



A young boy in a light blue shirt is smiling and looking towards the camera. He is holding a white, articulated robotic arm with his right hand. The robot arm has a black circular sensor at its end. In the background, another boy is visible, and there are two computer monitors displaying software interfaces.

Shape Robotics Interim report

January-September 2022

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CEO André Reinhard Fehrn

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Statement by the Board and Executive Management

On November 8, 2022, the Board of Directors has approved the Q3

Interim Report for 2022 (January 1 – September 30).

The interim report is unaudited.



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 eco-system.

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

Cash Flow and investments

Cash flow for Q3 2022 amounted to TDKK -1.316 (5.861).

Net sales and operating result

Net sales for Q3 2022 was TDKK 20.812 (871). EBITDA was TDKK 423 (-5.077).

The share

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

Balance sheet and equity ratio

Total assets amounted to TDKK 86.091 (26.438), and primarily consisted of inventories and trade receivables.

Certified Advisor

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Shareholder's equity amounted to TDKK 7.810 (19.576), and liabilities amounted to TDKK 77.872 (6.655). Shareholders equity includes TDKK 562 (1.470) of Treasury shares.

Change in accounting policies

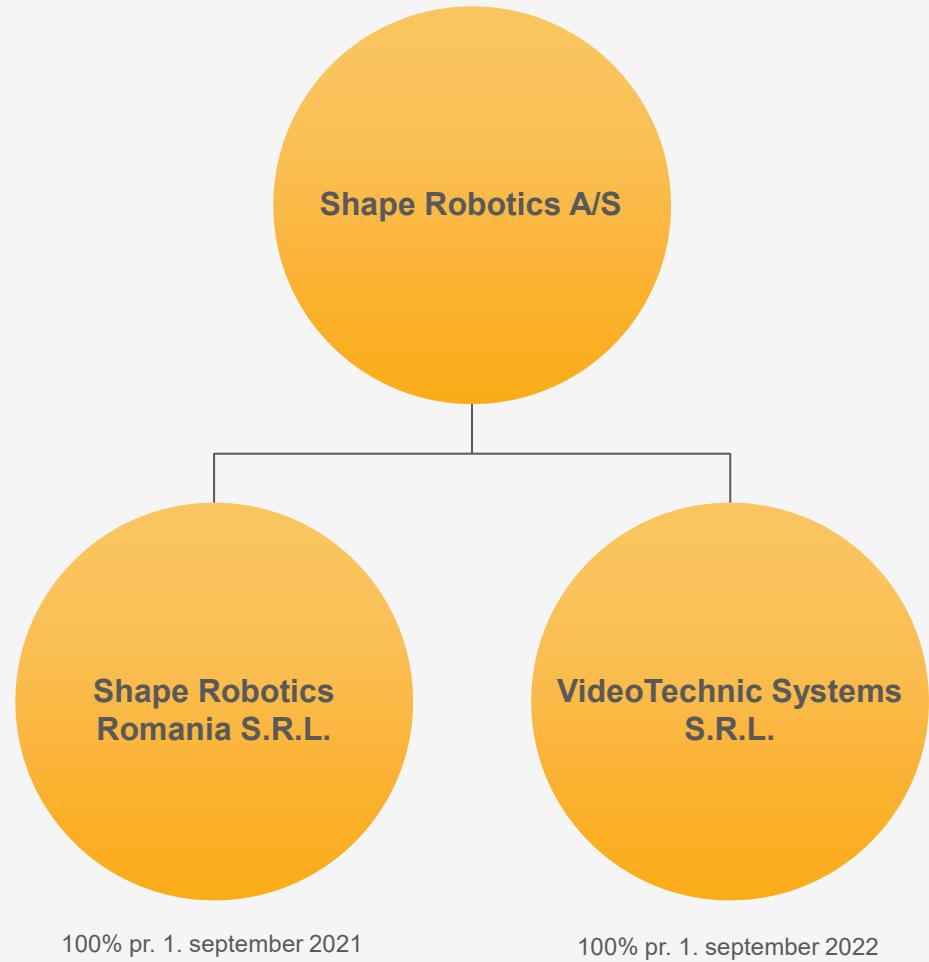
In connection with this quarterly report, the annual report for 2022 and future reports, Shape Robotics A/S, Shape Robotics Romania S.R.L and Video Technic Systems S.R.L appear as a group.

The consolidated financial statements have been prepared as a summary of the company's and subsidiary's periodic accounts by adding uniform accounting records. The consolidation shall eliminate intra-group income and costs, shareholdings and internal balances between the consolidated companies.

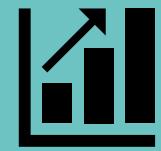
Newly acquired companies are recognized in the consolidated financial statements from the time when control is obtained according to the "takeover method". Comparison figures have therefore not been corrected.

Other accounting policies remain unchanged.

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



Key Figures



Group revenue
+599%
compared to YTD Q3 2021

Revenue primarily from Romania, US, Australia and Denmark



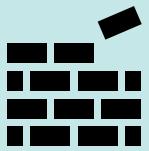
EBITDA
+423 TDKK
In Q3 2022

With x7 revenue, and a product mix with an average contribution margin of 30% (expected 26%) from Jan-Sep 2022, EBITDA increased 3.7 mio. kr. compared to YTD Q3 2021.



STEAM Labs
+40 delivered
YTD Q3 2022

Delivery of STEAM Labs is ramping up in Q3 and Q4, with the acquisition of VTS and the preparations in the first half of 2022 to setup a scalable distribution network.



Share price
+11%
from January to September

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 Amount, DKK ('000)		Q3 2022	Q3 2021	Q1-Q3 2022	Q1-Q3 2021	FY 2021
INCOME-STATEMENT	Revenue	20.812	871	36.448	5.216	17.772
	Contribution margin	5.168	208	10.894	2.332	6.280
	Contribution margin %	25%	24%	30%	45%	35%
	Result before special items	-76	-5.332	-5.584	-10.321	-16.593
	EBITDA	423	-5.077	-4.253	-8.990	-15.860
	Result before financial items and tax	-76	-5.136	-5.584	-9.860	-16.132
	Financial items net	-1.135	-22	-22	-1.655	-58
	Net result	-1.367	-5.164	-8.080	-9.923	-16.321
BALANCE	Total assets	86.091	26.438	86.091	26.438	26.048
	Total equity	7.810	19.576	7.810	19.576	14.993
CASH FLOW	Cash flow from operating activities	380	-4.141	-20.436	-11.110	-17.803
	Cash flow from investing activities	-4.482	-906	-4.906	-1.102	-3.099
	Cash flow from financing activities	2.787	11.260	24.234	11.395	13.662
	Net cash flow	-1.108	6.213	-1.108	-817	-7.239

CEO letter 1/4

The digital transformation is changing how our society and economy operate, presenting opportunities that were inconceivable just decades ago. However, as the world's digital capabilities increase, there is a demonstrated need for increasingly higher levels of digital education and training across all age groups for citizens to meet their everyday needs.

In September 2020 EU presented the Digital Education Action Plan. The key focus was on digital education and how this educational branch should no longer be viewed as 'an island' on its own but instead be considered as an integral part of all education and training. This is reflected in the national plans under the Recovery and Resilience Funds and in how The European Commission has suggested that 20% of the funds are invested in said digital transformation. As part of the Digital Education Action Plan, the Commission supports the EU member States when it comes to properly equipping the schools to ensure the success of their digital transformation.



CEO letter 2/4

The digital transformation plans in the EU may not be one of a kind, and the scope of the investments is extremely comprehensive. We have seen similar trends outside the EU. In a conference call in October with a potential distributor of our robots in Japan, I (once again) confirmed that there is a political focus on enhancing programming and digital skills in K-12 (from kindergarten to 12th grade) education, and that digital education is on the agenda, or being implemented already, in several other regions of the world. In Japan, for instance, budget and funds are allocated to ensure that all children in K-12 have a personal computer. Furthermore, programming and coding knowledge is now part of the mandatory curriculum in Japanese K-12 education, and funds for investing in relevant educational technology are being released in the coming years.

In northern Africa, Shape Robotics is bidding alongside a UK based EdTech company on a project, that seeks to facilitate the building of more than 50 STEAM Labs, centered around robotics, virtual reality and 3D printing, starting 2023, and in the Republic of Moldova, Shape Robotics has already installed the first STEAM Lab.



Moises Pacheco (CTO)
and Andre Fehrn (CEO)

CEO letter 3/4

According to a report done by Valuates, the global EdTech market size has a CAGR of 30%, and will reach 107 bn USD in 2030, from approx. 13 bn USD today, and the usage of EdTech in K-12 has increased 99% from 2020 to 2022.

In Shape Robotics we see the same tendencies in the demand for EdTech, and our strategy for the coming years is clear. We are becoming a market leader within EdTech in Romania, backed by already established partnerships with global tech companies, that want to join forces with us in the central eastern European region. We want to continue to prove ourselves in Romania, set up excellent educational technology, and use our work in Romania as a stepping stone to enter other countries to support and increase the use of state of the art technology in education, with robotics as the core element. Romania is the perfect showcase, both for us as a company, and for the country itself to serve as a beacon within digital education among the EU member states.



CEO letter 4/4

Between Q4 2021, and Q2 of 2022, we prepared the company for scalability by securing inventory, setting up the distribution network and making software upgrades, and in Q3 2022 we began to execute on our business strategies.

Therefore, we were able to reach a revenue of more than MDKK 20.8 in Q3 2022 and realize an EBITDA of TDKK 423, with a year-to-date revenue of MDKK 36.5 which is almost 600% more than the revenue of the same period last year. But we have even more ambitious objectives. In Q4 we expect a revenue of approx. MDKK 50 and a continued positive EBITDA, and due to this we can say with certainty that we will realize most of our IPO goals from 2020 already in the current fiscal year, which is one year earlier than expected, aiming at a turnover range of MDKK 81-93 in 2022 and with expectations to continue with an exponential growth even further in the coming years.

André Reinhard Fehrn

Chief Executive Officer



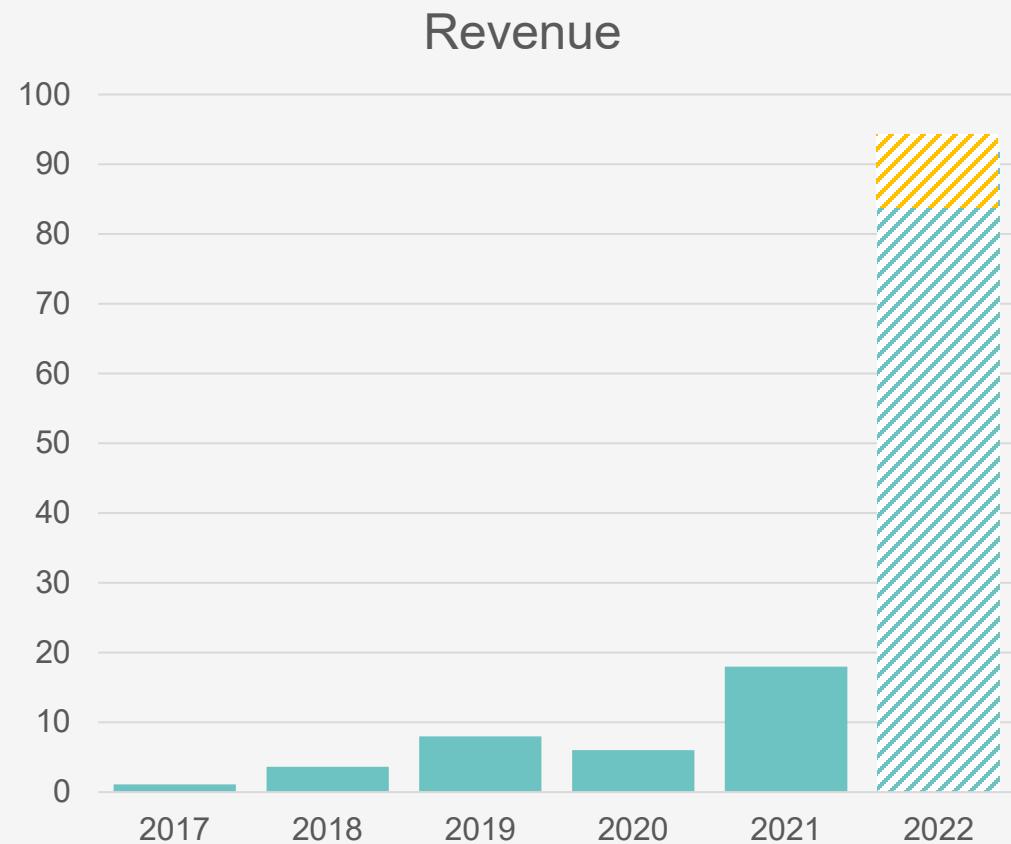
Full year outlook

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 81 to 93** 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).



Income Statement (January 1 – September 30 2022)

Income statement Amount, DKK ('000)	Q3 2022	Q3 2021	Q1-Q3 2022	Q1-Q3 2021	FY 2021
Revenue	20.812	871	36.448	5.216	17.772
Cost of goods sold	-15.643	-663	-25.554	-2.884	-11.492
Contribution margin	5.168	208	10.894	2.332	6.280
Contribution margin %	25%	24%	30%	45%	35%
Research and Development	-166	-229	-708	-640	-1.206
Sales and administrative costs	-1.451	-2.079	-4.675	-2.079	-7.680
Staff costs	-3.127	-2.977	-9.764	-9.201	-12.905
Depreciation, amortization and impairment losses	-499	-255	-1.331	-733	-1.083
Result before special items	-76	-5.332	-5.584	-10.321	-16.593
Special items	0	196	0	461	461
Result before financial items and tax	-76	-5.136	-5.584	-9.860	-16.132
Financial items net	-1.135	-22	-1.655	-58	-127
Corporation tax for the year	-157	-6	-841	-6	-62
Net result	-1.367	-5.164	-8.080	-9.923	-16.321

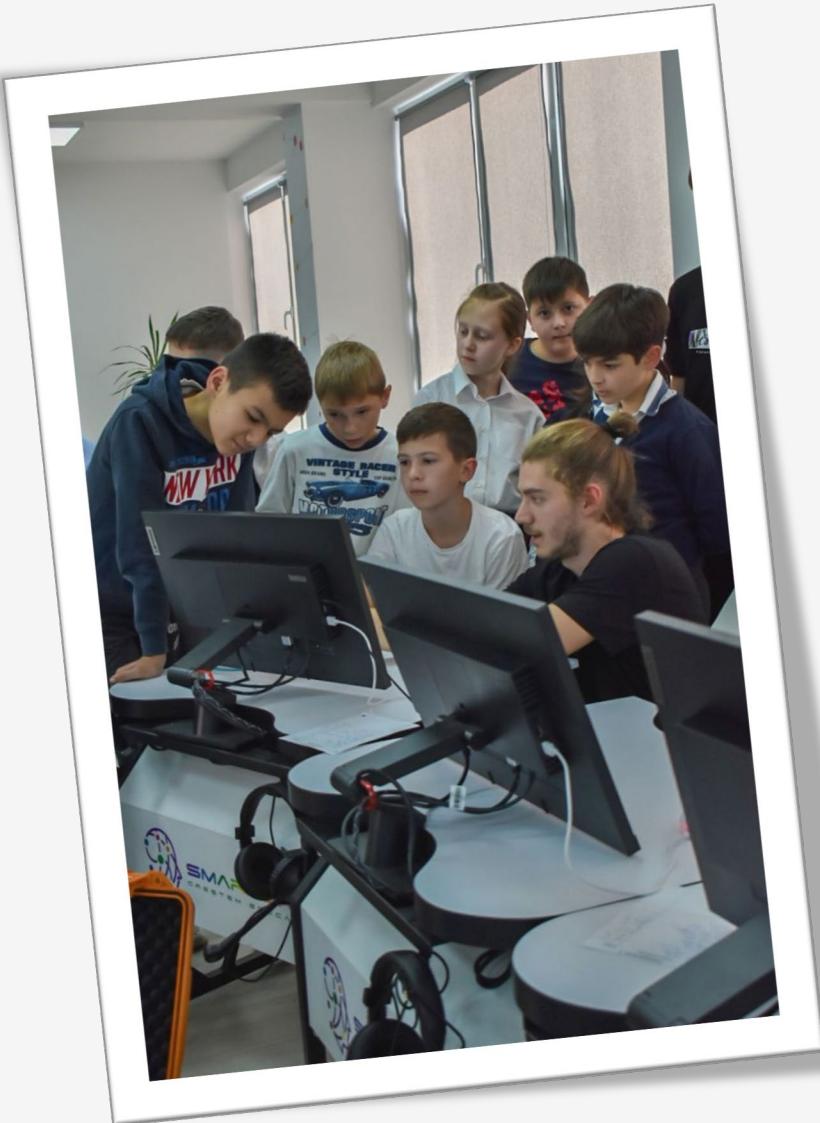


Balance sheet (30. September 2022)

	Q3 2022	Q3 2021	FY 2021		Q3 2022	Q3 2021	FY 2021
Assets				Liability			
Completed development projects	3.370	4.022	5.850	Share capital at the end of the year	797	797	797
Goodwill	5.687	367	355	Treasury shares at the end of the year	-562	-1.470	-1.470
Intangible assets	9.057	4.389	6.205	Retained earnings	7.575	20.249	15.666
Fixtures and fittings, other plant and equipment	3.572	1.112	1.391	Total equity	7.810	19.576	14.993
Property, plant and equipment	3.572	1.112	1.391	Total non-current liabilities	408	208	82
Inventories	40.234	8.625	9.377	Current borrowings	34.690	54	43
Accounts receivable	28.537	983	4.677	Accounts payable	30.589	2.884	5.516
Tax receivable	293	272	293	Other liabilities	12.593	3.717	5.414
Other receivables	3.467	1.069	2.066	Total current liabilities	77.872	6.655	10.973
Cash and cash equivalents	931	9.988	2.039	Total equity and liabilities	86.091	26.438	26.048
Total current assets	73.462	20.937	18.452				
Total assets	86.091	26.438	26.048				

Cash Flow Statement (January 1 – September 30 2022)

Cash Flow Amount, DKK ('000)	Q3 2022	Q3 2021	Q1-Q3 2022	Q1-Q3 2021	FY 2021
Profit/loss before financial items and tax (EBIT)	-76	-5.136	-5.584	-11.677	-16.132
Depreciation, amortization and impairment losses reversed	499	255	1.331	733	1.083
Changes in inventories	5.777	414	-4.242	1.395	248
Changes in receivables	-16.451	-1.116	-24.512	-2.849	-8.240
Changes in other operating activities	0	1.213	0	1.213	-548
Changes in current liabilities	9.430	253	12.677	135	5.995
Financial costs paid	-1.135	-22	-2.216	-58	-127
Financial income received	0	0	561	0	0
Income taxes paid/received	-157	-6	-841	-6	-82
Cash flow from operating activities	-2.113	-4.146	-22.826	-11.114	-17.803
Cash flow from investing activities	-5.263	-1.558	-5.687	-1.755	-3.099
Cash flow from investing activities	-5.263	-1.558	-5.687	-1.755	-3.099
Changes in other non-current liabilities, net	161	11	162	11	2.980
Increase of capital	0	10.903	0	10.903	10.330
Change in treasury shares	0	392	908	518	518
Borrowings	5.899	251	26.438	251	-166
Cash flow from financing activities	6.060	11.565	27.508	11.684	13.662
Net cash flow	-1.316	5.861	-1.006	-1.185	-7.239
Cash and cash equivalents at the beginning of period	2.247	9.176	1.937	9.176	9.176
Cash and cash equivalents at the end of period	931	15.037	931	7.991	1.937

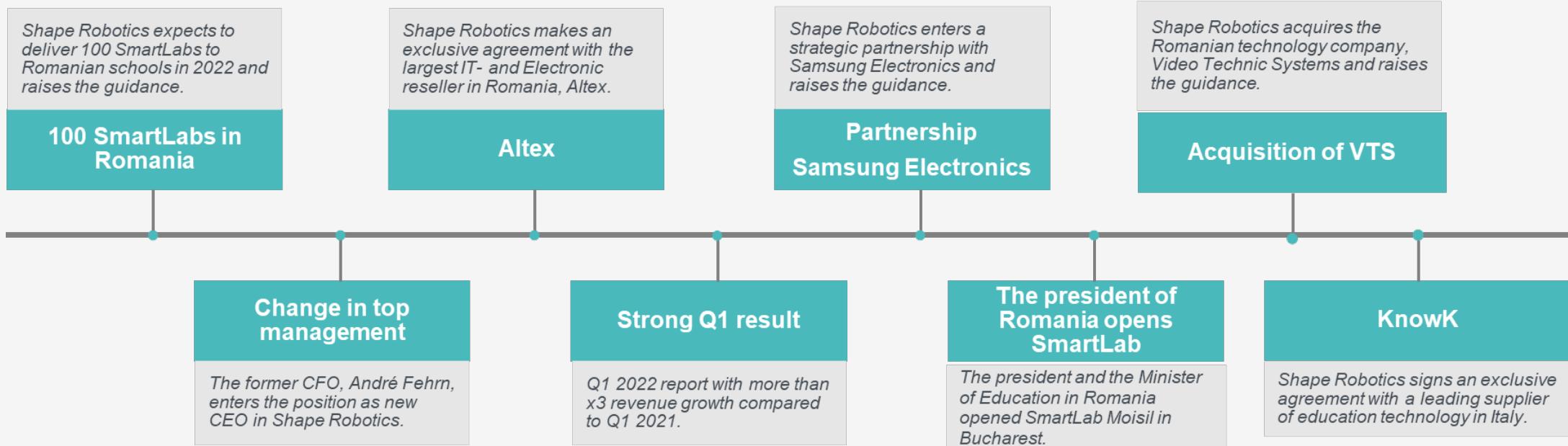


Notes

SHARE CALCULATIONS DKK	Q1-Q3 2022	Q1-Q3 2021	FY 2021
Market share price, end of period	13,35	16,60	12,0
Earnings per share	-1,01	-1,25	-2,05
# total shares	7.962.619	7.962.619	7.962.619
# treasury shares	70.067	167.156	167.156
# shares outstanding	7.892.552	7.795.463	7.795.463
Equity ratio %	9%	74%	58%
EQUITY Amount, DKK ('000)	Q1-Q3 2022	Q1-Q3 2021	FY 2021
Share Capital	797	683	683
Retained earnings/losses	14.196	19.669	19.669
Equity at January 1st	14.993	20.352	20.352
<i>Changes in Equity</i>			
Capital increase (share capital)	0	114	114
Treasury shares	908	518	518
Retained earnings/losses	-11	8.515	10.330
Distribution of loss to retained earnings/losses	-8.080	-9.923	-16.321
Equity end of period	7.810	19.576	14.993



Highlights January to September 2022



Highlights Q3 2022

First SmartLab in Moldova

In Chisinau, the capital of the Republic of Moldova, school leaders and other public stakeholders could from July experience first-hand the complete turnkey solution within Edtech, which Shape Robotics together with INACO will deliver to Romanian schools. The test facility will form the basis for later rollout in Moldova's school system, which is massively supported by EU funds in connection with the EU requirements for digitization in the process towards full EU membership.

"We are honored and happy to be the first educational institution in the Republic of Moldova to have a Smart Lab. All teachers from the institution will be actively involved in a training course during the summer, so that we can start teaching in the new laboratory in the autumn. We hope to see similar projects as soon as possible in other schools in the Republic of Moldova."

School principal, Tamara Pasat

Acquisition of Video Technic Systems ("VTS")

In September Shape Robotics signed the definitive agreement to acquire all shares in the Romanian technology company Video Technic Systems ("VTS") and raised the revenue guidance from DKK 75-85 m to DKK 81-93 m.

Shape Robotics acquired VTS to increase the capability to deliver turnkey EdTech solutions in Central and Eastern Europe.

"Shape Robotics came to us with a solid partnership network, already signed large orders that are within our auspices and expertise, as well as a pipeline in the future that we can support and deliver on. We are very motivated to become a part of Shape Robotics"

Sebastian Voican, director VTS

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 financial period 1 January – 30 September 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 September 2022 and of the results of the company's operations and cash flows for the financial period 1 January – 30 September 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, 8th November 2022

Executive Management

André Fehrn
CEO

Board of Directors

Lars R. Nyengaard
Chairman

Kasper Støy
Vice Chairman

Moises Pacheco

Michael Frank

Helle Rootzen

