be considered a high priority making sure that in all new policy initiatives be given consideration and prioritization to the digital learning angle.

Commission Vice-President Margrethe Vestager is set to lead the work on the digital transformation and in September 2020 she presented her Digital Education Action Plan. She mentioned the key focus on digital education which should no longer be viewed as 'an island' on its own but be considered an integral part of all education and training. This is reflected in the national plans under the Recovery and Resilience Funds and why the Commission has suggested that 20% of the funds are invested in that digital transformation.

What does that have to do with Shape Robotics? In 2021 Shape Robotics acquired an educational technology company in Romania with a proven record of developing and designing STEAM Labs. A new approach to STEAM Labs called "SmartLab", a concept of a Romanian NGO named INACO, that put Shape Robotics in front as supplier in the Romanian Recovery and Resilience plan. This plan has allocated funds for a minimum of 1.175 SmartLabs, of which, 100 was initially set to be delivered in the summer 2022.

We delivered around 15 SmartLabs up until June 2022, and we expect to deliver

more than 80 in the rest of 2022.

But the potential is substantially larger, as the company's market potential and pipeline opportunities are: In Romania alone, the recovery and resilience funds for education is more than **€ 3 billion** (approx. 22 billion DKK), of which 70% are allocated for digitalizing education. Educational technology for universities, vocabulary schools, public schools, IT-labs, SmartLabs, reducing school-dropout and more. As a comparison, the Danish government is proposing to invest approx. **€ 25 million** for the same.

With all the financing approved, and the projects starting, Hungary, Bulgaria, Greece, Poland and more, all have similar projects within the Recovery and Resilience Plans. The strategic partnership with Samsung Electronics (announcement no. 73) is to build an eco-system in educational technology, to be able to meet demands from several sources and several countries. Shape Robotics is now facing its largest pipeline ever with potential participation in more than 200 new tenders in 2022 alone, with expected revenue ramping up in 2023, and the partnership with Altex (announcement no. 69) to be commenced in the autumn.

## CEO letter 2/2

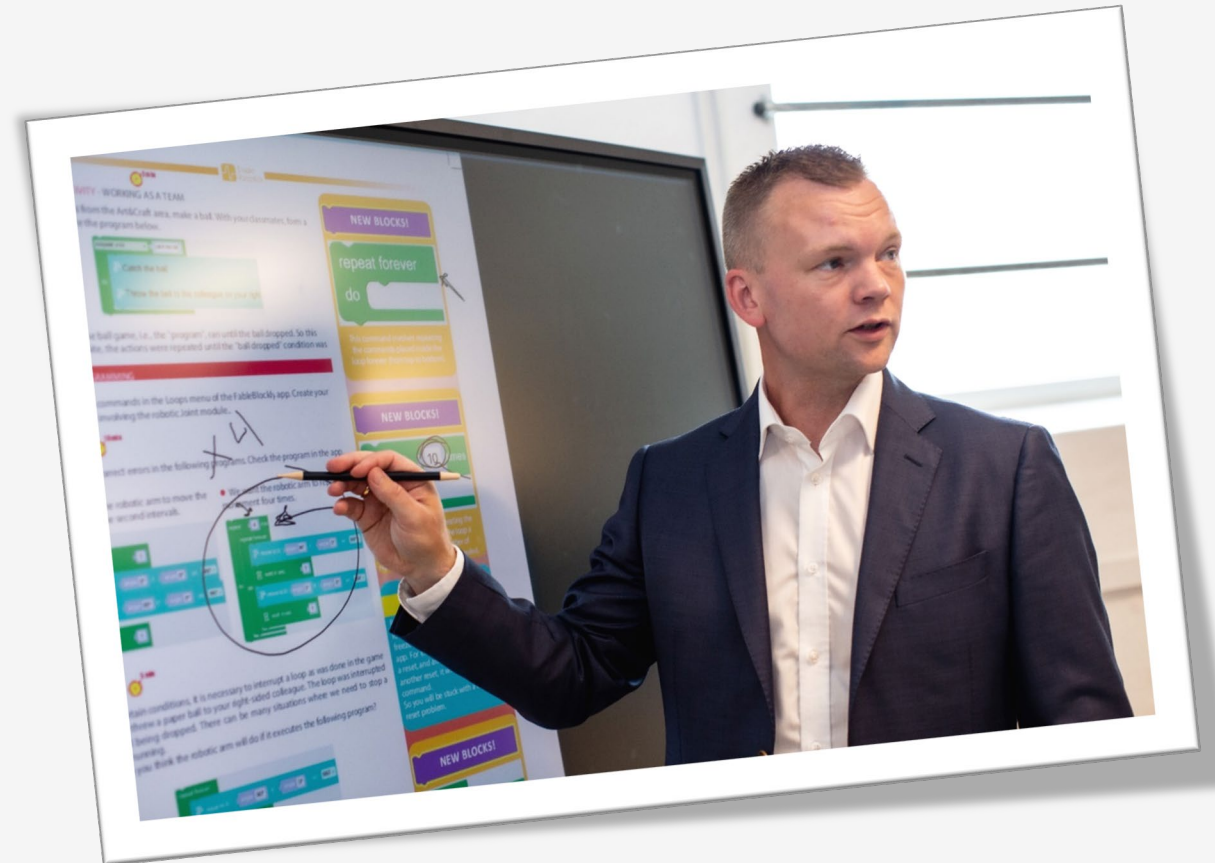
There is, of course, also potential obstacles on this growth journey with increasing freight rates, global component crisis, inflation and lack of skilled resources (labor).

For those reasons, we are setting up additional production facilities in Europe, besides the ones we already have in Asia. We are increasing our stock retention, and we are in the process of acquiring a new company (VTS) with the expertise needed to deliver in public tenders, building a distribution network and first line support to the relevant stakeholders. Over the next 4-5 years, the possibilities for Shape Robotics in Europe are immense, and we are trying to put ourselves in pole position for this global trend, and we have the support and help from large tech-companies and some of the most well-known banks in respectively Denmark and Romania.

In the IPO in 2020, one of our targets was to deliver a turnover of 55 M.DKK in 2023. That goal, and more, will be delivered in 2022 with the guided turnover of 75-85 M.DKK, and showing a profitable business in the 2<sup>nd</sup> half of 2022 and onwards.

**André Reinhard Fehrn**

Chief Executive Officer



## Full year outlook

The company's strategy is to continue to expand its international sales channels, participate in selected public projects, optimize operations and introduce new products and services. The aim is to strengthen the company's position as a leading global provider of educational technology.

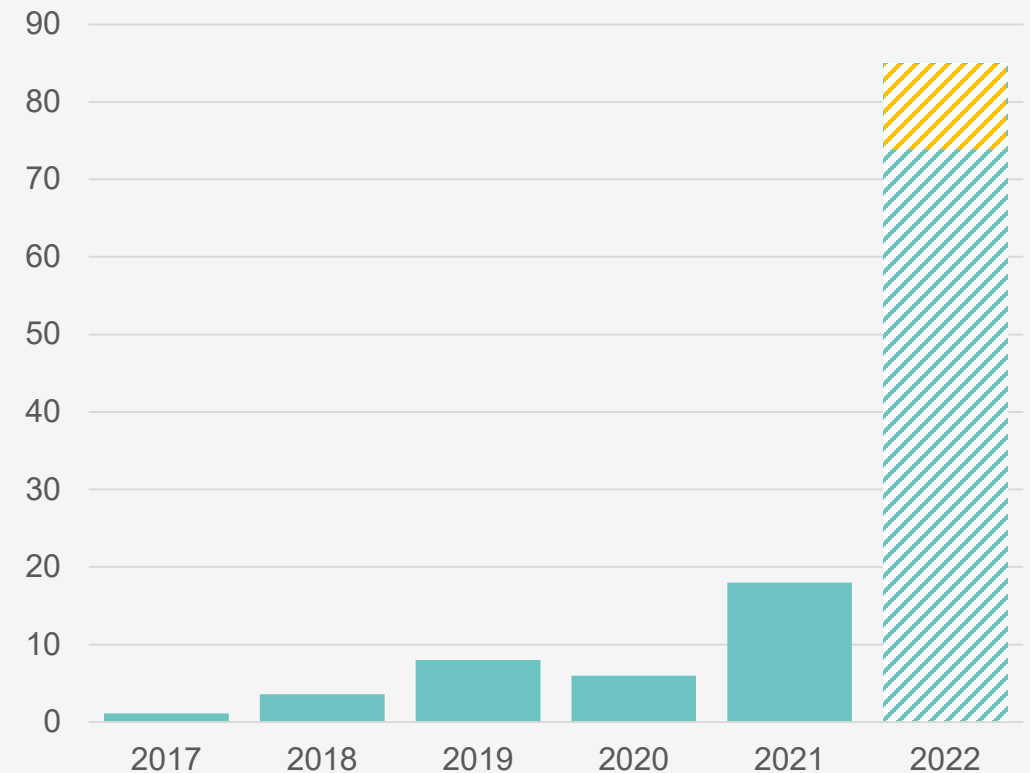
The growing demand for robotics and digital solutions in the education segment as well as ready-made and thoroughly tested turn-key STEAM Labs support Shape Robotics' expectation of high growth in the future.

The company expects **revenue** in the range of **MDKK 75 to 85** in the financial year 2022, and a positive **EBITDA** in the **2nd half** of 2022 of **MDKK +2 to +4**.

The company expects an average margin for 2022 of 23 - 26 per cent as revenue increasingly comes from a combination of own (high margin) and further traded products (lower margin).

Most of the the company's revenue is expected to be in the 3rd and 4th quarter, as the company's customers are primarily public (B2G), where projects are mainly delivered in the second half of the financial year.

### Revenue





## Income Statement (January 1 – June 30 2022)

Income statement Amount, DKK ('000)	Q2 2022	Q2 2021	1H 2022	1H 2021	FY 2021
Revenue	8.499	2.186	15.636	4.345	17.772
Cost of goods sold	-5.391	-1.109	-9.911	-2.236	-11.492
<b>Contribution margin</b>	<b>3.108</b>	<b>1.077</b>	<b>5.725</b>	<b>2.109</b>	<b>6.280</b>
<b>Contribution margin %</b>	<b>37%</b>	<b>49%</b>	<b>37%</b>	<b>49%</b>	<b>35%</b>
Research and Development	-407	-122	-542	-334	-1.206
Sales and administrative costs	-2.002	-1.103	-3.224	-1.846	-7.680
Staff costs	-3.305	-3.140	-6.636	-6.272	-12.905
Depreciation, amortization and impairment losses	-423	-240	-832	-478	-1.083
<b>Result before special items</b>	<b>-3.030</b>	<b>-3.528</b>	<b>-5.508</b>	<b>-6.821</b>	<b>-16.593</b>
Special items	0	266	0	266	461
<b>Result before financial items and tax</b>	<b>-3.030</b>	<b>-3.262</b>	<b>-5.508</b>	<b>-6.555</b>	<b>-16.132</b>
Financial items net	-225	-9	-520	-36	-127
Corporation tax for the year	0	0	-685	0	-62
<b>Net result</b>	<b>-3.254</b>	<b>-3.271</b>	<b>-6.713</b>	<b>-6.591</b>	<b>-16.321</b>



## Balance sheet (30. June 2022)

Balance Sheet Amount, DKK ('000)	1H 2022	1H 2021	FY 2021
<b>Assets</b>			
Completed development projects	3.521	4.201	5.850
Goodwill	328	0	355
<b>Intangible assets</b>	<b>3.849</b>	<b>4.201</b>	<b>6.205</b>
Fixtures and fittings, other plant and equipment	3.358	742	1.391
<b>Property, plant and equipment</b>	<b>3.358</b>	<b>742</b>	<b>1.391</b>
Inventories	19.395	7.423	9.377
Accounts receivable	9.291	2.191	4.677
Tax receivable	293	272	293
Other receivables	3.529	400	2.066
Cash and cash equivalents	2.246	2.138	2.039
<b>Total current assets</b>	<b>34.754</b>	<b>12.423</b>	<b>18.452</b>
<b>Total assets</b>	<b>41.217</b>	<b>17.366</b>	<b>26.048</b>

Balance Sheet Amount, DKK ('000)	1H 2022	1H 2021	FY 2021
<b>Liability</b>			
Share capital at the end of the year	797	683	797
Treasury shares at the end of the year	-562	-1.862	-1.470
Retained earnings	8.201	15.067	15.666
<b>Total equity</b>	<b>8.436</b>	<b>13.888</b>	<b>14.993</b>
<b>Total non-current liabilities</b>	<b>36</b>	<b>0</b>	<b>82</b>
Current borrowings	20.628	0	43
Accounts payable	7.296	311	5.516
Other liabilities	4.821	3.167	5.414
<b>Total current liabilities</b>	<b>32.745</b>	<b>3.478</b>	<b>10.973</b>
<b>Total equity and liabilities</b>	<b>41.217</b>	<b>17.366</b>	<b>26.048</b>

## Cash Flow Statement (January 1 – June 30 2022)

Cash Flow Amount, DKK ('000)	Q2 2022	Q2 2021	1H 2022	1H 2021	FY 2021
Profit/loss before financial items and tax (EBIT)	-3.030	-3.262	-5.508	-6.555	-16.132
Depreciation, amortization and impairment losses reversed	423	240	832	478	1.083
Changes in inventories	-6.966	414	-10.019	996	248
Changes in receivables	-9.062	-1.116	-8.061	-1.853	-8.240
Changes in other operating activities	587	1.213	556	1.953	-548
Changes in current liabilities	5.375	253	3.189	-1.876	5.995
Financial costs paid	-814	-9	-1.081	-36	-127
Financial income received	-10	0	-39	0	0
Income taxes paid/received	-572	0	-685	0	-82
<b>Cash flow from operating activities</b>	<b>-14.071</b>	<b>-2.267</b>	<b>-20.815</b>	<b>-6.893</b>	<b>-17.803</b>
Cash flow from investing activities	-165	0	-424	-236	-3.099
<b>Cash flow from investing activities</b>	<b>-165</b>	<b>0</b>	<b>-424</b>	<b>-236</b>	<b>-3.099</b>
Changes in other non-current liabilities, net	1	0	1	0	2.980
Increase of capital	0	0	0	0	10.330
Change in treasury shares	841	127	908	127	518
Borrowings	12.529	0	20.539	0	-166
<b>Cash flow from financing activities</b>	<b>13.371</b>	<b>127</b>	<b>21.448</b>	<b>127</b>	<b>13.662</b>
<b>Net cash flow</b>	<b>-866</b>	<b>-2.141</b>	<b>208</b>	<b>-7.002</b>	<b>-7.239</b>
Cash and cash equivalents at the beginning of period	3.112	4.287	2.038	9.176	9.176
<b>Cash and cash equivalents at the end of period</b>	<b>2.246</b>	<b>2.146</b>	<b>2.246</b>	<b>2.174</b>	<b>1.937</b>



## Notes

SHARE CALCULATIONS DKK	1H 2022	1H 2021	FY 2021
Market share price, end of period	16,45	13,00	12,0
Earnings per share	-0,84	-0,97	-2,05
# total shares	7.962.619	6.825.102	7.962.619
# treasury shares	70.067	189.565	167.156
# shares outstanding	7.892.552	6.635.537	7.795.463
Equity ratio %	20%	80%	58%

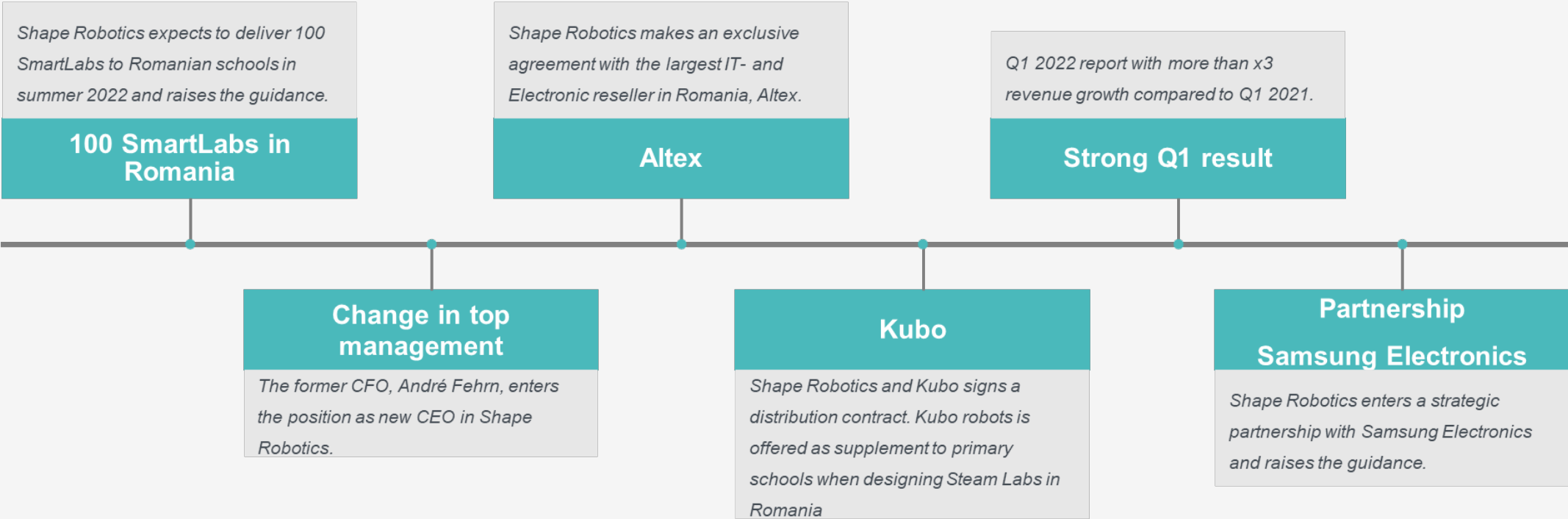
EQUITY Amount, DKK ('000)	1H 2022	1H 2021	FY 2021
Share Capital	797	683	683
Retained earnings/losses	14.196	19.669	19.669
<b>Equity at January 1st</b>	<b>14.993</b>	<b>20.352</b>	<b>20.352</b>

### Changes in Equity

Capital increase (share capital)	0	0	114
Treasury shares	841	126	518
Retained earnings/losses	-685	0	10.330
Distribution of loss to retained earnings/losses	-6.713	-6.591	-16.321
<b>Equity end of period</b>	<b>8.436</b>	<b>13.887</b>	<b>14.993</b>



# Highlights 1H 2022





## Highlights 1H 2022

### Partnership with Samsung Electronics

With the goal of facilitating and optimizing technological education in school systems around the world, Shape Robotics entered a partnership in June with Samsung Electronics and increased the guidance for 2022. The partnership and distribution agreement with Samsung initially includes Shape Robotics becoming the distributor of Samsung's products for the education sector in Romania and Bulgaria, but the partnership will also include a joint effort to facilitate and deliver technology solutions to school systems in other countries in the Central and Eastern Europe (CEE region). The solutions in the ecosystem will be rolled out in 19 countries in the CEE countries over the next 3 years and expand coverage at European level in the next 5 years.

### Distribution agreement with Altex

On April 1<sup>st</sup> Shape Robotics entered into a three-year distribution agreement with Altex, Romania's largest IT and electronics retailer. The agreement thus secures Shape Robotics' special status as the sole supplier of several educational technologies, including robots, 3D printers, VR glasses and software for language and physics laboratories. The expected value of the contract is M.DKK 35 in the next three years.

*” The need to teach our children new skills for the digital age has never been greater. This is why we are pleased to be able to partner with Shape Robotics who we see as being at the forefront of Edtech solutions and who like ourselves are keen to bring innovative ideas and technology to the classroom to better prepare the next generation.”*

**Simon Jackson**, VP European Display Organization, Samsung Electronics

*” Approximately 3,500 schools in Romania are qualified to be allocated a serious budget specifically earmarked for educational technology and therefore the growth potential for our solutions is indisputable. Many companies are currently trying to get the best entry into the Romanian market, which is why we are proud to land an agreement so early in the process with the absolute largest and most influential IT and electronics retailer in the country “*

**André Reinhard Fehr**n, CEO

## Highlights 1H 2022

### SmartLab project

The INACO SmartLab project has been on stand-by in the last months, in terms of delivery and implementation. The initial plan was, that minimum 100 Labs should be finished during the summer 2022. Shape is awaiting the project to commence again, which is expected to be in autumn according to statements by Ministry of Education and the PNNR committees.

Meanwhile, after June, Shape Robotics is in the process of acquiring VTS to increase the capability to deliver this, and other, turnkey EdTech solutions faster in Romania and in other CEE-countries (announcement no. 76). Furthermore, the first INACO SmartLab was opened in Moldova with the Deputy Prime Minister of the Republic of Moldova for Digitalization, Iurie Turcanu.

*” Creating a common digital space between Romania and the Republic of Moldova does not only mean concrete bridges over the Prut, but it also means digital bridges, joint projects and initiatives ”*

Sebastian Burduja, Romanian Minister of Research, Innovation and Digitalization,

# Sustainable Development Goals –

Shape Robotics strives to create better opportunities for all children and young people in the world



## Quality education

Shape Robotics strives to create better opportunities for all children and young people in the world. Quality education creates economic and social mobility and reduces gender inequality. It creates a more tolerant, peaceful and innovative society that is better for everyone to live in. Fable is designed to inspire young people to solve some of the world's acute problems using robotics, coding and programming. The educational robot, Fable, unites teaching and play and gives young people hard technological skills and supports creative design processes. This combination creates crucial learning value for students and prepare them to solve society's problems effectively and sustainably.



## Good health and well-being

The school is essential to children's lives and to their academic and social development. Unfortunately, millions of children cannot go to school because of physical and mental illnesses. Absence from school often leads to isolation and dissatisfaction. Shape Robotics has in collaboration with Rigshospitalet's Children's Cancer Department, developed the Fable Connect robot to get children back in the community. It gives the child an experience of being present together with their classmates. Although it is a new product on the market, more than 300 robots have already been delivered. The robot costs less than a tenth of competing products, which will ensure the Fable robots to become widespread in society.

# Statement by the Board of Directors and Executive Management

## Statement

Today the Board of Directors and the Executive Management have discussed and approved the interim report of Shape Robotics A/S for the first half year 1 January – 30 June 2022.

The interim report has been created in accordance with IAS 34, Interim Financial Reporting as approved by the EU and additional disclosure requirements for companies listed on NASDAQ First North Denmark.

In our opinion, the financial statements give a true and fair view of the company's financial position on 30 June 2022 and of the results of the company's operations and cash flows for the financial period 1 January –30 June 2022.

The management's review includes in our opinion a fair presentation of the matters dealt with in the report.

The interim report is unaudited.

*Farum, 25 August 2022*

## Executive Management

André Fehr  
*CEO*

## Board of Directors

Lars R. Nyengaard  
*Chairman*

Kasper Støy  
*Vice Chairman*

Moises Pacheco

Michael Frank

Helle Rootzen

