

January – September 2024

Shape Robotics A/S
CVR-nr. 38322656

Shape Robotics Q3 Interim Report



Q3 highlights

- Reported revenue increased to 71.1 mDKK in Q3 2024 (Q3 2023: 28.9 mDKK), corresponding to a growth of 146%.
- Contribution margin increased from 25% in Q2 2024 to 35% in Q3 2024 (Q3 2023: 28%).
- EBITDA amounted to 7.4 mDKK in Q3 2024 (Q3 2023: 1.4 mDKK). In Q3 2024, no non-recurring costs were recognized to adjust EBITDA.

Outlook 2024

Shape Robotics maintains its financial outlook for 2024 of a revenue of minimum 300 mDKK and adjusted EBITDA of minimum 25 mDKK.

Webcast

Video presentation of the Q3 2024 results will take place on 21 November 2024 at 10:00 (CET), available on Shape Robotics' LinkedIn [page](#) and, subsequently, on the company's [website](#).

On 25 November 2024 at 17:00 (CET), Mark Abraham, CEO will host a live streaming Q&A session about the Q3 2024 Interim Report. You may access the session directly on the company's LinkedIn [page](#).

- Net working capital amounted to 107.5 mDKK as of Sep 30, 2024 (83.2 mDKK as of Sep 30, 2023), a 29% increase, and was primarily trade receivables, trade payables and inventories.
- Liabilities amounted to 207.4 mDKK as of Sep 30, 2024 (119.6 mDKK as of Sep 30, 2023).
- Net cash flow was -0.9 mDKK in Q3 2024 (Q3 2023: 1.3 mDKK)
- Cash and cash equivalents was -0.7 mDKK as of Sep 30, 2024 (8.2 mDKK as of Sep 30, 2023).



"In the first three quarters of 2024, our revenue reached 177.2 mDKK, a significant 109% increase compared to the same period of 2023. Our contribution margin in Q3 was at an all-time high, and we maintain our guidance for 2024. With a new financing agreement with UniCredit, and a new distribution agreement with Ingram in Romania, we are well poised for servicing our growth and meeting our mid-term financial objectives."

Mark Abraham, CEO

Key figures

Amount, DKK ('000)	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023	LTM 2024
Income Statement						
Revenue	71 060	28 865	177 168	84 688	171 213	263 692
Revenue growth %	146%	39%	109%	132%	96%	94%
Contribution margin	24 988	8 051	50 208	24 576	49 026	74 658
Contribution margin %	35%	28%	28%	29%	29%	28%
Adjusted EBITDA*	7 380	1 548	-1 407	1 402	16 859	14 050
Non-recurring costs	0	-112	-873	-1 887	-3 469	-2 455
EBITDA	7 380	1 436	-2 280	-485	13 390	11 595
EBITDA Margin %	10%	5%	-1%	-1%	8%	4%
EBIT	2 946	-866	-15 619	-6 980	4 664	-3 975
Net result	955	-3 095	-21 388	-11 308	2 607	-7 473
Balance						
Net working capital	107 518	83 212	107 518	82 212	101 683	107 518
Total assets	350 842	186 974	350 842	186 974	273 655	350 842
Total equity	143 488	67 328	143 488	67 328	130 879	143 488
Cash flow						
Cash flow from operating activities	-7 146	-10 041	-4 461	-32 671	-46 499	
Cash flow from investing activities	-3 963	-4 956	-25 920	-12 098	-19 560	
Cash flow from financing activities	10 169	16 256	27 153	48 109	63 046	
Net cash flow	-940	1 259	-3 228	3 340	-3 012	

* Adjusted EBITDA excludes non-recurring costs (0 kDKK in Q3 2024; 873 kDKK in YTD 2024; 3,469 kDKK in FY 2023) related to the process of listing the company on Copenhagen Main Market.

Business update

Q3

Lenovo Third Party Offering

Our flagship product, Thinken, developed in partnership with Lenovo, is now an official third-party offering across all commercial Lenovo channels.

This collaboration marks a significant milestone for Shape Robotics as it opens new avenues for distribution and growth. We've already begun production of the first 200 units of Thinken, and we are confident that this product will play a key role in expanding our presence in the global educational technology market.

Moreover, in August, we received the first order of 50 Thinken Mobile STEAM Lab units as part of our pan-European partnership with Channel Tools. The order, placed by Lenovo, is part of a larger, undisclosed pool of potential orders. The partnership with Lenovo provides Shape Robotics with a unique opportunity to sale Thinkens in all European countries which are part of Lenovo's channels.

Romania tender updates

Together with Romanian partner Data Hub, Shape Robotics has entered into a public procurement agreement with Sibiu Municipality in Romania and will be supplying most of the IT & Communications equipment provided by Data Hub under the agreement, including close to a thousand interactive displays bundled with our proprietary Fable Hub and Fable Blockly app, amounting to a value of around 1.5 mEUR.

POST-Q3

UniCredit financing agreement

In November, Shape Robotics secured approximately 138.75 mDKK with UniCredit Romania to boost SmartLab Production, delivery capacity, and R&D. The comprehensive financing and factoring agreement replaced previous facilities with BRD Groupe Société Générale and adds a total of 78.75 mDKK in financial facilities.

The financing agreement includes credit facility of 48.75 mDKK and factoring facility of 90.0 mDKK.

New key distributor - Ingram Micro

On 18 November 2024, the company signed a strategic distribution agreement with Ingram Micro Distribution. This partnership complements existing collaboration with Network One Distribution and thus creates a dual-distributor model ensuring business continuity and providing Shape Robotics with additional financial flexibility to execute on current contracts.

Performance overview

Revenue

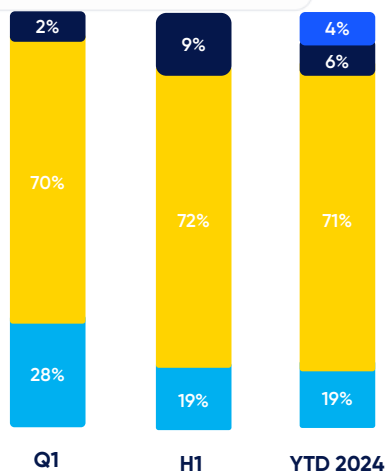
Revenue increased to 71.1 mDKK in Q3 2024, up from 28.9 mDKK in Q3 2023, representing reported growth of 146%. Year-to-date (YTD) revenue increased to 177.2 mDKK in YTD 2024 from 84.7 mDKK in YTD 2023, marking a substantial 109% increase compared to the same period of 2023. This strong growth was driven by our expanding operations in Romania, particularly through the SmartLab project, which continues to be a vital driver of our business. Over the Last Twelve Months (LTM), revenue reached 263.7 mDKK, reflecting consistent growth and marking the strongest 12 months in the company's history.

Revenue by product category can be specified as such:

Sale in %

- Services (High contr. margin)
- Fable Robots (Medium-High contr. margin)
- STEAM Solutions* (Medium-Low contr. margin)
- Other (Low contr. margin)

* Robots (Fable) deducted from STEAM Solutions sale and placed in own category



The company's Q3 2024 revenue includes 6.7 mDKK sell of services related to its new Techducator concept, representing approximately 4% of revenue. The share of Fable Robots in total sales reached 6% in YTD 2024, compared to 9% in H1 2024.

The company remains committed to selling Fable Robots as a standalone product while also integrating its proprietary products, including Fable, into STEAM solutions.

Contribution margin

In Q3 2024, the company started selling high-margin services related to its new Techducator concept while continuing deliveries of equipment for SmartLab projects. This led to a significant increase in contribution margin %, which reached 35% in Q3 2024. The contribution margin % has steadily risen from 22% in Q1 2024 and 25% in Q2 2024, with a contribution margin in Q3 2024 of 35%, leading to a YTD contribution margin % of 28%.

EBITDA

The company achieved EBITDA of 7.4 mDKK in Q3 2024 in compared to 1.4 mDKK in Q3 2023. In Q3 2024, no non-recurring costs were recognized to adjust EBITDA.

Adjusted EBITDA for YTD 2024 was -1.4 mDKK, excluding non-recurring costs of 873 kDKK related to the process of

listing the company on Nasdaq Copenhagen Main Market.

Adjusted EBITDA YTD 2024 included sales and administrative costs of approx. 1.8 mDKK related to FY 2023, which have been recognized in 2024. Without these costs, Adjusted EBITDA for YTD 2024 would have been breakeven.

Adjusted EBITDA included sales and administrative, and staff costs of 5.9 mDKK in YTD 2024 incurred by Shape Robotics Poland (former: Skriware S.A.). Acquisition of Skriware S.A. in December 2023 gave Shape Robotics a fast access to the Polish market, expected to be an important growth driver and profit contributor in 2025 and 2026. However, in YTD 2024 the acquisition, as planned, brings extra operational costs which in for now are not covered by revenue contribution from the Polish market. The acquisition of Skriware and related costs in YTD 2024 are considered by the management as an investment that will give Shape Robotics significant returns in the coming years.

EBIT

Depreciation, amortization, and impairment losses totalled 4.4 mDKK in Q3 2024, up from 2.3 mDKK in Q3 2023.

EBIT improved to 2.9 mDKK in Q3 2024, compared to -0.9 mDKK in Q3 2023. However, EBIT YTD 2024 was -15.6 mDKK, down from -7.0 mDKK in YTD 2023.

Performance overview

Net result (profit/loss for the period)

Financial items amounted to 2.2 mDKK in Q3 2024, compared to 1.8 mDKK in Q3 2023, primarily driven by financing of business operations and working capital through debt financing and factoring.

The company recorded a net profit of 1.0 mDKK in Q3 2024, compared to a net loss of -3.1 mDKK in Q3 2023. For 2024 YTD, the net loss increased to -21.4 mDKK from a net loss of -11.3 mDKK in YTD 2023.

Balance sheet

As of September 30, 2024, total assets increased to 350.8 mDKK compared to 187.0 mDKK as of September 30, 2023, primarily due to increase in accounts receivable driven by revenue growth. Accounts receivable amounted to 164.1 mDKK as of September 30, 2024 (56.5 mDKK as of September 30, 2023).

Intangible assets grew to 86.8 mDKK, up from 15.9 mDKK, reflecting development projects in progress, completed development projects, and customer relations and trademarks from the Skriware acquisition in December 2023. Other non-current assets reached 22.4 mDKK, up from 19.7 mDKK, consisting of right-of-use assets as well as property, plant, equipment.

Current assets rose to 241.6 mDKK from 151.4 mDKK, primarily due to increased accounts receivables, off-set by lower inventories.

Total liabilities increased to 207.4 mDKK as of September 30, 2024, from 119.6 mDKK the previous year, driven mainly by accounts payable, and to a lesser extent prepayments from customers and bank debts. Non-current liabilities stood at 37.8 mDKK, up from 31.5 mDKK.

Net working capital amounted to 107.5 mDKK as of September 30, 2024 (83.2 mDKK as of September 30, 2023, including Work in Progress of 2.6 mDKK). Increase in net working capital reflects the ability to support expected revenue growth and achieve anticipated revenue of 300 mDKK in 2024.

Cash flow

The company reached -0.9 mDKK net cash flow in Q3 2024 in comparison to 1.3 mDKK in Q3 2023. Cash flow from operating activities increased to -7.1 mDKK in Q3 2024 compared to -10.0 mDKK in Q3 2023.

Net cash flow in YTD 2024 amounted to -3.2 mDKK, in comparison to 3.3 mDKK in YTD 2023. Cash flow from operating activities increased to -4.5 mDKK in YTD 2024 compared to -32.7 mDKK in YTD 2023.

Cash and cash equivalents amounted to -0.7 mDKK as of September 30, 2024 (8.2 mDKK as of September 30, 2023).

In YTD 2024, the company worked on the cash flow optimization, reducing capital requirements through shortening payment terms to distributors, what will be reflected in the cash flow statement starting from Q4 2024.

Equity

Shareholder's equity amounted to 143.5 mDKK as of September 30, 2024 (67.3 mDKK as of September 30, 2023).

Events after the balance sheet date

On 14 November 2024, the company obtained comprehensive financing and factoring agreement of approximately 138.75 mDKK, with UniCredit BANK, replacing previous facilities with BRD Groupe Société Générale. The financing includes credit facility of 48.75 mDKK and factoring facility of 90.0 mDKK.

On 18 November 2024, the company signed a strategic distribution agreement with Ingram Micro Distribution. This partnership complements existing collaboration with Network One Distribution and thus creates a dual-distributor model ensuring business continuity and providing Shape Robotics with additional financial flexibility to execute on current contracts.

Financial guidance 2024

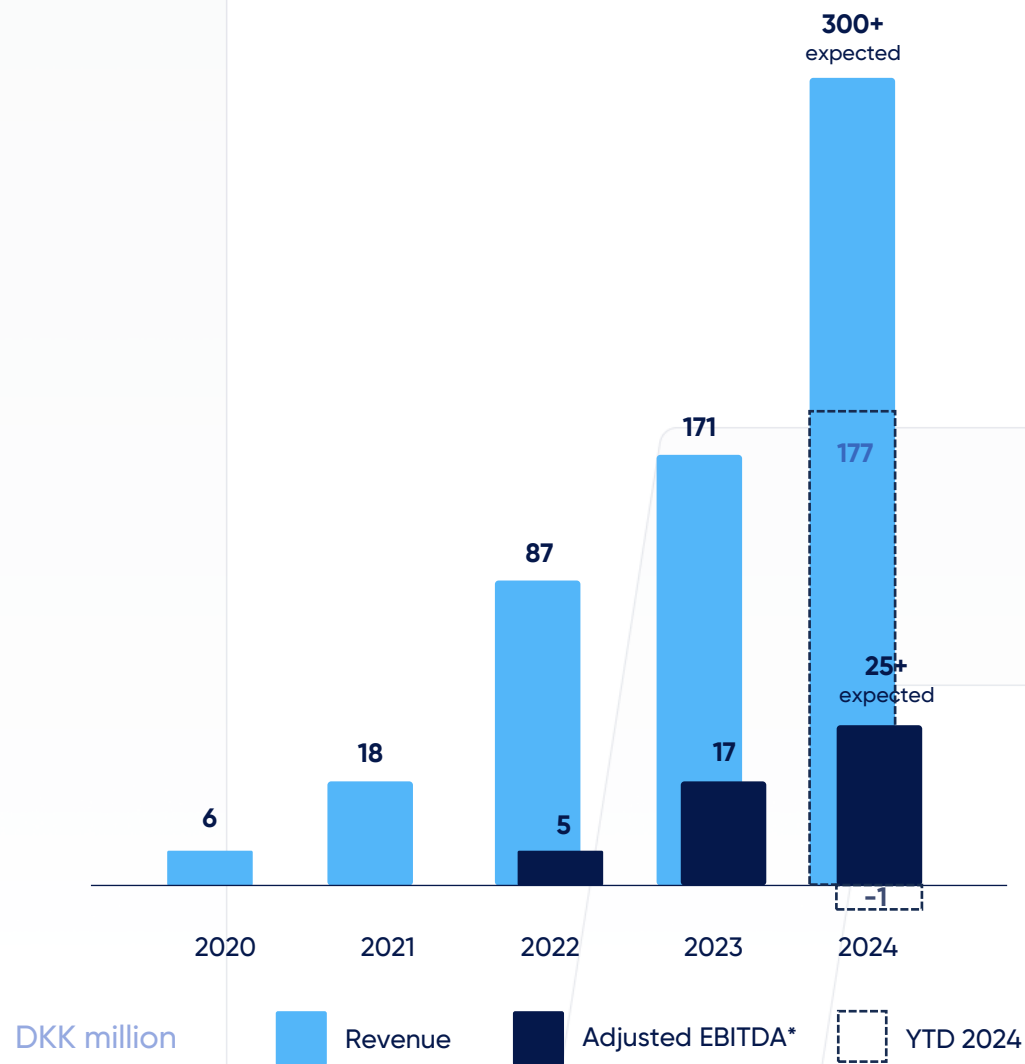
Shape Robotics' strategy is to continue to expand the international sales channels, participate in selected public projects, optimize operations, and introduce new products and services. The aim is to strengthen the company's position as a leading global provider of educational technology.

Shape Robotics anticipates significant revenue growth in 2024, maintaining its expectation of a revenue in 2024 of minimum 300 mDKK, well-supported by the company's strong order intake and backlog.

Additionally, Shape Robotics expects a substantial increase in EBITDA in Q4 2024, maintaining its guidance of minimum 25 mDKK for the full year 2024.

The EBITDA guidance for 2024 is based on the following:

- 1) good start, and a very strong order intake and backlog for Q4 2024,
- 2) improved margins in H2 2024, due to changed product mix,
- 3) deliveries of services based on Techducator concept, and
- 4) continuously strong cost control.



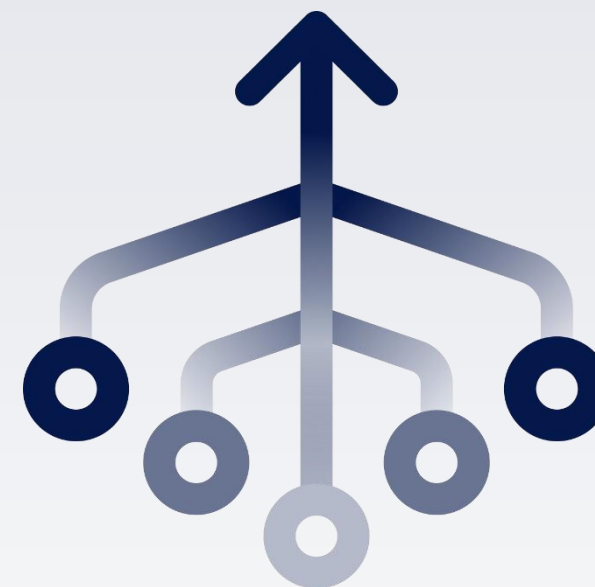
* Adjusted EBITDA excludes non-recurring costs.

Consolidated Financial Statements

Principles of consolidation

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition method of accounting is used to account for all business combinations.



The parent company (Shape Robotics A/S) has of September 30, 2024, 100% ownership of the following subsidiaries:

Shape Robotics Romania S.R.L.
(Romania)

Video Technic Systems S.R.L.
(Romania)

Shape Robotics East S.R.L.
(Republic of Moldova)

Shape Robotics Poland S.A.
(former: Skriware S.A.)
(Poland)

Income statement

Q3 2024

Amount, DKK ('000)	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Revenue	71 060	28 865	177 168	84 688	171 213
Cost of goods sold	-46 072	-20 814	-126 960	-60 113	-122 187
Contribution margin	24 988	8 051	50 208	24 576	49 026
Contribution margin %	35%	28%	28%	29%	29%
Research and Development	-4	-146	47	-394	-279
Sales and administrative costs	-8 341	-2 379	-22 508	-9 116	-11 392
Staff costs	-9 264	-3 977	-29 154	-13 664	-20 495
Adjusted EBITDA*	7 380	1 548	-1 407	1 402	16 859
Non-recurring costs	0	-112	-873	-1 887	-3 469
EBITDA	7 380	1 436	-2 280	-485	13 390
EBITDA margin %	10%	5%	-1%	-1%	8%
Depreciation, amortization and impairment losses	-4 434	-2 302	-13 340	-6 496	-8 726
EBIT	2 946	-866	-15 619	-6 980	4 664
Financial items net	-2 193	-1 751	-5 909	-3 485	-4 971
Corporation tax for the period	202	-478	140	-843	2 914
Net result	955	-3 095	-21 388	-11 308	2 607

* Adjusted EBITDA excludes non-recurring costs (0 kDKK in Q3 2024; 873 kDKK in YTD 2024; 3,469 kDKK in FY 2023) related to the process of listing the company on Copenhagen Main Market.

Balance sheet

Sep 30, 2024

Amount, DKK ('000)	YTD 2024	YTD 2023	FY 2023
Assets			
Completed development projects	13 442	5 045	15 110
Goodwill	4 809	4 809	4 809
Development projects in progress	40 661	3 194	14 776
Customer relations	19 954	2 851	21 592
Trademark	7 932	0	8 568
Intangible assets	86 798	15 899	64 854
Right of use assets	14 069	8 651	13 115
Property, plant and equipment	8 333	11 054	9 357
Other non-current assets	22 402	19 706	22 472
Total non-current assets	109 200	35 605	87 326
Inventories	61 286	76 285	43 429
Accounts receivable	164 107	56 484	121 138
Work in Progress	0	2 610	0
Deferred tax asset	7 172	1 540	6 897
Tax receivable	2 318	194	2 005
Other receivables	3 835	6 104	3 855
Prepayments	3 650	0	6 501
Cash and cash equivalents	-726	8 152	2 503
Total current assets	241 641	151 369	186 328
Total assets	350 842	186 974	273 655

Amount, DKK ('000)	YTD 2024	YTD 2023	FY 2023
Liability			
Share capital at the end of the period	1 507	1 256	1 405
Treasury shares at the end of the period	-650	-4 166	-3 823
Retained earnings	142 631	70 238	133 297
Total equity	143 488	67 328	130 879
Other provisions	520	386	1 496
Deferred tax liability	6 106	567	6 632
Finance lease liabilities	7 977	8 366	6 554
Borrowing	23 532	21 865	22 365
Other payables	-383	277	272
Total non-current liabilities	37 752	31 460	37 320
Finance lease liabilities	5 776	4 766	5 555
Bank debts	24 680	15 277	25 548
Prepayments from customers	4 769	776	622
Accounts payable	117 875	52 168	62 884
Other liabilities	15 874	15 200	10 847
Deferred income	628	0	0
Total current liabilities	169 602	88 185	105 456
Total equity and liabilities	350 842	186 974	273 655

Cash flow statement

Q3 2024

Amount, DKK ('000)	Q3 2024	Q3 2023	YTD 2024	YTD 2023	FY 2023
Profit/loss for the period	955	-3 095	-21 388	-11 308	2 607
Depreciation, amortization and impairment losses reversed	4 434	2 302	13 340	6 496	8 727
Changes in provisions and pension obligations, etc.	4	-78	-976	-79	473
Other adjustments	2 003	39	4 418	665	1 676
Changes in inventories	-10 440	-19 528	-17 857	-31 196	6 952
Changes in receivables	-22 655	-4 570	-40 410	-30 734	-94 577
Changes in other operating activities	-25 698	-24 930	-62 874	-66 157	-74 142
Changes in current liabilities	20 456	16 532	64 166	37 128	33 940
Financial income received	142	0	565	0	0
Financial costs paid	-2 045	-1 121	-5 810	-2 631	-4 995
Income taxes paid/received	-1	-522	-508	-1 011	-1 302
Cash flow from operating activities	-7 146	-10 041	-4 461	-32 671	-46 499
Cash flow from investing activities	-3 963	-4 956	-25 920	-12 098	-19 560
Cash flow from investing activities	-3 963	-4 956	-25 920	-12 098	-19 560
Changes in borrowings	-14 013	15 093	-227	15 043	24 112
Principal elements of lease liabilities	-2 072	2 174	-5 848	1 132	-5 668
Proceeds from capital increase	-1 072	-420	30 710	36 646	47 976
Changes in treasury shares	0	-138	3 173	-3 764	-3 374
Changes in other non-current liabilities, net	-701	-454	-655	-948	0
Cash flow from financing activities	10 169	16 256	27 153	48 109	63 046
Net cash flow for the period	-940	1 259	-3 228	3 340	-3 012
Cash and cash equivalents at the beginning of the period	214	6 823	2 503	4 738	4 738
Exchange rate adjustments on cash and cash equivalents	0	3	-1	7	5
Other adjustments on cash and cash equivalents	0	66	0	67	773
Cash and cash equivalents at the end of the period	-726	8 152	-726	8 152	2 503

Changes in equity

Q3 2024

Equity – Amount DKK ('000)	YTD 2024	YTD 2023	FY 2023
Share Capital	1 405	1 046	1 046
Retained earnings/losses	129 474	43 836	43 836
Equity at January 1st	130 879	44 882	44 882
Changes in Equity			
Capital increase (share capital)	101	209	359
Treasury shares	3 173	-3 764	-3 421
Retained earnings/losses	30 723	37 308	86 452
Distribution of loss to retained earnings/losses	-21 388	-11 308	2 607
Equity end of period	143 488	67 328	130 879

Share Calculations (DKK)	YTD 2024	YTD 2023	FY 2023
Market share price, end of period	21,00	26,70	29,80
Earnings per share	-1,44	-0,94	0,21
# total shares	15 066 167	12 555 142	14 054 517
# treasury shares	177	92 228	126 708
# shares outstanding	15 065 990	12 462 914	13 927 809
Equity ratio %	41%	36%	48%

The shares of Shape Robotics A/S were listed on Main Market Copenhagen on November 20, 2023 – on September 30, 2024, the total number of shares was 15,066,167 (of which 177 are treasury shares).

Management's 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 2024.

The interim report has been prepared in accordance with IAS 34.

In our opinion, the financial statements give a true and fair view of the company's financial position on 30 September 2024 and of the results of the company's operations and cash flows for the financial period 1 January – 30 September 2024.

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

The interim report is unaudited.

Herlev, November 21, 2024

Executive Management

Mark Abraham

CEO

Board of Directors

Jeppe Frandsen

Chairman

Anette Siewert Lindgreen

Vice Chairman

Moises Pacheco

Helle Rootzen

Kasper Holds Hansen

SHAPE ROBOTICS AT A GLANCE

Shape Robotics provides intelligent classroom solutions, educational robots and software primarily to educational institutions in Europe – “Preparing today's generation for the future”



Shape Robotics Q3 Interim Report 2024.

The report is also available at www.shaperobotics.com.

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CVR-nr. 38322656