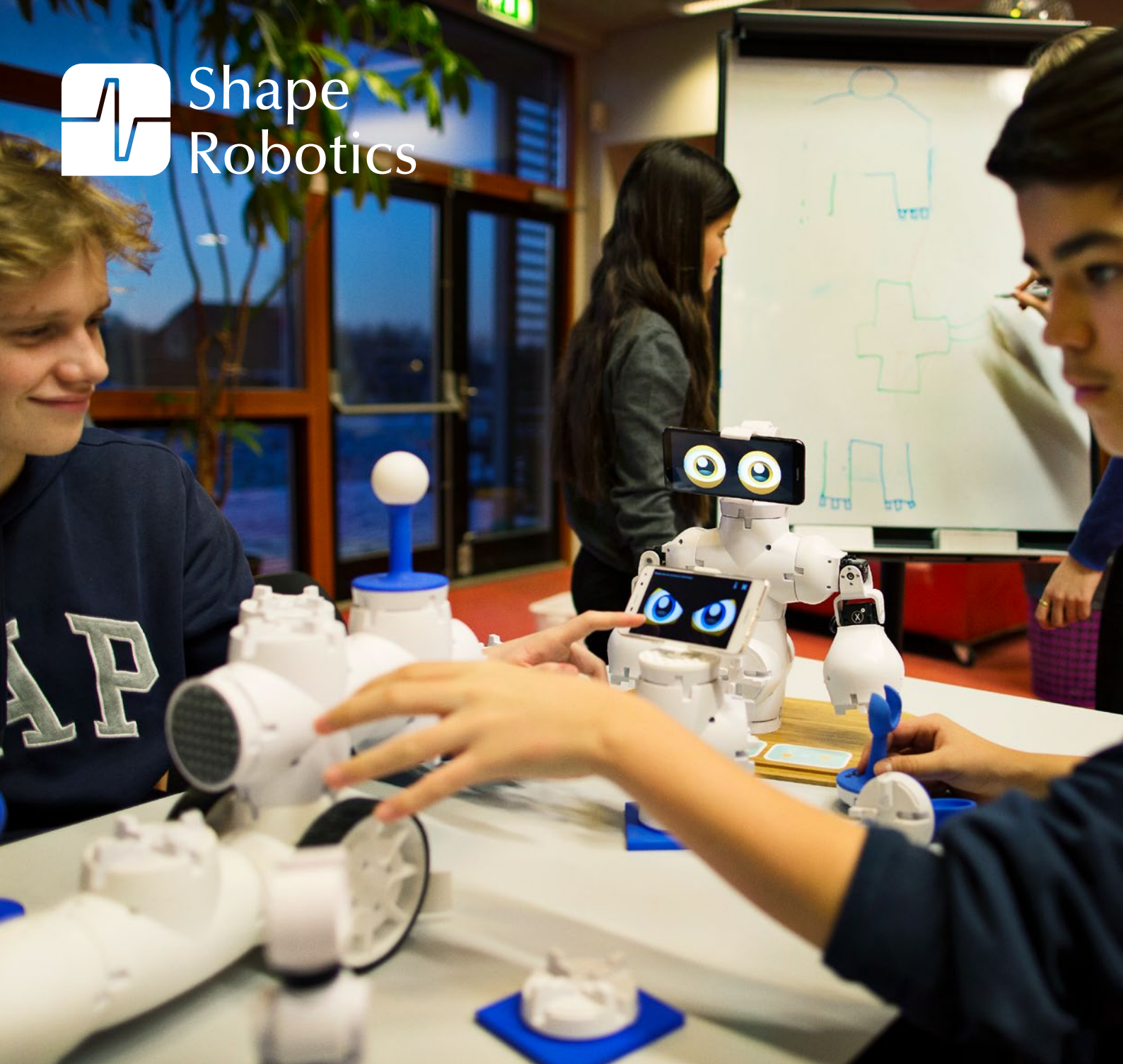




Shape Robotics



Invitation to acquire shares in **Shape Robotics A/S**

Financial Advisor and Certified Advisor

Selling Agent



VÄSTRA HAMNEN
CORPORATE FINANCE



Nordnet

Nasdaq First North Growth Market Disclaimer

Nasdaq First North Growth Market is a registered SME growth market, in accordance with the Directive on Markets in Financial Instruments (EU 2014/65) as implemented in the national legislation of Denmark, Finland and Sweden, operated by an exchange within the Nasdaq group. Issuers on Nasdaq First North Growth Market are not subject to all the same rules as issuers on a regulated main market, as defined in EU legislation (as implemented in national law). Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in an issuer on Nasdaq First North Growth Market may therefore be higher than investing in an issuer on the main market. All issuers with shares admitted to trading on Nasdaq First North Growth Market have a Certified Adviser who monitors that the rules are followed. The respective Nasdaq exchange approves the application for admission to trading.

General information

Applicable legislation

This Prospectus has been approved by the Danish Financial Supervisory Authority, as competent authority under Regulation (EU) 2017/1129. The Danish Financial Supervisory Authority only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the issuer that is the subject of this Prospectus. The Prospectus has been drawn up as part of an EU Growth prospectus in accordance with article 15 of Regulation (EU) 2017/1129. The approval and registration does not mean that the Danish Financial Supervisory Authority guarantees that factual information in the prospectus is correct or complete. The prospectus is available on Shape Robotics website (www.shaperobotics.com) and the Västra Hamnen Corporate Finance website (www.vhcorp.se).

Language

The Prospectus has been prepared in the English language only.

Lawful distribution

The distribution of this Prospectus is only intended to be for the use by investors in Denmark and Sweden.

The distribution of this Prospectus is, in certain jurisdictions, restricted by law, and this Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. This Prospectus does not constitute an offer of or an invitation to subscribe for Offer Shares in any jurisdiction in which such offer or invitation would be unlawful. Persons into whose possession this Prospectus comes shall inform themselves of and observe all such restrictions. The Company does not accept any legal responsibility for any violation by any person, of any such restrictions.

Forward looking statements

Certain statements in this Prospectus are based on the beliefs of the Board of Directors and Management, as well as assumptions made by and information currently available to the Board of Directors and Management, and such statements may constitute forward-looking statements. These forward-looking statements (other than statements of historical fact) regarding the future results of operations, financial condition, cash flows and business strategy, and the plans and objectives of the Board of Directors and the Management for future operations can generally be identified by terminology such as “targets”, “believes”, “expects”, “aims”, “intends”, “plans”, “seeks”, “will”, “may”, “anticipates”, “would”, “could”, “continues” or similar expressions or the negatives thereof.

Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements.

The Company does not intend, and does not assume, any obligation to update any forward-looking statements contained herein, except as may be required by law or the rules of Nasdaq First North Growth Market. All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained in this Prospectus.

Market and industry information

This Prospectus contains historical market data and industry forecasts, including information related to the sizes of the markets in which the Company participates or parts thereof. This information has been obtained from a variety of sources, providing business intelligence products and services to the educational industry, company websites and other publicly available information as well as the Company’s knowledge of the markets. The professional data suppliers state that the historical information they provide has been obtained from sources, and through methods, believed to be reliable, but that they do not guarantee the accuracy and completeness of this information. Similarly, industry forecasts and market research, while believed to be reliable, have not been independently verified by the Company and the Company does not represent that this historical information is accurate. Industry forecasts are, by their nature, subject to significant uncertainty. There can be no assurance that any of the forecasts will materialise.

The Company confirms that information sourced from third parties has been accurately reproduced and that to the best of the Company’s knowledge and belief, and so far as can be ascertained from the information published by such third party, no facts have been omitted which would render the information provided inaccurate or misleading.

Use of trademarks

LEGO® is a trademark of the Lego Group of companies which does not sponsor, authorize or endorse this Prospectus.

Prospectus dated June 3, 2020



Shape Robotics A/S

(a public company incorporated with limited liability under the laws of the Kingdom of Denmark, CVR 38322656)

Initial public offering of minimum of 2 040 817 and a maximum of 2 755 102 Offer Shares of nominal DKK 0.1 without pre-emptive rights for existing shareholders ("**Existing Shareholders**") in Shape Robotics A/S (**the "Company"**)

This Prospectus (the "**Prospectus**") has been prepared in connection with an application for admission to trading of the Company's existing shares ("**Existing Shares**") and an initial public offering (the "**Offering**") and issuance and admission to trading of a minimum of 2 040 817 and a maximum of 2 755 102 new shares of nominal DKK 0.1 each (the "**Offer Shares**" and together with the Existing Shares referred to as "**Shares**") in Shape Robotics A/S ("**Shape Robotics**" or the "**Company**"). The capital increase related to the issuance of the Offer Shares is carried out without preemptive subscription rights for Existing Shareholders. All Shares will be subject for trading on Nasdaq First North Growth Market Denmark ("**First North**"). "**Financial adviser**" means Västra Hamnen Corporate Finance AB ("**Västra Hamnen**").

As of the date of this Prospectus (the "**Prospectus Date**"), but prior to the Offering the registered share capital of the Company is nominal DKK 407 000 and consists of 4 070 000 Shares of nominal DKK 0.1 each, all of which are fully paid. The Company has obtained binding subscription undertakings for a total of approximately DKK 15.9 million from cornerstone investors ("**Cornerstone Investors**"). The offer price (the "**Offer Price**") is DKK 9.80 per nominal DKK 0.1 Offer Share. The offer period (the "**Offer Period**") is expected to run from June 4, (09:00 am) - June 18, 2020, (04:00 pm) CET. Investing in the Offer Shares involves significant risks. See section "**Risk Factors**".

Neither the Existing Shares nor the Offer Shares have been publicly traded before the Offering. The Company has applied for admission to trading for all Shares on Nasdaq First North Growth Market Denmark under the symbol "**SHAPE**". First day of trading is expected to be June 25, 2020, under the condition that the Company fulfills the Nasdaq First North Growth Market requirements regarding free float and sufficient number of shareholders. The Offer Shares will have the same rights as the Existing Shares and will rank pari passu in every respect.

It is expected that delivery against cash payment for the Offer Shares will take place on or around June 23, 2020 (the "**Closing Date**"). The Offer Shares will be available for delivery by allocation to accounts through the book-entry facilities of VP Securities and Euroclear. The Offer Shares have been accepted for clearance through Euroclear Bank S.A./N.V. as operator of the Euroclear System ("**Euroclear**"). Issuance and admission to trading of the Offer Shares on Nasdaq First North Growth Market Denmark is expected to take place on June 25, 2020 in the ISIN code of the Existing Shares. The Offer Shares will, however, not be issued or admitted to trading on Nasdaq First North Growth Market Denmark until after final registration of the capital increase with the Danish Business Authority.

The Offering is subject to Danish law. This Prospectus has been prepared in order to comply with the standards and conditions applicable under Danish law.

Financial calendar

Half-year report 2020 (H1)	August 25, 2020
Interim report July - September 2020 (Q3)	November 18, 2020
Interim report October - December 2020 (Q4)	February 17, 2021
Annual General Meeting	March 18, 2021

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Documents incorporated by reference

Shape Robotics annual reports for the financial years 2019 and 2018 form part of the Prospectus and should be read as part thereof, where references are made as follows:

- Shape Robotics annual report for 2019: income statement (pages 7), balance sheet (pages 8-9), notes (pages 11-18) and audit report (pages 2-4).
- Shape Robotics annual report for 2018: income statement (page 7), balance sheet (pages 8-9), notes (pages 10-17) and audit report (pages 2-4).
- Shape Robotics Articles of Association: (where reference is made to the document in its entirety)

Shape Robotics annual reports for the financial years 2019 and 2018 have been audited by the Company's auditor, Brian Petersen at PricewaterhouseCoopers, and the audit reports are appended to the annual reports.

Apart from Shape Robotics audited annual reports for the financial years 2019 and 2018, no information in the Prospectus has been reviewed or audited by the Company's auditor.



Summary

1. INTRODUCTION

Warnings	<p>This summary should be read as an introduction to this Prospectus. Any decision to invest in the Offer Shares should be based on consideration of this Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor may, under national law, have to bear the costs of translating this Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the summary, including any translation hereof, but only where the summary is misleading, inaccurate, or inconsistent when read together with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the Offer Shares</p>
Name and ISIN of the securities	The Shares in Shape Robotics A/S are issued in ISIN DK0061273125.
Identity and contact details of the issuer	The issuer is Shape Robotics A/S (CVR no. 38322656). The address of the issuer is Rugmarken 18, 3520 Farum, Denmark. The legal entity identifier (LEI) code is: 254900D99QJEBJ52WZ34.
Identity and contact details of the competent authority that approved the prospectus	<p>This Prospectus has been approved by the Danish Financial Supervisory Authority (in Danish: Finanstilsynet) as competent authority under the Prospectus Regulation.</p> <p>The address of the Danish Financial Supervisory Authority is Århusgade 110, DK-2100 Copenhagen Ø, Denmark – and may also be contacted via telephone (+45 33558282), fax (+45 33558200), or email (finansstilsynet@ftnet.dk).</p>
Date of approval of the EU Growth prospectus	June 3, 2020

2. KEY INFORMATION ON THE ISSUER

2.1 Who is the issuer of the securities?

The issuer's residence, legal form and legislation	Shape Robotics A/S is a Danish public limited liability company incorporated in Denmark and operating under Danish law.																								
Principal activities	<p>Shape Robotics is a Danish educational technology Company. The Company has developed Fable, an innovative modular robotic system that makes it easy and fun for students to build and program their own robots. Educational institutions, in every part of the world, are required to adapt as digital technologies, artificial intelligence, and automation are transforming life and work. Shape Robotics helps these institutions provide excellent teaching that will prepare students for a fast-changing future.</p> <p>The system is teacher-friendly since it is designed to be used in the classroom, quick and easy to setup, cost effective and well supported by high-quality educational content. Fable motivates students to do hands-on problem-based learning activities with robotic technology to learn both traditional subjects and skills that has become important in the 21st century.</p> <p>Since 2017, Fable is sold both directly to customers or indirectly through an international network of resellers and distributors. Already today, thousands of Fable sets are in use at educational institutions around the world. The Company currently employs 22 people.</p>																								
Controlling shareholders	<p>The table below shows the Company's major shareholders prior to the issue. To the issuer's knowledge, the issuer is not directly or indirectly owned or controlled by another natural or legal person.</p> <table><tr><th>Name</th><th>% shares and votes</th><th>% minimum offering</th><th>% maximum offering</th></tr><tr><td>TAG Holding ApS*</td><td>39.2%</td><td>26.1%</td><td>23.4%</td></tr><tr><td>Iskil Holding ApS*</td><td>24.0%</td><td>16.0%</td><td>14.3%</td></tr><tr><td>Black Box Holding IVS*</td><td>21.6%</td><td>14.4%</td><td>12.9%</td></tr><tr><td>Styrelsen for Institutioner og Uddannelsessystemer</td><td>7.8%</td><td>5.2%</td><td>4.7%</td></tr><tr><td>Total</td><td>92.6%</td><td>61.7%</td><td>55.2%</td></tr></table> <p><i>* Black Box Holding IVS is wholly-owned by Moises Pacheco (100 %). Iskil Holding ApS is owned by David Johan Christensen Holding IVS (with an ownership of 89.74 %) and Nordstorm Holding IVS (with an ownership of 10.26 %). David Johan Christensen Holding IVS is wholly-owned by David Johan Christensen, and Nordstorm Holding IVS is wholly-owned by Helene Hald Christensen. Styrelsen for Institutioner og Uddannelsessystemer is an administrative unit under the state of Denmark. TAG Holding ApS is owned by C.G. Invest ApS, which is owned by Casper Gjørup and Thomas Gjørup (with an ownership between 25-33.32 %, and no voting rights), M.H.G. Invest ApS, which is owned by Thomas Henrik Gjørup and Martin Henrik Gjørup, (with an ownership between 25-33.32 %, and no voting rights), MAC G ApS, which is owned by Anizette Gjørup (with an ownership between 33.33-49.99 %, and no voting rights) and T.G. Invest ApS, which is owned by Thomas Henrik Gjørup and Henrik Gjørup (with an ownership between 10-14.99 %, and 100% of the voting rights). David Johan Christensen is both CEO of the Issuer and has an ownership in the Issuer through Iskil Holding ApS (as described above), and Moises Pacheco is both a board member of the Issuer, CTO of the Issuer, and has an ownership in the Issuer through Black Box Holding IVS (as described above).</i></p>	Name	% shares and votes	% minimum offering	% maximum offering	TAG Holding ApS*	39.2%	26.1%	23.4%	Iskil Holding ApS*	24.0%	16.0%	14.3%	Black Box Holding IVS*	21.6%	14.4%	12.9%	Styrelsen for Institutioner og Uddannelsessystemer	7.8%	5.2%	4.7%	Total	92.6%	61.7%	55.2%
Name	% shares and votes	% minimum offering	% maximum offering																						
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Styrelsen for Institutioner og Uddannelsessystemer	7.8%	5.2%	4.7%																						
Total	92.6%	61.7%	55.2%																						
The issuer's most important senior executives	<p>David Christensen</p> <p>David Christensen is the Company's CEO since 2015.</p>																								



2.2 What is the key financial information regarding the issuer?

Financial information	Income statement	1 jan 2019 - 31 dec 2019	1 jan 2018 - 31 dec 2018
		Audited	Audited
	(amounts in DKK)		
	Revenue	8 061 046	3 685 532
	Operating profit (EBIT)	-9 508 476	-6 158 679
	The result of the period	-9 094 588	-5 423 853
	Balance sheet		
	(amounts in DKK)		
	Total Assets	13 164 373	11 570 206
	Equity	9 470 746	7 226 334

2.3 What are the key risks that are specific to the issuer?

Key risks that are specific to the issuer	Shape Robotics is an early stage development company with limited historical revenue and is currently loss-making with negative cash-flows
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Shape Robotics has, since the Company started its operations in 2015, developed a significant knowledge in robotic technology. The Company has since 2017, launched products in a few markets but is broadening towards other markets. As the Company is in a commercialization phase, the Company has so far generated limited sales revenue. Consequently, Shape Robotics is to a greater extent than an established company with established sales, dependent on successful commercialization of its products and the ability to penetrate new markets. Shape Robotics future earnings will, among other things, depend on the Company being able to enter into reseller/distributor agreements for the sale of the Company's products and technology. The possibility of concluding such agreements depends, among other things, on Shape Robotics' credibility as a potential partner and the quality of the Company's products. In addition to engaging in such reseller agreements, the Company is highly dependent on the resellers efficiency to sell Shape Robotics products.

During the past two years, Shape Robotics' net sales amounted to approximately DKK 3.6 and 8 million, respectively, with operating losses of DKK 6.2 and DKK 9.5 million, respectively. If the Company's commercialization does not result in revenues to a greater extent than previously, and given that the Company maintains the same cost framework and/or does not receive additional financing, the Company's proceeds from the IPO and the equity will be consumed, and the Company will not be viable.

Product liability

The level of security and quality of the Company's products is important for maintaining customer and market confidence. As a manufacturer, the Company has a product responsibility that may entail requirements or claims that result in a product having to be recalled from the various markets in which the Company operates. Withdrawals and claims for compensation can be costly and have a material adverse effect on the Company's brand, reputation and business in general.

In the event that one or more of the Company's products don't meet the operating standard, Shape Robotics may need to recall some products, which will generate a cost corresponding at least the value of the recalled products. The Company has never recalled a product and has not been held liable for any broken or defect product. There is a risk that the Company's insurance coverage will not fully cover the costs that may arise as part of future fulfillment of product liability.

Components, component prices, outsourcing and supplier dependency

The Company is particularly dependent on certain components for the production of the Company's products, many of which are custom-made. The Company's production and position may therefore be affected by price fluctuations for such a component. If rising component prices is not reflected by higher prices for Shape Robotics' products, the Company's operations, financial position and earnings may be adversely affected. Some components used in production are single source, including some electronic components, motors, battery packs, plastic parts and storage boxes. Sometimes the lead times on such components are longer than anticipated or components do not pass quality assurance when received and tested. Therefore, Shape Robotics has, and may continue, to experience bottlenecks in the production which leads to a delay in shipment of Fable robots to customers and potential long-term effects on customer demand. Shape Robotics is setting up procedures to be able to predict such bottlenecks to manage them before they occur. Shape Robotics is in the process of outsourcing its production and hence will become dependent on a few external suppliers (in Thailand and Slovakia) to produce its products. If these suppliers are not reliable, there is a risk of bottlenecks in the production. If Shape Robotics does not manage to increase the stock of components, identifying alternative sources or outsourcing the production to reliable partners with more experience managing a supply chain, there is a risk that the Company's business, financial position and earnings would also be adversely affected.

The Company purchased components for approximately DKK 5 million during the fiscal year 2019. In the event that the price of components would rise by five percent and given similar circumstances otherwise, it would result an increased cost of DKK 250.000.



Key risks that are specific to the issuer

Technical development

Shape Robotics conducts research and development on optimizing and creating new features for existing products and expanding the product portfolio with new products. The results of such work may be undesirable by the market and thus the Company's forecasted costs and revenues are associated with great uncertainty. Unforeseen results can also lead to the need to rethink concepts and development, which means that supplementary research and development work may need to be carried out at considerable costs or that the research and development work is completely discontinued. Product launches may be delayed or completely abandoned if, for example, authorities or other decision makers make the assessment that the Company's products do not meet necessary standards.

In the event that the Company's technical research and the development of the Company's products do not result in line with expectations, (i) the Company's revenues from these new products may not reach anticipated levels or (ii) that the Company's product development costs will increase in order to develop a fully commercial product.

Dependency on key employees

Shape Robotics is to a large extent dependent on the senior management in the Company. David Johan Christensen, Rikke Møgelvang, Moises Pacheco and André Reinhard Fehrn are all considered key employees. Most of the employment contracts may be terminated with a 3 months' written notice, in line with the rules on notice for employees under Danish law. The possible loss of any of these individuals could lead to the development or commercialization of the Company's products being delayed or diminished. The Company's ability to recruit and retain qualified employees is important in safeguarding the level of competence within Shape Robotics. The Company has entered into employment agreements with key employees on what it considers to be market terms. Nonetheless, there is a risk that the Company will not be able to retain these key employees and the loss of any of them could have a negative impact on the Company's business, earnings and financial position.

The loss of any member of the senior management could have a negative impact on the Company's business, earnings and financial position.

Unsecured subscription undertakings

Shape Robotics has entered into agreement on subscription undertakings with external investors and existing shareholders regarding the Offering. The agreements are not secured by pledging, blocking funds or any similar arrangement. There is thus a risk that the subscription undertakings will not be fulfilled. In the event that the Offering is not completed, and the Company fails to generate additional revenue, the Company would be forced to seek alternative financing or postpone existing projects and implement cost reductions. In the event that all alternative financing opportunities fail, and additional working capital is not available, this could lead to the Company being forced to close down parts of its operations or ultimately forced to restructure or to apply for bankruptcy.

In the event that the parties who have submitted subscription undertakings do not fulfill their obligation, this may mean that the Company cannot raise the desired capital. For the Company, the worst outcome in this regard would be that no shareholder participates in the Offering.

3. KEY INFORMATION ON THE SECURITIES

3.1 What are the main features of the securities?

Securities currency, denomination, nominal value, number and maturity	The shares are denominated in DKK. The share capital amounts to 407 000 DKK and the number of shares in Shape Robotics amounts to 4 070 000 before the Offering. All shares are issued and fully paid. The nominal value amounts to 0.1 DKK.
Rights related to the Securities	The Company has only one class of shares. Each share gives equal rights to the share of the Company's assets and profits. In case of liquidation of the Company, shareholders are entitled to a share of profits in relation to the number of shares held by the shareholder. There are no restrictions on the transferability of the shares.
The relative seniority of the securities in the issuer's capital structure	Shape Robotics Shares are of the kind that they bear the Company's losses first and creditors carry losses after the shareholders. The shareholders' loss is limited to the capital initially invested, given that no derivatives were entered into with Shape Robotics' shares as the underlying asset.
The transferability of the shares	There are no restrictions on the right to freely transfer shares in the Company.
Dividend Policy	No dividends have been paid out by the Company previous financial years. There is no guarantee that a dividend will be proposed or decided on for a certain year in the Company. The intention is for the Board to annually review the possibility of dividends. In considering future dividends, the Board will consider several factors, including the Company's operations, operating income and financial position, current and expected liquidity needs, expansion plans, contractual restrictions and other significant factors. Shape Robotics believes that focus in the future should primarily promote growth and that dividends are not relevant in the near future.

3.2 Where will the securities be traded?

Trading platform	Application has been made for the Shares to be admitted to trading on Nasdaq First North Growth Market Denmark under the symbol "SHAPE". Nasdaq First North Growth Market Denmark is a multilateral trading facility (MTF). Assuming admission to trading, trading in the Issuer's shares is expected to commence on June 25, 2020.
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3.3 Is there a guarantee attached to the securities?

Guarantees	Not applicable. There is no subscription guarantee attached to the Offer Shares.
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3.4 What are the key risks that are specific to the securities?

Key risks that are specific to the securities	<p>Future offers</p> <p>In the future, Shape Robotics may raise additional capital by deciding to issue new Shares or other securities. New issues may have a negative effect on the market price of the Shares. If additional offers are given, it may also reduce the proportionate ownership and voting share of holders of existing Shares in the Company (dilution).</p> <p>In the event that such an issue as described above is carried out with preferential rights for existing shareholders, they have the opportunity to defend against dilution by subscribing for additional securities, which however requires an additional investment in the Company. An issue can, however, be made without preferential rights for existing shareholders, which means that the existing shareholders have no opportunity to protect themselves against dilution.</p> <p>Existing shareholders selling may affect the price</p> <p>The price of Shape Robotics Shares may drop if there is extensive sale of Shares in the Company, especially sales made by the Company's directors, executives or major shareholders, or when a larger number of shares are sold. Sales of large amounts of Shares by the main shareholders (Black Box Holding IVS, Iskil Holding ApS, Styrelsen for Institutioner og Uddannelsessystemer and TAG Holding ApS), that together hold approximately 92.6 percent of the share capital and votes before the Offering, or the perception that such sales could occur, could lead to a drop in price for the Share. The main shareholders are committed to, with certain exceptions, and for a period of one year from the first day of trading, not to sell their Shares or otherwise enter into transactions with similar effect. Västra Hamnen Corporate Finance may decide to lift the restrictions during this period. Such consent may be granted if deemed reasonable and necessary due to specific matters, e.g. for tax reasons and is not to be unreasonably withheld or delayed by the Certified Adviser. After the applicable lock up period has expired, the shareholders affected by the lock up agreement will be permitted to sell their Shares in Shape Robotics. Sales of large number of Shape Robotics Shares by the main shareholders after the end of the lock up period, or the perception that such sales will occur, could result in a significant decrease in the price of the Shares.</p> <p>If the existing shareholders would sell off all or part of their respective shareholdings in the Company, it could have a material adverse effect on the price of the Company's shares.</p>
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4. KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC

4.1 Under which conditions and timetable can I invest in this security?

Terms and conditions	<p>The Offering</p> <p>The Offering consists of a minimum of 2 040 817 and a maximum of 2 755 102 newly issued Offer Shares to private and institutional investors in Denmark and Sweden.</p> <p>Offer Price</p> <p>The Offer Price has been determined by the Board of Directors in consultation with Västra Hamnen Corporate Finance to DKK 9.80 per Offer Share. Brokerage commission will not be charged.</p> <p>The valuation of the Company is based on the potential of the Company's business plan. Furthermore, the valuation is based on a comparative valuation based on a number of peers within the robotics-industry with similar business models as Shape Robotics. Importantly, a major decision point has been the interest from a number of institutional investors that has been given the opportunity to evaluate the Offering before the Offer Price was determined.</p> <p>Submission of applications to subscribe</p> <p>Applications to subscribe for Offer Shares in the Offering should be made by submitting the application form enclosed in the Prospectus to the investor's own account holding bank in complete and executed form in due time to allow the investor's own account holding bank to process and forward the application to ensure that it is in the possession of Danske Bank A/S, no later than 4:00 p.m. (CET) on June 18, 2020. Applications should be made for a number of Offer Shares or for an aggregate amount rounded to the nearest Danish krone amount. Subscriptions shall be made for a minimum of 500 Offer Shares, corresponding to a minimum value of DKK 4 900.</p> <p>Reductions of subscriptions</p> <p>In the event that the total number of Offer Shares applied for in the Offering exceeds the number of Offer Shares, reductions will be made as follows:</p> <ul style="list-style-type: none">• (i) With respect to applications for amounts of up to DKK 299 999, reductions will be made mathematically. However, no individual allocations will be made for less than 500 Offer Shares.• (ii) With respect to applications for amounts of DKK 300 000 and up, individual allocations will be made.
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Terms and conditions

Expected timetable of the offer (all times in CET):

The Offer Period commences:	June 4, 2020 at 9:00 a.m. (CET)
The Offer Period closes:	June 18, 2020 at 4:00 p.m. (CET)
Announcement of result of the Offering	June 19, 2020 before 12:00 a.m. (CET)
Settlement of the Offer Shares	June 23, 2020
Registration of new shares in the Danish Business Authority (Erhvervsstyrelsen)	June 24, 2020
First day of trading of the Shares on Nasdaq First North Growth Market Denmark under the permanent ISIN conditional upon final completion	June 25, 2020
Merge of temporary ISIN with permanent ISIN in VP Securities A/S	June 26, 2020

Plan for distribution

Persons who are account customers at Nordnet AB may apply for the acquisition of shares through Nordnet's Online Service. Application with Nordnet can be made up until 23:59 CET on June 17, 2020. In order not to lose the right to allotment, account customers at Nordnet are to have enough cash equivalents available at the account during the period from 23:59 CET on June 17, 2020 until the settlement day which is estimated to be June 23, 2020. More information regarding the application process is available at www.nordnet.dk / www.nordnet.se.

Dilution resulting from the Offering

The issue of Offer Shares will result in an increase in the total number of Shares in the Company of between 2 040 817 and 2 755 102 Shares, corresponding to a dilution of between approximately 33.4% and 40.4%, respectively.

Estimate of the total expenses of the offer

Assuming completion of the Offering and full subscription of the Offer Shares, fees related to the transaction (including adviser fees and expenses) are estimated to be approximately DKK 3.5 million.

4.2 Why is this EU Growth prospectus being produced?

Use and estimation of the net proceeds

Shape Robotics has built a platform for growth and market penetration on the global market for educational robots. The Company will take advantage of this opportunity to become a leading educational robotics company with strong global growth. By expanding and nurturing its sales network the Company will grow in existing markets and penetrate new high-opportunity markets. The Company also plans to launch new subscription services to reach the segments of schools that are slower to adopt new technology. Further, to stay ahead of competition, the Company will continue to develop new products, platforms, and content. The Company's ambition is to empower all teachers to create profoundly better learning using robotics. The type of learning that have a lasting positive impact and enables the students to get ready for the future education, job and life.

Shape robotics has reached a point, where Fable has proven to be a highly attractive and competitive EdTech product. In order to take full advantage of the market traction and monetize on their rapidly growing market for educational robotics, the Company will require additional equity funding. Through the Offering, Shape Robotics is expected to raise a gross proceeds (including the conversion of debt of 2.1 MDKK) of minimum DKK 20 million and maximum DKK 27 million before deduction of transaction costs, which are estimated to approximately DKK 3.5 million. Below is an estimate of the use of proceeds:

- 60 percent will be used for sales and marketing to:
 - » Continue to build a solid market foundation through existing and new distributors and resellers around the world.
 - » Create awareness about Fable in key markets, e.g. by participation in exhibitions and launching Fable robotics competitions.
 - » Build and broaden the launch of subscription services.
- 20 percent will be used for business infrastructure to:
 - » Increase gross margin by implementing cost-reductions in the production, make the production scalable by outsourcing and by increasing stock of inventory.
 - » Establish cost-effective global delivery by setting up logistics partnerships around the world.
- 15 percent will be used for research and development:
 - » Strengthen the product portfolio by developing new Fable products and improving the existing products, e.g. by developing new features and tools.
- 5 percent will be used on educational content:
 - » Adapt educational content for key markets, e.g. translating and mapping it to national curriculums.
 - » Develop new educational content, e.g. content packages to teach artificial intelligence and IoT.

Conflicts of interest

To the knowledge of the board there are no potential conflicts of interests between duties to the company, of the executive management, key employees or the board, and their private interests and/or other duties. Further, there are to the knowledge of the board no arrangement or understanding with major shareholders, customer, suppliers or others, pursuant to which any person in the management or the board was appointed or employed.



Sammanfattning

1. INTRODUKTION

Varningar	Denna sammanfattning bör läsas som en introduktion till EU-tillväxtprospektet. Alla beslut om att investera i värdepapperen bör grundas på att investeraren studerar hela EU-tillväxtprospektet. Investeraren kan förlora hela eller delar av sitt investerade kapital. Om ett yrkande relaterat till information i ett EU-tillväxtprospektet görs i domstol kan den investerare som är kärande enligt nationell lagstiftning i medlemsstaterna bli tvungen att betala kostnaden för att översätta EU-tillväxtprospektet innan de rättsliga förfarandena inleds. Civilrättsligt ansvar omfattar enbart de personer som har presenterat sammanfattningen, inklusive översättningar av denna, men enbart om sammanfattningen är vilseledande, felaktig eller inkonsekvent jämfört med de andra delarna av EU-tillväxtprospektet eller om den tillsammans med andra delar av EU-tillväxtprospektet inte ger den nyckelinformation som investerare behöver vid beslut om huruvida de ska investera i de berörda värdepapperen.
Namn och ISIN-kod	Värdepapprets namn är Shape Robotics A/S. Bolagets ISIN-kod är DK0061273125.
Identitet och adress till emittenten	Emittenten är Shape Robotics A/S (CVR no. 38322656). Emittentens adress är Rugmarken 18, 3520 Farum, Danmark. LEI-koden är: 254900D99QJEBJ52WZ34.
Uppgifter om behörig myndighet som godkänt prospekt	Prospektet har godkänts av den danska finansinspektionen (danska: Finanstilsynet) som behörig myndighet enligt prospektförordningen. Adressen till danska finansinspektionen är Århusgade 110, DK-2100 Köpenhamn Ø, Danmark - och kan också kontaktas via telefon (+45 33 55 82 82), fax (+45 33 55 82 00) eller e-post (finansstilsynet@ftnet.dk).
Datum för godkännande av Prospektet	3 juni 2020

2. NYCKELINFORMATION OM EMITTENTEN

2.1 Vem är emittent av värdepapperen?

Emittentens hemvist, juridiska form och lagstiftning	Shape Robotics A/S är ett danskt aktiebolag som är etablerat i Danmark och verkar under dansk lag.
Emittentens huvudsakliga verksamhet	<p>Shape Robotics är ett danskt företag som verkar inom utbildningsteknologi. Bolaget har utvecklat Fable, ett innovativt och modulärt robotsystem som gör det enkelt och roligt för studenter att bygga och programmera sina egna robotar. Dagens teknik med artificiell intelligens och automatisering har förändrat sättet som människor lever och arbetar på, vilket sätter press på utbildningsinstitutioner i alla delar av världen att anpassa sig. Shape Robotics hjälper dessa institutioner att tillhandahålla undervisning i framkant som kan förbereda elever för en snabbföränderlig framtid.</p> <p>Systemet är lärarvänligt eftersom det är utformat för att användas i klassrummet. Det är snabbt och enkelt att installera, kostnadseffektivt och väl stöttat av högkvalitativ utbildningsinnehåll. Fable motiverar eleverna att göra praktiska problembaserade inlärningsaktiviteter med robotteknik för att lära sig både traditionella ämnen och färdigheter som har blivit viktiga under 2000-talet.</p> <p>Sedan 2017, säljs Fable både direkt till kunder och indirekt genom ett internationellt nätverk av återförsäljare och distributörer. Redan idag används tusentals Fable-robotar vid utbildningsinstitutioner runt om i världen. Bolaget har för närvarande 22 anställda.</p>
Kontrollerande aktieägare	Tabellen nedan visar Bolagets större aktieägare före Erbjudandet. Såvitt Bolaget vet, ägs eller kontrolleras Bolaget inte direkt eller indirekt av någon annan fysisk eller juridisk person.

Name	% aktier och röster	% av minsta Erbjudandet	% av maximala Erbjudandet
TAG Holding ApS*	39,2%	26,1%	23,4%
Iskil Holding ApS*	24,0%	16,0%	14,3%
Black Box Holding IVS*	21,6%	14,4%	12,9%
Styrelsen for Institutioner og Uddannelsessystemer	7,8%	5,2%	4,7%
Total	92,6%	61,7%	55,2%

* Black Box Holding IVS är helägt av Moises Pacheco (100%). Iskil Holding ApS ägs av David Johan Christensen Holding IVS (med ett ägande på 89,74%) och Nordstorm Holding IVS (med ett ägande på 10,26%). David Johan Christensen Holding IVS är helägt av David Johan Christensen och Nordstorm Holding IVS är helägt av Helene Hald Christensen. Styrelsen for Institutioner og Uddannelsessystemer är en administrativ enhet under delstaten Danmark. TAG Holding ApS ägs av C.G. Invest ApS, som ägs av Casper Gjørup och Thomas Gjørup (med ett ägande mellan 25-33,32% och utan rösträtt), M.H.G. Invest ApS, som ägs av Thomas Henrik Gjørup och Martin Henrik Gjørup, (med ett ägande mellan 25-33,32% och ingen rösträtt), MAC G ApS, som ägs av Anizette Gjørup (med ett ägande mellan 33,33-49,99%) , och ingen rösträtt) och TG Invest ApS, som ägs av Thomas Henrik Gjørup och Henrik Gjørup (med ett ägande mellan 10-14,99% och 100% av rösträtten). David Johan Christensen är både VD för Bolaget och har ett ägande i Bolaget genom Iskil Holding ApS (som beskrivits ovan), och Moises Pacheco är både styrelseledamot i Bolaget, CTO för Bolaget, och har ett ägande i Bolaget genom Black Box Holding IVS (som beskrivits ovan).

Emittentens viktigaste ledande befattningshavare	David Christensen David Christensen är Bolagets VD sedan 2015.
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2.2 Finansiell nyckelinformation för emittenten

Finansiell information

Resultaträkning

	1 jan 2019 - 31 dec 2019	1 jan 2018 - 31 dec 2018
(Belopp i DKK)	Reviderad	Reviderad
Nettoomsättning	8 061 046	3 685 532
Rörelseresultat (EBIT)	-9 508 476	-6 158 679
Årets resultat	-9 094 588	-5 423 853

Balansräkning

	1 jan 2019 - 31 dec 2019	1 jan 2018 - 31 dec 2018
(Belopp i DKK)		
Totala tillgångar	13 164 373	11 570 206
Eget kapital	9 470 746	7 226 334

2.3 Huvudsakliga risker som är specifika för Bolaget

Huvudsakliga risker som är specifika för Bolaget

Shape Robotics är ett utvecklingsbolag i tidig fas med begränsade historiska intäkter. Bolaget går för tillfället med förlust och har negativa kassaflöden

Shape Robotics har sedan Bolaget startade sin verksamhet 2015 utvecklat betydande expertis inom robot-teknologi. Sedan 2017 har Bolaget lanserat produkter på några få marknader men vidgar satsningen mot ytterligare marknader. Eftersom Bolaget är i kommersialiseringsfas, har det hittills genererat blygsamma försäljningsintäkter. Därmed är Shape Robotics mer beroende än ett etablerat bolag med etablerade försäljningsintäkter av en lyckad kommersialisering av sina produkter och förmågan att penetrera nya marknader. Shape Robotics framtida intäkter kommer bland annat bero på om Bolaget lyckas ingå återförsäljar-/distributörsavtal om försäljning av Bolagets produkter och teknologi. Möjligheterna att slutföra sådana avtal beror bland annat på Shape Robotics trovärdighet som potentiell partner och kvaliteten av Bolagets produkter. Förutom att ingå sådana återförsäljaravtal, är Bolaget i hög grad beroende av återförsäljarnas effektivitet med hänsyn till att sälja Shape Robotics produkter.

Under de senaste två åren, har Shape Robotics nettoförsäljning uppgått till ungefär 3,6 respektive 8 miljoner DKK, med rörelseresultat om -6,2 respektive -9,5 miljoner DKK. Ifall Bolagets kommersialisering inte resulterar i högre intäkter än tidigare, och givet att Bolaget behåller samma kostnadsstruktur och/eller inte erhåller ny finansiering, kommer Bolagets erhållna medel från börsnoteringen och det egna kapitalet att bli förbrukat och Bolaget inte kunna fortsätta sin verksamhet.

Produktansvar

Säkerhetsgraden och kvaliteten på Bolagets produkter är viktiga för att bibehålla kundernas och marknadens förtroende. Som tillverkare har bolaget ett produktansvar som kan innebära förpliktigande eller krav som medför att en produkt måste återkallas från de olika marknader där Bolaget verkar. Återkallanden och skadeståndskrav kan innebära höga kostnader och ha betydande negativa effekter på Bolagets varumärke, rykte och allmänna affärsmöjligheter.

I det fall att en eller flera av bolagets produkter inte lever upp till gällande standarder, kan Shape Robotics bli tvunget att återkalla vissa produkter, vilket vill medföra kostnader minst motsvarande värdet av de återkallade produkterna. Bolaget har hittills aldrig återkallat en produkt och har inte hållits ansvarigt för någon förstörd eller defekt produkt. Det finns en risk att Bolagets försäkringstäckning inte fullt ut täcker de kostnader som kan uppstå som del av framtida fullföljande av produktansvar.

Komponenter, komponentpriser, outsourcing och beroende av underleverantörer

Bolaget är särskilt beroende av vissa produkter för tillverkningen av Bolagets produkter, varav många är skräddarsydda. Bolagets produktion och ställning kan därmed komma att påverkas av prisfluktuationer för sådana komponenter. Om höjda komponentpriser inte motsvaras av höjda priser för Shape Robotics produkter, kan Bolagets verksamhet, finansiella position och vinst påverkas negativt. Vissa av komponenterna som används i produktionen har endast en källa, inklusive vissa elektroniska komponenter, motorer, batteripaket, plastkomponenter och förvaringslådor. Ibland är ledtider för sådana komponenter längre än förväntade eller komponenterna uppfyller inte kvalitetskraven när de har levererats och testats. Därför har Shape Robotics upplevt, och kan i fortsättningen uppleva, flaskhalsar i produktionen vilka leder till försening i leveranser av Fable-robotar till kunder, med potentiell långsiktig effekt på kundförförfrågan. Shape Robotics håller på att etablera procedurer för att förutspå sådana flaskhalsar och hantera dem innan de uppstår. Shape Robotics är i gång med en process för att outsourca produktionen och kommer därmed bli beroende av ett fåtal externa leverantörer (i Thailand och Slovakien) för tillverkning av dess produkter. Ifall dessa leverantörer inte är pålitliga, finns där risk för flaskhalsar i produktionen. Om Shape Robotics inte lyckas öka sitt lager av komponenter, identifiera alternativa källor eller outsourca tillverkningen till pålitliga partners med mer erfarenhet av att styra en leveranskedja, finns det risk att Bolagets affärsvolym, finansiella position och vinst påverkas negativt.

Bolaget köpte komponenter för ungefär 5 miljoner DKK under budgetåret 2019. I det fall att priset på komponenter skulle stiga med fem procent givet oförändrade omständigheter i övrigt, skulle det medföra en ökad kostnad om 250 000 DKK.



Huvudsakliga risker som är specifika för Bolaget. forts

Teknisk utveckling

Shape Robotics bedriver forskning och utveckling för att optimera och skapa nya funktioner för befintliga produkter samt för att utvidga produktportföljen med nya produkter. Resultaten av sådant arbete kan vara oönskat av marknaden och därför är Bolagets prognostiserade kostnader och intäkter förknippade med stor osäkerhet. Oförutsedda resultat kan också leda till behovet av att omvärdera koncept och utveckling, vilket innebär att kompletterande forsknings- och utvecklingsarbete kan behöva utföras till betydande kostnader eller att forsknings- och utvecklingsarbetet helt upphör. Produktlanseringar kan försenas eller helt överges om till exempel myndigheter eller andra beslutsfattare gör bedömningen att Bolagets produkter inte uppfyller nödvändiga standarder.

Om Bolagets forskning och utveckling av nya produkter inte uppnår förväntningarna, finns en risk att (i) Bolagets intäkter från de nya produkterna inte uppnår förväntade nivåer eller (ii) Bolagets produktutvecklingskostnader kan komma att öka för att utveckla en kommersialiseringsbar produkt.

Beroende på nyckelpersoner

Shape Robotics är till stor del beroende av Bolagets ledande befattningshavare. David Johan Christensen, Rikke Møgelvang, Moises Pacheco och André Reinhard Fehrns anses alla vara nyckelpersoner. De flesta av anställningsavtalen kan sägas upp med en 3 månaders skriftlig uppsägning, i enlighet med reglerna om uppsägning för anställda enligt dansk lag. Eventuell förlust av någon av dessa individer kan leda till att utvecklingen eller kommersialiseringen av Bolagets produkter försenas eller minskas. Bolagets förmåga att rekrytera och behålla kvalificerade medarbetare är viktig för att säkerställa kompetensnivån inom Shape Robotics. Bolaget har ingått anställningsavtal med nyckelpersoner om vad det anser vara marknadsvillkor. Det finns dock en risk att Shape Robotics inte kan behålla dessa nyckelpersoner och förlusten av någon av dem kan ha en negativ inverkan på Bolagets verksamhet, resultat och finansiella ställning.

En förlust av någon av de ledande befattningshavarna kan ha en negativ inverkan på Bolagets verksamhet, resultat och finansiella ställning.

Ej säkerställda tekningsförbindelser

Shape Robotics har ingått avtal om tekningsförbindelser med externa investerare och befintliga aktieägare angående Erbjudandet. Avtalen är inte säkerställda genom pantsättning, blockering av medel eller liknande arrangemang. Det finns därför en risk att tekningsåtagandena inte uppfylls. I händelse av att Erbjudandet inte slutförs och Bolaget inte lyckas generera ytterligare kapital, skulle Bolaget kunna tvingas att söka alternativ finansiering eller skjuta upp befintliga projekt och genomföra kostnadsminskningar. I händelse av att alla alternativa finansieringsmöjligheter misslyckas och ytterligare rörelsekapital inte finns tillgängligt kan detta leda till att Bolaget tvingas stänga delar av sin verksamhet eller i slutändan tvingas omstruktureras eller ansöka om konkurs.

I händelse av att de parter som har lämnat tekningsförbindelser inte uppfyller sin skyldighet kan detta innebära att Bolaget inte kan samla in det önskade kapitalet. För Bolaget skulle det värsta resultatet i detta avseende vara att ingen aktieägare deltar i Erbjudandet.

3. NYCKELINFORMATION OM VÄRDEPAPPEREN

3.1 Värdepapperens viktigaste egenskaper

Värdepapperens valuta, valör, nominella värde, antal och löptid	Aktierna är denominerade i DKK. Aktiekapitalet uppgår till 407 000 DKK och antalet aktier i Shape Robotics uppgår till 4 070 000 före Erbjudandet. Kvotvärdet per aktie uppgår till 0,1 DKK. Samtliga aktier är emitterade och fullt betalda.
Rättigheter sammanhängande med värdepapperen	Bolaget har endast ett aktieslag. Varje aktie ger lika rätt till andel av Bolagets tillgångar och vinst. Vid en eventuell likvidation av Bolaget har aktieägare rätt till andel av överskott i förhållande till det antal aktier som aktieägaren innehar. Inga begränsningar föreligger avseende aktiernas överlåtbarhet.
Värdepapperens relativa senioritet i emitentens kapitalstruktur	Shape Robotics aktier är av det slag att de bär Bolagets förluster först och borgenärer bär förluster först efter aktieägarna. Aktieägarnas förlust är begränsad till det ursprungligen investerade kapitalet, givet att inga derivat ingicks med Shape Robotics aktier som underliggande tillgång.
Aktiernas överlåtbarhet	Det föreligger inga inskränkningar i rätten att fritt överlåta aktier i Bolaget.
Utdelningspolicy	Ingen utdelning har utbetalats av Bolaget tidigare räkenskapsår. Det finns ingen garanti för att en utdelning kommer att föreslås eller beslutas för ett visst år i Bolaget. Avsikten är att styrelsen årligen ska granska möjligheten till utdelning. Vid övervägande av framtida utdelningar kommer styrelsen att överväga flera faktorer, inklusive Bolagets verksamhet, rörelseresultat och finansiella ställning, nuvarande och förväntade likviditetsbehov, expansionsplaner, avtalsbegränsningar och andra väsentliga faktorer. Shape Robotics anser att fokus i framtiden främst bör främja tillväxt och att utdelning inte är relevant inom en snar framtid.

3.2 Var kommer värdepapperen att handlas?

Handelsplattform	Ansökan har gjorts om att aktierna ska tas upp till handel på Nasdaq First North Growth Market Denmark under symbolen "SHAPE". Nasdaq First North Growth Market Denmark är en multilateral handelsfacilitet (MTF). Förutsatt att Nasdaq godkänner Bolagets ansökan om upptagande till handel, förväntas Bolagets aktier börja handlas den 25 juni 2020.
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3.3 Garantier som värdepapperen omfattas av

Garantier	Ej tillämplig. Värdepapperen omfattas inte av garantier.
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3.4 Huvudsakliga risker som är specifika för värdepapperen

Huvudsakliga risker som är specifika för värdepapperen	<p>Framtida erbjudanden</p> <p>I framtiden kan Shape Robotics hämta in ytterligare kapital genom att besluta att emittera nya aktier eller andra värdepapper. Nyemissioner kan ha en negativ inverkan på marknadspriset för aktierna och minska det proportionella ägandet och röstandelen för innehavare av befintliga aktier i Bolaget (utspädning).</p> <p>I händelse av att en sådan emission som beskrivs ovan genomförs med företrädesrätt för befintliga aktieägare har de möjlighet att försvara sig mot utspädning genom att teckna ytterligare värdepapper, vilket dock kräver en ytterligare investering i Bolaget. Nyemissioner kan emellertid göras utan företrädesrätt för befintliga aktieägare, vilket innebär att de befintliga aktieägarna inte har någon möjlighet att skydda sig mot utspädning.</p> <p>Befintliga aktieägare som säljer kan påverka priset</p> <p>Priset på Shape Robotics aktier kan sjunka om det finns en omfattande försäljning av aktier i Bolaget, särskilt försäljning som gjorts av Bolagets styrelse, ledning eller större aktieägare, eller endast när ett större antal aktier säljs. Försäljningen av stora andelar aktier av Huvudägarna (Black Box Holding IVS, Iskil Holding ApS, Styrelsen för Institutioner och Uddannelsessystemer och TAG Holding ApS), som tillsammans innehar cirka 92,6 procent av aktiekapitalet och rösterna innan Erbjudandet, eller uppfattningen att sådan försäljning kan inträffa kan leda till ett prisfall för aktien. Huvudägarna har åtagit sig att med vissa undantag, under ett år från den första dagen för handeln inte sälja sina aktier eller på annat sätt genomföra transaktioner med liknande effekt. Västra Hamnen Corporate Finance kan besluta att häva begränsningarna under denna period. Sådant samtycke kan beviljas om det anses rimligt och nödvändigt på grund av specifika frågor, t.ex. av skattemässiga skäl och ska inte orimligt hållas tillbaka eller försenas av Bolaget Västra Hamnen Corporate Finance. Efter att gällande lock up har löpt ut kommer de aktieägare som berörs av lock up-avtalet att kunna sälja sina aktier i Shape Robotics. Försäljningen av ett stort antal Shape Robotics aktier av de Huvudägarna efter slutet av lock up-perioden, eller uppfattningen att sådan försäljning kommer att inträffa, kan leda till en betydande sänkning av priset på aktierna.</p> <p>Om de befintliga aktieägarna skulle sälja hela eller delar av sina respektive aktieinnehav i Bolaget kan det ha en väsentlig negativ inverkan på priset på Bolagets aktier.</p>
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4. NYCKELINFORMATION OM ERBJUDANDET AV VÄRDEPAPPER TILL ALLMÄNHETEN

4.1 På vilka villkor och enligt vilken tidsplan kan jag investera i värdepapperen?

Villkor och anvisningar	<p>Erbjudandet</p> <p>Erbjudandet består av minst 2 040 817 och högst 2 755 102 nyemitterade aktier till privata och institutionella investerare i Danmark och Sverige.</p> <p>Erbjudandepris</p> <p>Erbjudandepriset har fastställts av styrelsen i samråd med Västra Hamnen Corporate Finance till 9,80 DKK per aktie. Courtage utgår ej.</p> <p>Värderingen baseras på potentialen i Bolaget affärsplan. Vidare baseras värderingen på en jämförelse av ett antal konkurrenser robotbranschen med liknande affärsmodeller som Shape Robotics. En viktig beslutspunkt har varit intresset från ett antal institutionella investerare som har fått möjlighet att utvärdera Erbjudandet innan Erbjudandepriset fastställdes.</p> <p>Ansökan om teckning</p> <p>Ansökningar om teckning av aktier i Erbjudandet bör göras genom att lämna in ansökningsblanketten som bifogas Prospektet till investerarens egna depåbank i fullständig och utförd form i god tid för att låta investerarens egna depåbank behandla och vidarebefordra ansökan för att säkerställa att den är i besittning av Danske Bank A/S senast 16:00 (CET) den 18 juni 2020. Ansökningar bör göras för antal erbjudandeaktier eller för ett sammanlagt belopp avrundat till närmaste danska krona. Teckning ska göras för minst 500 aktier, motsvarande ett minimivärde av 4 900 DKK.</p> <p>Minskning av teckning</p> <p>I händelse av att det totala antalet aktier som ansökts för i Erbjudandet överstiger antalet aktier i Erbjudandet, kommer reduktioner att göras enligt följande:</p> <ul style="list-style-type: none">• (i) När det gäller ansökningar om belopp på upp till 299 999 DKK kommer reduktioner att göras matematiskt. Ingen individuell tilldelning kommer dock att göras för mindre än 500 aktier.• (ii) När det gäller ansökningar om belopp på 300 000 DKK och uppåt kommer individuella tilldelningar att göras.
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Villkor och anvisningar	Förväntad tidsplan för Erbjudandet:	
	Erbjudandeperioden börjar	4 juni 2020 kl 09:00
	Erbjudandeperioden slutar	18 juni 2020 kl 16:00
	Offentliggörande av utfall i Erbjudandet	19 juni 2020 före kl 12:00
	Betalning av aktierna i Erbjudandet	23 juni 2020
	Registrering av nya aktier hos danska bolagsverket (Erhvervsstyrelsen)	24 juni 2020
	Första dag för handel med aktierna på Nasdaq First North Growth Market Denmark under den permanenta ISIN, villkorat av slutligt genomförande	25 juni 2020
	Sammanslagning av temporär ISIN med permanent ISIN hos VP Securities A/S	26 juni 2020

Plan för distribution

Personer som är kontokunder hos Nordnet AB kan ansöka om förvärv av aktier via Nordnets Online Service. Ansökan hos Nordnet kan göras fram till kl 23:59 den 17 juni 2020. För att inte förlora rätten till tilldelning ska kontokunder hos Nordnet ha tillräckligt med likvida medel tillgängliga på kontot under perioden från 23:59 den 17 juni 2020 fram till betalningen som beräknas vara den 23 juni 2020. Mer information om ansökningsprocessen finns på www.nordnet.se.

Utspädning till följd av Erbjudandet

Erbjudandet kommer att resultera i en ökning av det totala antalet aktier i Bolaget med mellan 2 040 817 och 2 755 102, motsvarande en utspädning om mellan cirka 33,4% och 40,4%.

Uppskattning av de totala utgifterna för erbjudandet

Förutsatt slutfört Erbjudande och full teckning i Erbjudandet, beräknas avgifter relaterade till transaktionen (inklusive rådgivningsavgifter och kostnader) till cirka 3,5 miljoner DKK.

4.2 Varför upprättas Prospektet?

Användning och uppskattat nettobelopp av tillförda medel.	<p>Shape Robotics har byggt en plattform för tillväxt och marknadspenetrering på den globala marknaden för utbildningsrobotar. Bolaget kommer att utnyttja denna möjlighet att bli en ledande aktör inom utbildningsrobotar med stark global tillväxt. Genom att utöka och stärka sitt säljnätverk kommer Bolaget att växa på befintliga marknader och penetrera nya tillväxtmarknader. Bolaget planerar också att lansera nya prenumerationstjänster för att nå de delar av skolor som är långsammare att anamma ny teknik. För att hålla sig före konkurrensen kommer Shape Robotics även fortsätta utveckla nya produkter, plattformar och innehåll. Bolagets ambition är att ge alla lärare möjlighet att skapa bättre lärande genom Fable. Den typ av lärande som har en varaktig positiv inverkan och gör det möjligt för eleverna att bli redo för framtida utbildning, jobb och liv.</p> <p>Shape Robotics har nått en punkt där Fable har visat sig vara en attraktiv och konkurrenskraftig EdTech-produkt. För att dra full nytta av marknadens dragkraft och kapitalisera på den snabbt växande marknaden för utbildningsrobotar, genomför Bolaget föreliggande Erbjudande. Genom Erbjudandet förväntas Shape Robotics tillföras ett bruttobelopp (inklusive konvertering av skuld på 2,1 MDKK) om minst 20 miljoner DKK och högst 27 miljoner DKK före avdrag för transaktionskostnader, som beräknas till cirka 3,5 miljoner DKK. Nedan följer en uppskattning av användningen av intäkter:</p> <ul style="list-style-type: none"> • 60 procent kommer att användas till försäljning och marknadsföring för att: <ul style="list-style-type: none"> » Bygga en solid marknadsgrund genom befintliga och nya distributörer samt återförsäljare runt om i världen. » Skapa medvetenhet om Fable på viktiga marknader, t.ex. genom deltagande i utställningar och lansering av Fable-tävlingar. » Lansera och bredda lanseringen av prenumerationstjänster. • 20 procent kommer att användas till affärsinfrastruktur för att: <ul style="list-style-type: none"> » Öka bruttomarginalen genom kostnadsminskningar i produktionen, göra produktionen skalbar genom outsourcing och genom att öka lagret. » Upprätta en kostnadseffektiv och global leverans genom att skapa partnerskap inom logistik runt om i världen. • 15 procent kommer att användas till forskning och utveckling för att: <ul style="list-style-type: none"> » Stärka produktportföljen genom nya Fable-produkter och förbättra befintliga produkter, t.ex. genom att utveckla nya funktioner och verktyg. • 5 procent kommer att användas till utbildningsinnehåll för att: <ul style="list-style-type: none"> » Anpassa utbildningsinnehåll för viktiga marknader, t.ex. översätta och kartlägga det till nationella läroplaner. » Utveckla nytt utbildningsinnehåll, t.ex. innehållspaket för att lära ut artificiell intelligens och IoT.
Intressekonflikter	<p>Såvitt styrelsen känner till finns det inga potentiella intressekonflikter mellan skyldigheten mot Bolaget som medlemmar av ledning eller styrelse och deras privata intressen och / eller andra skyldigheter. Vidare, såvitt styrelsen känner till, finns ingen överenskommelse eller förståelse med större aktieägare, kunder, leverantörer eller andra, enligt vilka någon person i ledningen eller styrelsen utsågs eller anställdes.</p>



Responsibility statement

Issuer's responsibility

The Company is responsible for the information in this Prospectus.

Statement by the Board of Directors and the Executive Management of Shape Robotics A/S

We hereby declare, that to the best of our knowledge, the information contained in this Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

Furthermore, we declare that this Prospectus has been approved by the Danish Financial Supervisory Authority, as competent authority under Regulation (EU) 2017/1129. The Danish Financial Supervisory Authority only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Prospectus. The prospectus has been drawn up as part of an EU Growth prospectus in accordance with article 15 of Regulation (EU) 2017/1129.

Farum, June 3 2020

Board of Directors of Shape Robotics A/S

Lars Nyengaard¹
Chairman of the Board

Moises Pacheco²
Board member

Kasper Støj³
Board member

Thomas Gjørup⁴
Board member

Michael Frank⁵
Board member

Executive Management of Shape Robotics A/S

David Christensen
CEO

1. *Lars Nyengaard (CEO at Arcane Tinmen)*
2. *Moises Pacheco (CTO at Shape Robotics)*
3. *Kasper Støj (Professor at the IT University of Copenhagen)*
4. *Thomas Gjørup (CEO at TAG Holding ApS)*
5. *Michael Frank (Investment and Portfolio Manager at Syddansk Innovation A/S)*



Third party information and conflicts of interest

THIRD PARTY INFORMATION

The information regarding market growth and market size as well as Shape Robotics' market position in relation to competitors stated in the Prospectus is Shape Robotics' overall assessment, based on both internal and external sources. The sources on which Shape Robotics based its assessment are listed on an ongoing basis in the information. Where information has been accurately reproduced and that as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The market overview contains hyperlinks to websites. The information on these websites does not form part of the Prospectus and has not been reviewed or approved by the competent authority.

Apart from Shape Robotics audited annual reports for the financial years 2019 and 2018, no information in the Prospectus has been reviewed or audited by the Company's auditor.

ADVISOR

Västra Hamnen is a financial advisor and certified advisor to Shape Robotics in connection with the Offering. Danske Bank acts as an issuer in connection with the Offering. Moalem Weittemeyer Bendtsen Advokatpartnerselskab is legal advisor to Shape Robotics in connection with the Offering. As all information in the Prospectus has been provided by the Company, Västra Hamnen, Danske Bank and Moalem Weittemeyer Bendtsen Advokatpartnerselskab are relieved of liability in relation to investments in the Company or other decisions based on information or the lack of information in the Prospectus.

CONFLICTS OF INTEREST

To the knowledge of the board there are no potential conflicts of interests between duties to the company, of the executive management, key employees or the board, and their private interests and/or other duties. Further, there are to the knowledge of the board no arrangement or understanding with major shareholders, customer, suppliers or others, pursuant to which any person in the management or the board was appointed or employed.

SOURCES

- McKinsey & Company (2017), *Jobs lost, jobs gained: Workforce transitions in a time of automation*.
- European Schoolnet (2015), *Computing our future: Computer programming and coding - Priorities, school curricula and initiatives across Europe*.
- Khanlari, Ahmad. (2015). *Teachers' perceptions of the benefits and the challenges of integrating educational robots into primary/elementary curricula*. *European Journal of Engineering Education*
- McKinsey Global Institute - *Skills shift automation and the future of the workforce (2018)*
- www.oecd.com
- Edtecheurope (2016), *A Map for the Future of Education and Work*.
- HolonIQ (2018), *Education in 2030*.
- HolonIQ (2019), *Robotics Report*.
- Data Bridget Market Research (2019).
- Market And Markets (2018), *Educational Robot Market – Global Forecast to 2023*.
- Chinadaily.com - *Coding is new 'game' for Chinese kids*.
- <http://www.eun.org>
- Educationsuperhighway (2019). *State of the States*.
- *The term used in education and educational technology in the United States, Canada, and other countries, that is a short form for the publicly-supported school grades prior to college; from kindergarten (K) and the 1st through to 12th grade (1-12)*.
- Common Sense Media (2019). *Inside the 21st-century classroom*.
- Anayse Denmark (2019). *Digitization in Danish schools 2019*.
- McKinsey (2013). *Education to Employment: Designing a System that Work*.
- Code.org (2018), *State of Computer Science Education: Policy and Implementation*.



Background and reasons

Shape Robotics is a Danish educational technology company. The Company has developed Fable, an innovative modular robotic system that makes it easy and fun for students to build and program their own robots. Educational institutions, in every part of the world, are required to adapt as digital technologies, artificial intelligence, and automation are transforming life and work. New subjects such as programming and technology are being implemented as the mandatory subjects in most countries, typically starting at primary school level. Therefore, schools are bringing new educational technology into the classroom. Shape Robotics helps these institutions provide excellent teaching that will prepare students for a fast-changing future.

The story of the Fable robotics system began in 2011 where the Company's founders were working as robotics researchers together with other engineers, designers and researchers from DTU, MIT Media Lab and LEGO®. The founders observed a need for a radically different educational robotics system where transition from idea to solution had to be smoother for both teacher and students. To realize such a system the founders did research and development of Fable in the following years. Shape Robotics was founded by David Johan Christensen and Moises Pacheco in 2015, and in 2017 the first version of Fable was ready for mass production.

The final design features a holistic integration of several unique technologies, such as strong, self-locking magnetic connectors, effortless device-pairing based on colored light and a flexible wireless programming architecture. One uniqueness with the Fable robots is that they can be built, programmed and modified in seconds or minutes, instead of hours or days. Furthermore, the system is so simple that it can be used by students from the age of 8 years, yet it is sufficiently advanced to satisfy the needs in secondary schools and even at universities.

After the first batch of Fable robots was shipped to Danish customers, Shape Robotics has gained interest from international resellers and distributors. In the following years the Company gradually expanded its sales network and extended its portfolio of Fable products. Today, the Company's sales network cover approximately 25 countries and its products are used by thousands of teachers at hundreds of schools.

Shape Robotics has built a platform for growth and market penetration on the global market for educational robots. The Company will take advantage of this opportunity to become a leading educational robotics company with strong global growth. By expanding and nurturing its sales network the Company will grow in existing markets and penetrate new

high-opportunity markets. The Company also plans to launch new subscription services to reach the segments of schools that are slower to adopt new technology. Further, to stay ahead of competition, the Company will continue to develop new products, platforms, and content. The Company's ambition is to empower all teachers to create profoundly better learning using robotics. The type of learning that have a lasting positive impact and enables the students to get ready for their future education, job and life.

Shape robotics has reached a point, where Fable has proven to be a highly attractive and competitive educational technology ("EdTech") product. In order to take full advantage of the market traction and monetize on the rapidly growing market for educational robotics, the Company will require additional equity funding. Through the Offering, Shape Robotics is expected to raise a gross proceeds (including the conversion of debt of 2.1 MDKK) of minimum DKK 20 million and maximum DKK 27 million before deduction of transaction costs, which are estimated to approximately DKK 3.5 million. Below is an estimate of the use of proceeds:

- 60 percent will be used for sales and marketing to:
 - » Continue to build a solid market foundation through existing and new distributors and resellers around the world.
 - » Create awareness about Fable in key markets, e.g. by participation in exhibitions and launching Fable robotics competitions.
 - » Build and broaden the launch of subscription services.
- 20 percent will be used for business infrastructure to:
 - » Increase gross margin by implementing cost-reductions in the production, make the production scalable by outsourcing and by increasing stock of inventory.
 - » Establish cost-effective global delivery by setting up logistics partnerships around the world.
- 15 percent will be used for research and development:
 - » Strengthen the product portfolio by developing new Fable products and improving the existing products, e.g. by developing new features and tools.
- 5 percent will be used on educational content:
 - » Adapt educational content for key markets, e.g. translating and mapping it to national curriculums.
 - » Develop new educational content, e.g. content packages to teach artificial intelligence and IoT.

*Farum, June 3 2020
Shape Robotics A/S
Board of Directors*





Strategy, Performance and Business Environment

- Market Overview

The market overview contains hyperlinks to websites. The information on these websites does not form part of the Prospectus and has not been reviewed or approved by the competent authority.

FUTURE CHALLENGES

Traditional subjects, such as mathematics and languages, are essential for any student to learn. But these subjects are no longer enough in a world where digital technology, automation and artificial intelligence is playing an increasing role. Therefore, national curriculums around the world are being adapted to this new reality, and governments are implementing education reforms that provide opportunities for people to re-skill. Future successful nations will to a large extent be those who successfully embrace new means and methods in education to prepare their population for a digital future.

The challenges of globalization, digitalization of society, and technological innovations have become increasingly important. By 2030, as many as 400-800 million people are at risk of losing their jobs as a consequence of robotic automation. On a global scale, the most extreme scenario would affect as many as one-fifth of the total work force. Estimates predict that 375 million people are likely to switch job categories entirely.¹

¹ McKinsey & Company (2017), *Jobs lost, jobs gained: Workforce transitions in a time of automation*.

EDUCATIONAL ROBOTICS

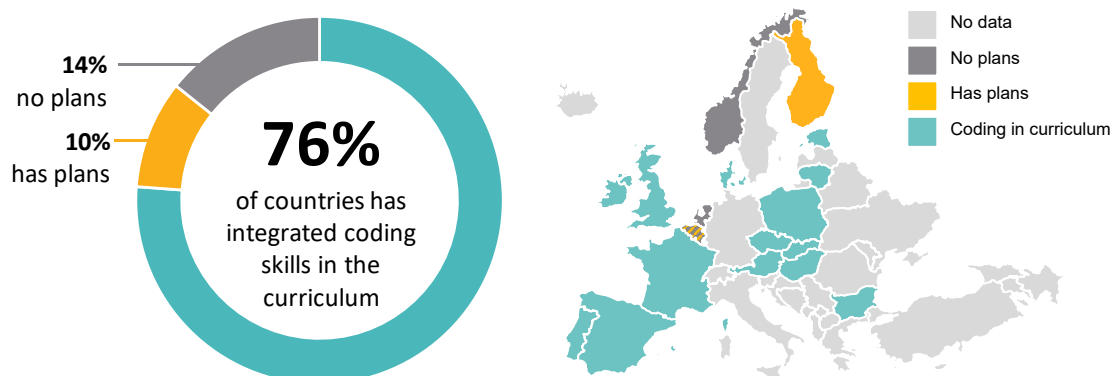
Shape Robotics is operating in the Education Robotics market. Educational robots are widely used in schools, colleges, universities and special education across the world.

Educational robots play a significant and fast-growing role as part of teaching math, computer science and engineering. However, educational robots has also been proven as an effective way to train digital literacy competencies and other essential soft skills. Educational robots are attractive learning tools due to their capability to be programmed by the students to move, sense, and interact with the physical world. They provide hands-on training and expose students to real-life work situations that enhance their ability to analyze and develop creative solutions to real world problems. Educational robots are established as excellent tools to facilitate exciting and inspiring science, technology, engineering and math ("STEM") learning sessions.² And they enable students to build and strengthen their problem-solving capabilities as well as communication skills necessary to effectively participate in teamwork. Skills that are essential for the 21st century workforce to master.³

² Khanlari, Ahmad. (2015). *Teachers' perceptions of the benefits and the challenges of integrating educational robots into primary/elementary curricula*. *European Journal of Engineering Education*.

³ McKinsey Global Institute - *Skills shift automation and the future of the workforce* (2018)

Coding skills are being integrated into the curriculum (survey of 21 European countries, 2015)



*Source: European Schoolnet (2015), *Computing our future: Computer programming and coding - Priorities, school curricula and initiatives across Europe*.*



Market size

Worldwide, education is a USD 6 trillion industry. Budgets continue to grow and is expected to reach USD 8 trillion by 2025 and USD 10 trillion by 2030 as populations increase in developing countries.⁴

Today the world population grows by 200 000 people on a daily basis. By 2030 the world population is expected to have grown another billion compared to today. Population growth will put enormous pressure on the education system to scale effectively and sustainable. The number of students is expected to double within the next decade, mainly driven by population growth, enrolment growth and more cost-effective and accessible education.⁵ Estimates predict there will be half a billion more school and university graduates in 2025 driven mostly by population growth in developing countries. By 2035 there is expected to be 2.7 billion students worldwide⁶.

Global education technology expenditure is forecasted to grow to USD 342 billion in 2025. The global focus of governments on national workforce development, education and skills training for the future is likely to significantly increase the digital expenditure to 4.4 percent of total global education expenditure in 2025 raised from 2.6 percent in 2018.⁷

Robotic spending in education is estimated to grow to USD 3.1 billion by 2025 from USD 1.3 billion in 2018, corresponding to a compound annual growth rate ("CAGR") of 15.6 percent.⁸ This rise can be attributed to the advancements in robotics technology, increased demand for educational robots as a learning tool and governments implementing STEM skills in national curriculums in more and more countries.⁹

Geographical landscape

America (North and South)

North America is an early adopter of educational robots. The region has a significant base of existing users. The United States is the main player in the American market and is expected to contribute significantly to the overall expenditure in the near future followed by Canada and Mexico.¹⁰

⁴ HolonIQ (2018), Education-in-2030.

⁵ www.oecd.com

⁶ Edtecheurope (2016), A Map for the Future of Education and Work.

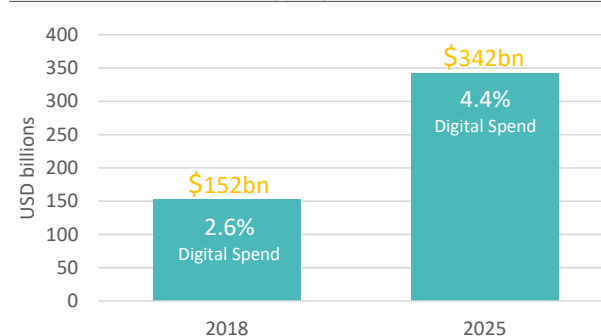
⁷ HolonIQ (2018), Education in 2030.

⁸ HolonIQ (2019), Robotics Report.

⁹ HolonIQ (2018), Education in 2030.

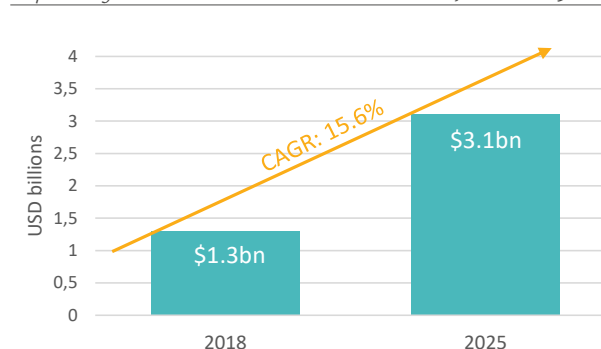
¹⁰ Data Bridget Market Research (2019).

Global educational technology expenditure, 2018-2025



Source: HolonIQ (2018), Education in 2030

Expected growth – educational robotics market, 2018-2025



Source: HolonIQ (2019), Robotics Report

In South America - Brazil, Argentina and Chile, have started to use educational robots in teaching and contribute to the market growth.¹¹ In total, America holds the major market share and is expected to increase its role as lead implementor of educational robots.¹²

¹¹ Market And Markets (2018), Educational Robot Market – Global Forecast to 2023.

¹² Market And Markets (2018), Educational Robot Market – Global Forecast to 2023.



APAC

The APAC market is expected to have the highest growth rate between 2019-2026.¹³ The region is likely to adopt educational robots on a massive scale due to widespread government initiatives focused on improving the digital literacy rate in the region. The combination of a dramatically increasing number of students over the next decade, the presence of a large number of robotic manufacturing companies in China, Korea and Japan, along with strong presence of electronics and semiconductor companies, is driving the growth of educational robots in APAC.¹⁴

Furthermore, the private educational market together with afterschool classes aim to fill gaps in state-provided education. The coding industry, for example, of young students in China is a business worth up to 4 billion yuan (USD 558 million), and is forecasted to increase tenfold in the next five years.¹⁵

Europe

The European market is expected to have the second highest growth rate after APAC, due to a solid political focus on STEM and the increasing adoption of educational robotics in Europe. Within Europe, Germany alone is expected to contribute over USD 59.6 million to the expenditure in the region in the next 5 or 6 years, corresponding to almost 45 percent of the total spending in Europe.¹⁶ The main drivers in Europe are EU and governments implementing computing and coding as part of national curriculums.¹⁷

¹³ Data Bridget Market Research (2019).

¹⁴ Market And Markets (2018), Educational Robot Market – Global Forecast to 2023.

¹⁵ Chinadaily.com - Coding is new 'game' for Chinese kids.

¹⁶ Data Bridget Market Research (2019).

¹⁷ <http://www.eun.org>

MARKET TRENDS

Global Rise of Education

By 2025 there will be half a billion more students at school and university graduates in the world than today. This massive development will accelerate public spending and private investments in the educational sector. Due to a global need to ensure training for the future skills, knowledge and jobs, dramatic changes will be made to the way teaching is being delivered. What we learn, how we learn and when we learn is changing fundamentally and fast.

Digitalization

In recent years, Internet connected computers and smartphones have become an integrated part of schools. In the US 99 percent of public schools have high-speed internet¹⁸ and 82 percent of the United States' K-12¹⁹ teachers report having in-classroom access to computing device²⁰.

Furthermore, books and other traditional educational material have fundamentally been transformed into new digital formats. Hence, the students can access educational content, solve exercises, and get feedback using an Internet connected device. Digital content has multiple advantages. It may be extended, improved and updated continuously to never become outdated. It can be accessed by the student anywhere at any time; at school or at home. Digital platforms provide new personalized ways of learning. Artificial intelligence is being used to guide the learning based on the needs of the individual student. Such advantages, combined with political pressure for digitization of education, has led to high penetration of digital learning platforms on certain markets. In Denmark 36 percent of the teachers are only or primarily using digital teaching materials, whereas it is 13 percent amongst teachers in Sweden²¹.

¹⁸ Educationsuperhighway (2019). State of the States.

¹⁹ The term used in education and educational technology in the United States, Canada, and other countries, that is a short form for the publicly-supported school grades prior to college; from kindergarten (K) and the 1st through to 12th grade (1-12).

²⁰ Common Sense Media (2019). Inside the 21st-century classroom.

²¹ Anayse Denmark (2019). Digitization in Danish schools 2019.



Future of work

There is a gap between the skills employers are looking for and the skills that students acquire by receiving teaching at traditional educational institutions. In a survey, 60 percent of employers responded that graduates were not adequately prepared for modern workplaces.²² This skill gap is increasingly being widened by the transformation of the job market caused by digitalization and automation for which traditional subjects fail to prepare the students.

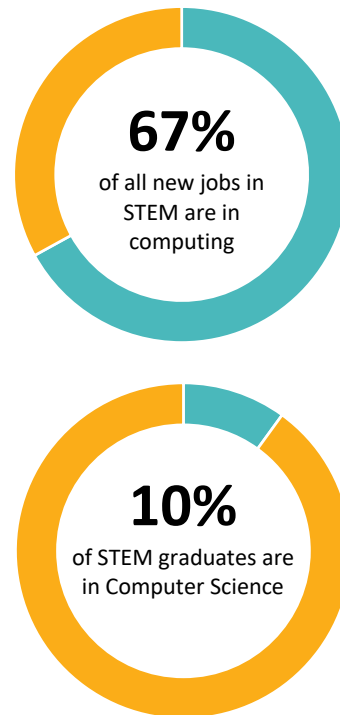
Educational institutions react to this skill gap by transforming their teaching to include subjects such as computational thinking, programming, robotics, digital design, innovation and entrepreneurship. Some schools also create makerspaces, often as part of the school library. Makerspaces contain tools, materials and equipment for students to create digital technology and develop creative projects, often with robots. The objectives include to prepare all students better for a digital future and inspire more students to select career-paths in the STEM subjects.

In the United States, new policies are being pursued to make computer science fundamental in education. The number of states that have at least one (out of nine) policies has grown from 14 states in 2013, to 44 states in 2018.²³

²² McKinsey (2013). *Education to Employment: Designing a System that Work*.

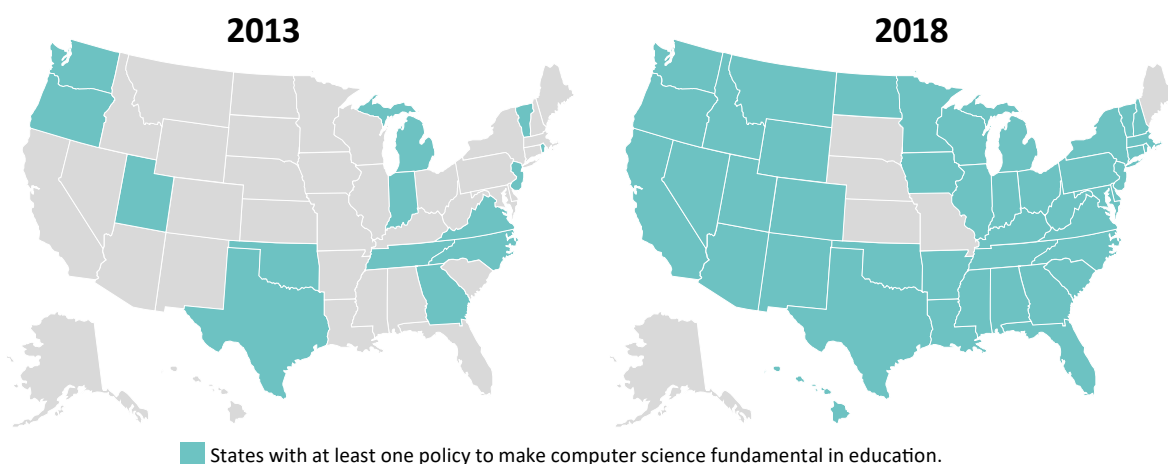
²³ Code.org (2018), *State of Computer Science Education: Policy and Implementation*.

Skill gap between future jobs and education (US data)



Source: code.org

Growth of K-12 teaching in Computer Science in United States of America



Source: Code.org (2018), *State of Computer Science Education: Policy and Implementation*.



COMPETITION

From the Company's view, the educational robot market can be segmented into four main categories of robots based on their physical design, coding method and educational method:

Screen-free robots

Many robots are programmed physically, e.g. by pushing buttons on the robot itself. Usually this type comes fully assembled and without any programming software. These screen-free robots in general have a 'toy-like' look and feel, and often only prove appropriate for introducing the basics of coding, such as sequences. This category targets pre-school and the first years of primary school but are not suitable for older students. Popular robots in this category: Bee-Bot, KUBO, mTiny, Cubetto, Mochi among others.

Pre-designed robots

These robots come fully assembled and are used to introduce students to basic software and coding concepts. Usually these robots come with exteriors and coding applications that targets early primary and middle school students with a balance between 'just for fun' and 'learning to code'. These robots often have high entertainment value, but are quite limited in teaching potential compared to robots that are not pre-designed. Examples of robots in this category: Dash and Dot, Sphero, Botley, Smart Buddies among others.

Kit-based robots

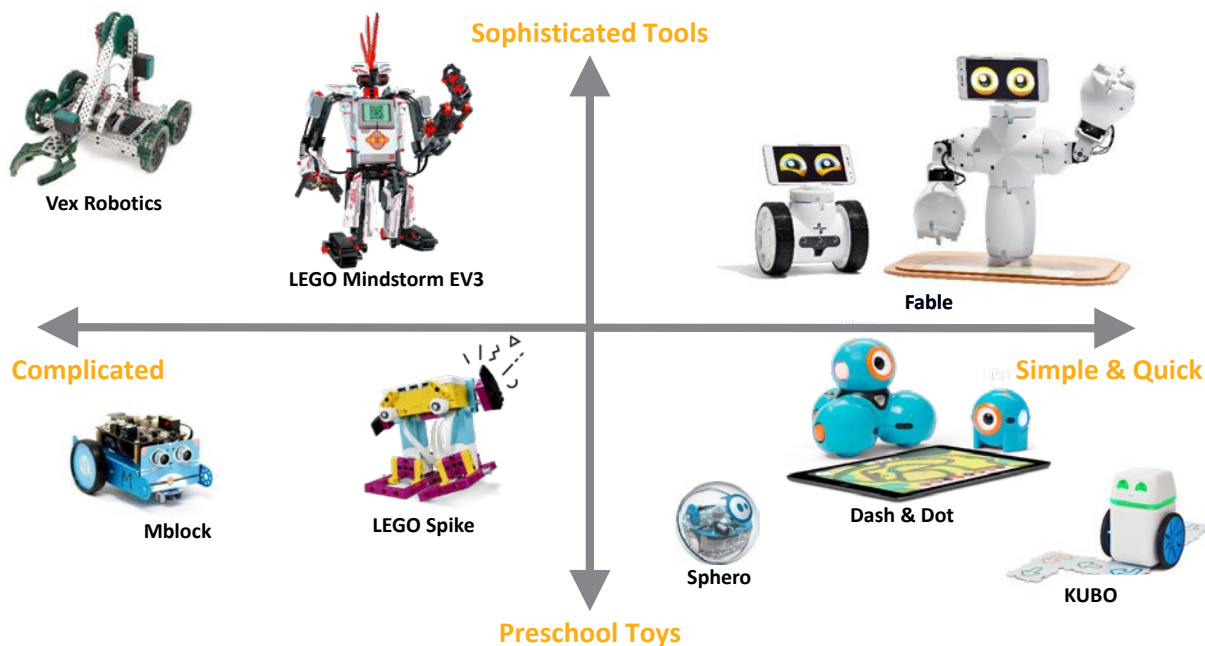
Kit-based robots come unassembled and put emphasis on the electronics and engineering aspects of robotics. With a high level of granularity and flexibility in their design, students both build and use block-based or text-based coding applications to program these robots as they work through different project-based learning objectives. These kits often consist of a significant number of small components; hence they are time-consuming to build, tend to appeal to technical minded students and teachers, and are not well-suitable for normal day-to-day-classroom teaching. This category often targets middle school to high-school students. Examples of robots in this category: LEGO Mindstorms®, VEX Robotics, Tetrix, Robotis and Fishertechnik.

Modular robots

The Fable educational robot, which is developed by Shape Robotics, is in the modular robotics category. Modular robots consist of self-contained robotic components which are easy and quick to assemble into functional robots. Compared to kit-based robots the time needed to design and assemble a robot is minimal. This frees up precious time to program, experiment and thereby learn more by working with the robot.

The only other modular robots on the market all target young children from age 4 to 10: Wonderkind, Cubelets, Tinkerbots, and Mabot. Therefore, they are not directly competing with Fable that is more advanced and the only system appropriate for older students.

Shape Robotics competition chart



Based on the Company's market perception



Company Overview

SHAPE ROBOTICS IN BRIEF

Shape Robotics is a Danish educational technology company. The Company has developed Fable, an innovative modular robotic system that makes it easy and fun for students to build and program their own robots. Educational institutions, in many countries around the world, are obliged by new national curriculums to adapt their teaching as digital technologies, artificial intelligence, and automation are transforming life and work. Shape Robotics helps these institutions provide excellent teaching that will prepare students for a fast-changing future.

The Fable system is teacher-friendly since it is designed to be used in the classroom, quick and easy to setup, cost effective and well supported by high-quality educational content. Fable motivates students to do hands-on problem-based learning activities with robotic technology to learn both traditional subjects and skills that have become important in the 21st century.

Since 2017, Fable is sold both directly to customers or indirectly through an international network of resellers and distributors. More than 5 000 Fable sets has been sold since the initial launch and these robots are now being used in teaching by educational institutions around the world.

HISTORY

The development of Fable was initialized in 2011 as part of a national research and innovation project at the Technical University of Denmark ("DTU"). The objective of the project was to develop interactive intelligent technology, called Playware, that would consolidate and extend Denmark's leading position on the world toy market. The project's partners included Lego Group as the world's leading provider of toys and educational robots, and DTU researchers with decades of expertise in modular robotics, artificial intelligence, play and learning.

Two of the researchers involved were Associate Professor David Johan Christensen and Ph.D. student Moises Pacheco. During the project they performed research, development and user testing with many different prototypes of the Fable system. By 2015 the Fable system had reached product-market fit and gained significant interest from educational institutions. Hence, they founded Shape Robotics as a research spin-off company from DTU. During 2017 the research prototypes had been developed into a certified mass-producible product and the first Fable robots were shipped to customers.

ORGANIZATION

Shape Robotics is located in Farum north of Copenhagen. The Company currently employs 22 full time employees who are organized into five departments: Finance & Administration, Production & Logistics, Development, Sales & Marketing and Education.

At the time of this prospectus, the Company's management team consists of four members. The Development department has seven software and robotics developers to maintain and develop the Company's product portfolio. The education department (currently one employee) develops educational content and provide product training to end customers and partners. Sales & marketing and production & logistics both employs five people.

One year from after the first day of trading, the Company expects to be a total of 28 full time employees. New hires will primarily be in sales and marketing.

BUSINESS MODEL & STRATEGY

The Company's strategy is to continue to expand its international sales channels, optimize its operations, and introduce new products and services. The objective is to strengthen the Company's position as a leading global provider of educational robotic technology and in the process increase turnover as well as profit margins.

Today, Shape Robotics combines direct sales in Denmark, with indirect international sales through distributors and resellers and has achieved a deep understanding of the customers' needs and the trends in the educational market. In an ongoing process to increase revenue and make the sales process simpler and faster, the Company plans to introduce a new educational subscription service based on the Fable technology. Extending the Fable software platform will give subscribers access to exclusive educational content, skill development, software toolboxes and features. This Software-as-a-Service platform is not dependent on access to the Fable hardware, but all customer leads are offered a Fable subscription that includes robots.

The Robots-as-a-Service model will considerably reduce customer acquisition cost and at the same time increase the life-time value. The reduced up-front investment will make Fable marketable to customer segments currently holding back on educational robots. This strategy to launch and offer subscription services based on Fable is expected to help drive growth and generate stable and predictable revenue streams for the Company.

FINANCIAL TARGETS

- Average revenue growth rate of more than 80% per annum between 2021 to 2023, with a target revenue of 55 MDKK in 2023; and
- Positive cash flow from operating activities for the full year 2023.



SHAPE ROBOTICS SOLUTION

The problem

Traditional subjects, such as mathematics and languages, are essential for any student to learn. But these subjects are no longer sufficient in a world where digital technology, automation and artificial intelligence are playing an increasing role.

Therefore, national curriculums around the world are being adapted to this new reality. Thereby driving educational institutions to include technology and computer programming as part of their core educational offer. For example, a new subject called Technology Understanding (Teknologiforståelse) is scheduled to become mandatory in Danish schools by 2021. And from 2020 to 2022 Japan is making computer programming a mandatory subject for all primary, middle and high school students.¹

However, many educational institutions (especially at the primary level) are slow at adapting the new subjects into their educational offer. This is partly due to teachers not having the necessary training in new educational technologies such as robotics and programming. Many teachers feel that they lack the necessary time to learn such new teaching competencies.

Existing solutions

Robots has since the 1980's been used to teach young students' computational concepts. But initially, it was to a very limited audience. The LEGO Mindstorms® Robotic Invention System was launched in 1998 and became the first commercial system to make a real impact in schools. However, most existing solutions are not well suited for the classroom as they are found too time-consuming, complex, limited or provide insufficient educational support.

¹ <https://asia.nikkei.com/Economy/Coding-will-be-mandatory-in-Japan-s-primary-schools-from-2020>

The Fable System

Fable is a modular robot solution, easy to assemble, simple for young students to build and code, but yet sufficiently advanced for high-school, vocational students and even relevant at university level. When working with Fable the students become prepared for their future by exposing them to playful, problem-based, hands-on learning of 21st century skills.

The Fable robots are more teacher friendly, timesaving and suitable for everyday classroom teaching, than other robots targeting middle school level education and up. The product comes with comprehensive educational content which is crucial for the teachers that lack technical experience and time to prepare. The Fable educational robots enjoy the same high educational value and benefits as the kit-based robots, but the system is faster and more flexible to use, due to its software platform and modularity.

Fable is a holistic integration of several unique technologies, such as self-locking magnetic connectors, open-ended construction system and effortless device-pairing based on colored light. Some of the Fable modules have embedded electronics, rechargeable batteries, wireless communication, smart actuators and sensors. Other modules and accessories are purely passive. The modular design makes it possible to build robots in a matter of seconds and students can therefore quickly prototype, test, and improve the robots they are building. Short experimental cycles with immediate feedback are vital in hands on learning.



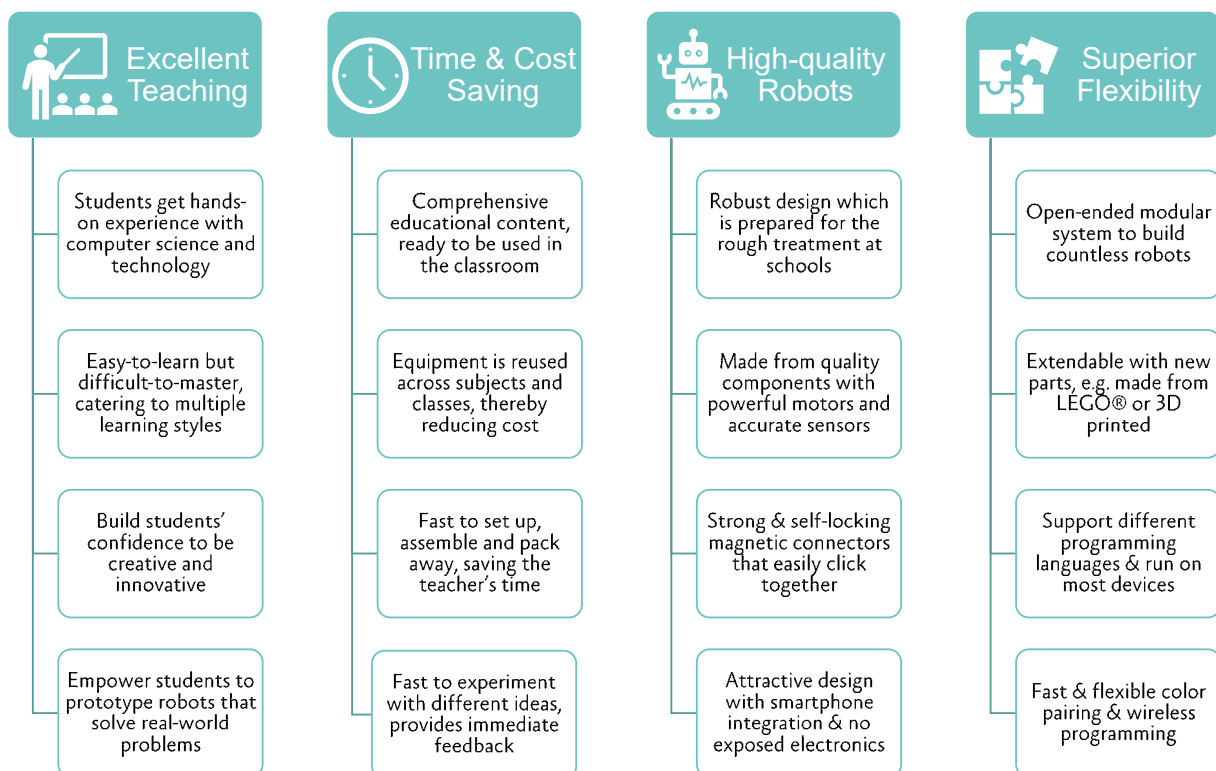
The Fable robots are programmed using an innovative wireless communication architecture. The students use a programming platform running on a PC, Mac, Chromebook or Tablet. Novice programmers may use a simple programming language based on visual blocks that snap together like jigsaw puzzle pieces. More experienced users can use textual programming languages such as Python or JavaScript. The coding is simple enough for students aged 8, yet sufficiently advanced for high-school, vocational students and even at university level. The experience transfers directly to real-world computer science skills such as software design, implementation and debugging of algorithms.

The Fable system is open ended, which enables students to extend the system with their own modules and accessories. Such parts can be designed and produced at the school's makerspace, for example be 3D-printed or constructed from LEGO®. The fact that Fable is both simple, advanced and open

to be extended gives it a strong appeal both to technical and non-technical teachers at different educational levels, which is something that no other educational robot support.

The Fable system's design can be described as Scandinavian and it gains much of its expression from a smartphone running the Fable Face app. It turns the phone into a pair of eyes for the robot. Control of the eyes and the smartphone's sensors are available through programming. In real life practice the system have proven to be attractive for both female and male students and it caters for multiple learning styles and interests. Because of its' flexible design Fable can be used across a wide range of subjects and classes and has been used for teaching that involved storytelling, automation, math, competitions and everything in between.

Benefits for educational institutions to use Fable



PRODUCT PORTFOLIO

The Company's current product portfolio consists of around 10 different sets of the Fable educational robotics system. These sets are created from the around 20 different Fable modules and accessories that are currently in production. Below are examples of available Fable sets.

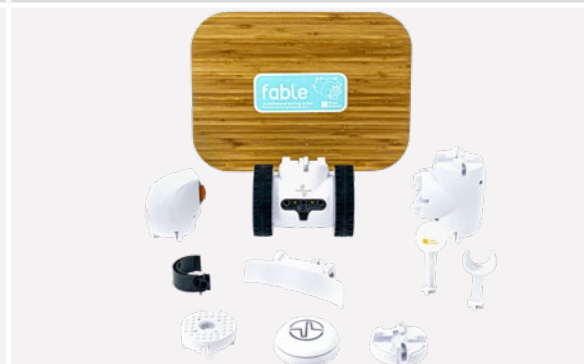
Fable Explore!

The Fable Explore! is comprised of a robotic arm with two actuated degrees of freedom, called a Fable Joint module. The set also contains a USB hub for wireless programming and several accessories that enable the students to create fun and educational projects such as pick-and-place robots, ball-throwing experiments, and solving a maze game. The first version of the Fable Explore! started shipping in 2017 and the content of it has since then been revised several times.



Fable Go!

The Fable Go! is comprised of a Fable Spin which has two rotational connectors and multiple sensors, a Fable Hub and several accessories. The Fable Spin has numerous applications and one of them is to create mobile robots with wheels. The students can for example create robots that play soccer, follow a line on the floor or transport objects between locations. The Fable Go! started shipping in Q1 2019 and is the newest addition to the product portfolio.



Fable Makerspace and Classroom Sets

One Fable Go! or Fable Explore! is suitable to teach 2-3 students working in a small group. To teach a full classroom of students most schools will purchase a larger set consisting of several Fable Go/Explore sets. Shape Robotics therefore offer such sets to schools and resellers. One popular option is the Makerspace+ set which consists of 6 pcs. Fable Go! and 6 pcs. Fable Explore! as well as two charging stations. With this large set, students are free to be creative and explore countless robotics solutions.



Extending the Fable System

Shape Robotics strategy is to continue to extend the Fable system to make it even more attractive for potential customers. The modular design of Fable makes it open to be extended and improved. Shape Robotics will therefore continue to invest in development activities. Extending the Fable system with new products and services based on what the educational sector is requesting. Such activities will include the development of new robotics modules, software toolboxes and high-quality educational content. This ensures that Fable becomes increasingly attractive to customers and stay ahead of the competition.





Shape robotics programming interface

CUSTOMER SEGMENTS

With Fable, the Company targets educational institutions that are looking to upgrade their teaching with an educational robotic product that is high-quality, appeals to both genders, is teacher-friendly and enables engaging hands-on teaching. Fable can be used with students as young as 8 years old, but most institutions acquire Fable to use it with students aged 12-16 years. The customer segments vary by geography, but the typical segments are primary schools, secondary schools, high-schools, vocational schools, after school programs and Community Centers. The institutions are both private and public. In the Company's experience it varies greatly from country to country how fast different segments acquire educational robots.

The Company targets specific customer segments in specific countries, e.g. by creating educational content with local partners that match their local curriculum as well as do targeted marketing. Shape Robotics will continue to identify and target high opportunity segments around the world. Local resellers with strong networks in the target segments are critical for successfully targeting a new market segment.

SALES CHANNELS

Shape Robotics combines direct sales in Denmark, with indirect international sales through distributors and resellers.

In Denmark, most of the Company's sales is direct to schools, municipalities, libraries, high-schools, vocational schools, coding clubs and other private and public institutions with education at its core. The direct sales approach is based on advertising, workshops, exhibitions, events and demonstrations where sales representatives enter into an open dialog with potential customers. This approach enables the Company to gain a deep understanding of its customers, their concerns, needs and values which allows the Company to quickly react to potential sales barriers. In 2019, approximately 25% of the revenue was done through direct sales. Direct sales will continue but as a revenue stream compared to partner sales and recurrent revenues.

Shape Robotics has since 2017 built up a network of international resellers and distributors. Today, the Company has agreements with 35 resellers/distributors based in 25 countries². Some resellers/distributor have exclusivity to sell Fable in

their territory. However, most resellers are non-exclusive, and all contracts can be terminated which limits the Company's dependency on a single partner³. A typical reseller is one which is experienced selling educational technology directly to schools or through public tenders in their country of origin.

Currently, all support for resellers, distributors and customers is done from the Company's headquarter in Denmark. The Company anticipates that it can eventually benefit from establishing subsidiaries in key markets/regions⁴. The objective is to achieve a more effective market penetration by ensuring local presence and support. However, currently the Company has no specific plans to establish any subsidiaries.

MARKETING

Shape Robotics engages with potential customers via multiple channels, in order to effectively market the products and related services. Customer leads are generated both online (e.g. social media, digital marketing and newsletters) and physical (e.g. exhibitions, events and workshops).

Engaging with educators' core values and being long-term visible to the customers are critical for success in the educational sector. One way the Company does this is by telling stories about teachers using Fable to create engaging teaching with excellent learning outcomes. In the Company's visual communication, it enforces a consistent design identity and use Fable robots as an easy-to-recognize visual iconic brand. Marketing content such as customer cases, videos and graphics are shared with resellers/distributors to help them market Fable on their local markets. The Company's story is strengthened by the global trend of using robots as classroom materials.

To create awareness, potential customers may be offered free-trial robots for a limited amount of time and online demonstrations. As the Company's user base has grown, more and more user generated content (e.g. short videos or tutorials) has started to be shared by users online. In the future the Company will provide better tools and platforms, such as a community platform, for users to create and share authentic content so that they can connect and learn from each other.

³ The company's reseller agreements automatically renew every 12 months unless terminated by one of the parties at least three months before the end of a term. Exclusive agreements includes minimum purchase obligation by the reseller/distributor

⁴ USA, UK, Scandinavia, DACH countries, BENELUX countries, Russia, China, Japan, South Korea, and others

² 10 in Scandinavia, 16 in the rest of Europe, 3 in North America, and 6 in the rest of the world. The resellers are based in around 25 countries but sell educational technology in approximately 35 countries



Building trust with potential customers is a focus activity. Therefore, the Company will continue to setup key partnerships with established players in the educational sector. These players may be able to reach a large number of educational institutions, have a high brand awareness and unique technologies with strong synergies with Fable. Rather than having a buyer-seller relationship, these partnerships may for example include joint development of new technology, integration of the partners technologies or collaborations on marketing activities. One such ongoing partnership with Microsoft Education was established in 2017. The partnership includes co-development of technology and Fable being featured as part of Microsoft's exhibit at educational shows.

Robotics competitions are events where groups of students compete against each other. Often, the events are sponsored or organized by the Company developing the robotics platform used in the competition. Historically such competitions have been an important sales driver for educational robots. Shape Robotics will also begin to organize its own robotics competition using the Fable system. To ensure cost-effectiveness and scalability the Company plans to launch a digital competition in several phases. First phase is being done in 2020 with a digital competition in Denmark. Learning from the experience, the plan is to scale up internationally afterwards.

MARKET ROLL-OUT PLAN

During 2019 Russia, Netherlands, USA, Sweden, Italy and UK accounted for the highest turnover through indirect sales. In these markets, the Company have strong resellers who are well equipped to sell Fable in their geographical markets. The top five resellers brought in 85% of the Company's partner sales in 2019.

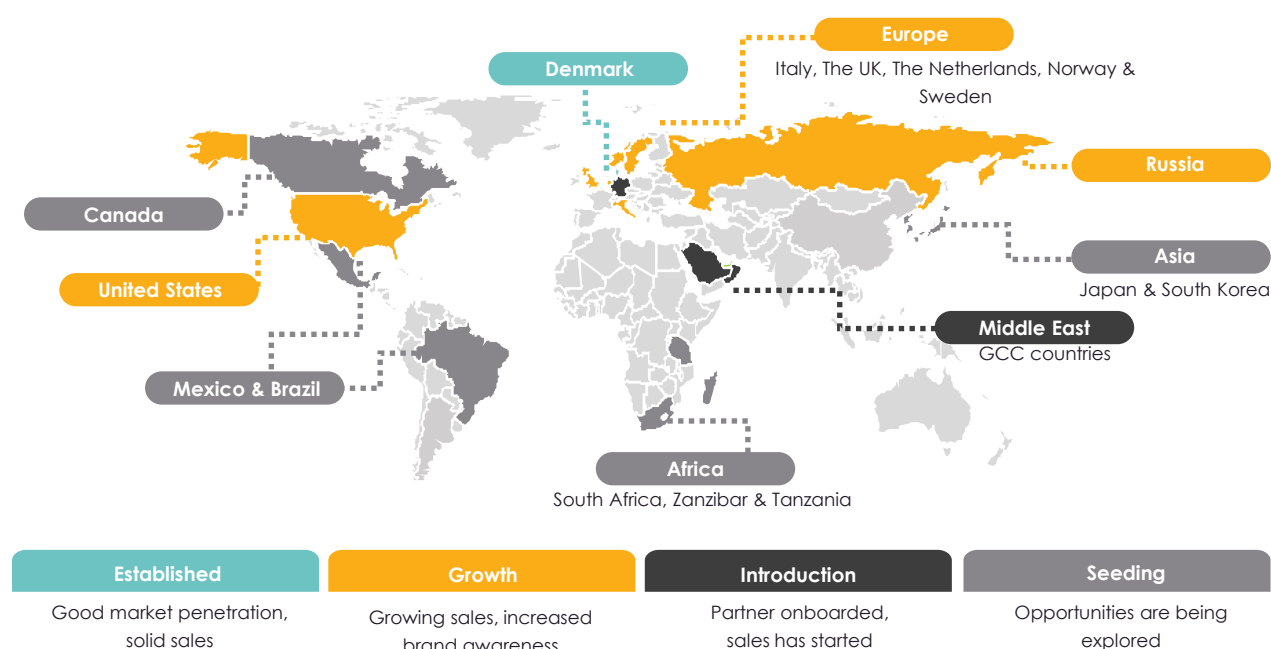
The Company plans to further strengthen its support of

these top resellers and anticipate that the turnover of Fable will grow further in these priority markets over the coming years. Moreover, the Company has resellers in 15-20 countries where the turnover is not yet substantial for various reasons, e.g. due to lack of brand awareness, reseller onboarding in progress, or difficult market situations. The Company anticipates that there is a large growth potential with this groups of resellers. Therefore, the Company will emphasize its focus on less penetrated and new geographical markets with high potential for growth that has not yet been realized by the Company.

2020 until 2023 will be a transitional period for Shape Robotics where the Company will become an established player within the educational robotic marketplace. Shape Robotics wide portfolio of robot solutions and established partners, shall continue to build a solid market foundation through existing and new distributors and resellers around the world. Shape Robotics' current mix of partners and distributors are a key element to the overall success of Shape Robotics. Large partners will often be engaged in the bigger deals, but the sales cycles are longer. Smaller partners are quicker and although deal sizes are typically not as large, there is normally a higher volume of deals to obtain. The mix of partners ensure a more predictable revenue flow for Shape Robotics.

The Company will optimize its reseller network and invest more resources to grow in these areas. The key focus areas are:

- Continued focus on increasing market penetration in the United States, Russia and Northern Europe.
- Focusing on establish a solid market position in the Middle East.
- New market opportunities in APAC, Canada, Mexico and Brazil.



MANUFACTURING

Production today

Shape Robotics produces some of its Fable components at its own facilities in Farum, Denmark while the production of other components is outsourced to trusted partners in Slovakia and Thailand. Currently, all components go through the final quality assurance and are boxed in Farum before they are shipped to customers and resellers around the world.

Main suppliers

A Fable product is assembled from various components, some of which are off-the-shelf parts, but many are custom made. Suppliers of these parts are primarily based in China, South Korea and Denmark. The four major components that go into a Fable robot is the electronics, battery pack, plastic parts, and motors. The process of producing electronics involves sourcing the electronic components, production of Printed Circuit Boards (PCB), PCB Assembly, loading the firmware on to the electronics, systematic testing and quality assurance.

Outsourcing

Shape Robotics is in the process of outsourcing its production from Farum to specialized partners in order to reduce cost and complexity. Outsourcing will have the added benefit to increase stability and scalability to high-volume production. Subassemblies that do not contain electronics are

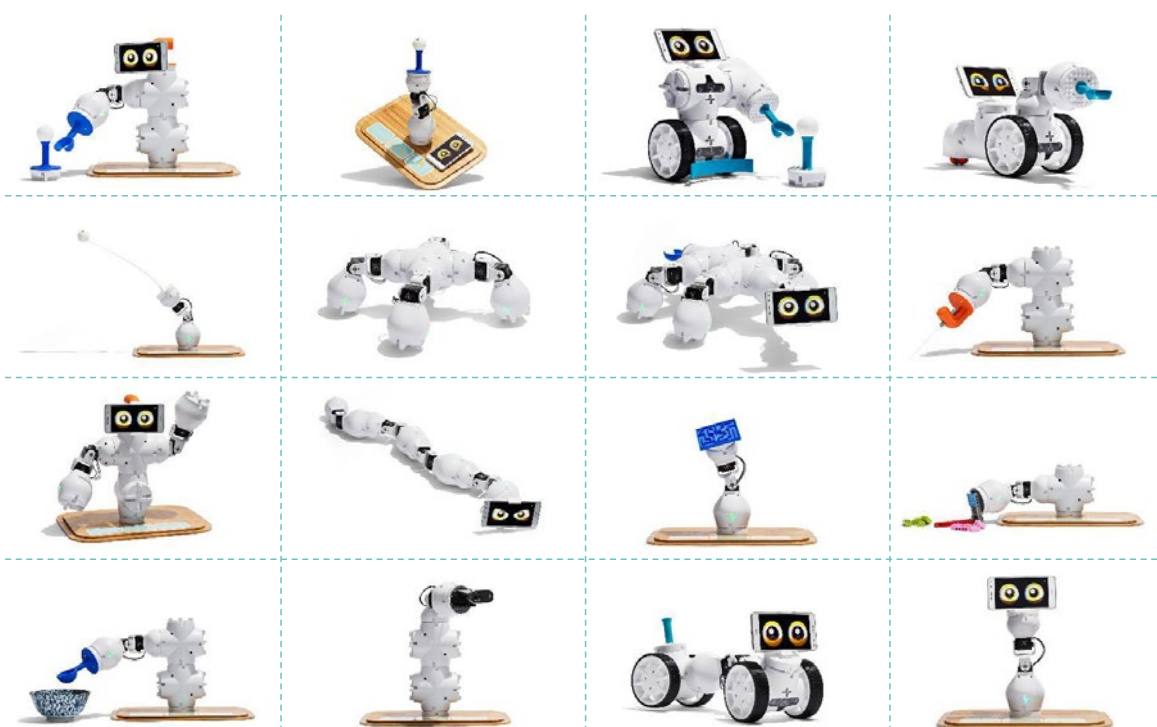
already produced in Slovakia. The same facility also does much of the Company's injection molding. A supplier in Denmark is currently producing the mechatronics products: Fable Hub and Fable Joint. Some of the mechatronics products is partly already produced in Thailand, and the plan is to gradually move the full production of all the remaining parts to Thailand.⁵ When fully outsourced, the supplier will handle the supply chain management and based on sales forecasts, produce products that are ready to be shipped to resellers and end-customers.

Cost reductions

Shape Robotics are doing numerous activities that will reduce the cost of producing Fable. For example, injection molds are being made to produce some parts which are currently 3D printed in a more cost-effective way. Improved production tools and automation are being implemented in the production to increase efficiency. In addition, some parts e.g. the packaging, are being redesigned to become cheaper to produce and ship. Furthermore, the economy of scale in a higher volume production where larger quantities are ordered from suppliers has the potential to reduce the production cost of Fable further.

⁵ The Danish supplier owns the production facility in Thailand. During 2020 the production of all individual Fable components is expected to be outsourced to Slovakia and Thailand. In 2020 final quality assurance, packaging and logistics will still be handled in Denmark. These activities are expected to be outsourced during 2021.

Build examples



Logistics

Today all products are shipped from Shape Robotics' facilities in Farum by boat, truck or plane directly to the end-customer or to the local resellers/distributor. Many resellers keep a stock of Fable to be able to quickly supply their customers as needed. The reseller Pitsco is setup as a master distributor in the US, which means that Pitsco acts as a logistics center and supply all other US resellers with Fable products as needed. However, the agreement with Pitsco is non-exclusive and Shape Robotics is free to partner up with other distributors, resellers in the US or sell directly to end-customers there. When the supplier in Thailand has fully taken over the production of Fable, a partnership with a logistics center in/near Thailand will be setup to handle the distribution of Fable to local logistic centers around the world. From these local logistics centers Fable products will be distributed to resellers and directly to end-customers thereby enabling a cost-effective global logistics network.

Repairs & service

Fable robots are generally very robust and seldomly break in an educational setting. But occasionally robots do need repair or replacement of parts. In those cases, the end-customer will contact their local reseller and ship the faulty product to them. If necessary, the reseller will then contact Shape Robotics to agree on a procedure. Some of the resellers will do simple service and repair locally, while others will replace the faulty module with a new or refurbished module. Resellers may occasionally ship faulty robots to Shape Robotics who will then do the repairs and return them as refurbished robots to the reseller. Depending on the warranty status of the robot, the end-customer will be charged for the service.

RESEARCH AND DEVELOPMENT

The Company has since the initial launch continued to invest in research and development. These activities have on one hand improved the quality of content, hardware and software products significantly and on the other hand enabled the Company to launch new products that extended the Fable system. The existing product portfolio will be maintained and gradually extended with new products and services.

In the future the Company will continue to invest in research and innovation activities within areas such as robotics, artificial intelligence, and interaction design. This investment is necessary to stay at the forefront of the world-wide trend that is bringing more digital technology into the classroom. The Company will initiate and participate in research and innovation projects that are aligned with the Company's strategy and holds the potential to develop new technology, open new markets or new application areas for Fable. The Company has ongoing research and innovation collaborations with academic partners such as DTU, the IT University of Copenhagen and the Danish National Hospital (Rigshospitalet) in these areas.



INFORMATION ABOUT THE COMPANY

The Company's registered company name is Shape Robotics A/S. Shape Robotics registered office is in the municipality of Farum, Denmark. The office address is Rugmarken 18, 3520 Farum, Denmark with telephone number +45 26 35 25 69 and the Company's website is www.shaperobotics.com, whereby it is noted that the information on the website is not included in the Prospectus unless this information is incorporated into the Prospectus by references.

The Company is incorporated as a public limited liability company under the laws of Denmark. The Company is registered with the Danish Business Authority under CVR no. 38322656 and the legal entity identifier (LEI) code is: 254900D99QJEBJ52WZ34. Shape Robotics is not part of a group.

Financing and investment

Shape Robotics will continue to invest in product development, so development costs may continue to occur. Ongoing and committed investments are intended to be financed through existing working capital and through the proceeds of the Offering. In addition to this, there is no ongoing, decided or future investments.

Significant changes in the Company's financing structure since December 31, 2019

Since December 31, 2019, no events have occurred which could materially change the Company's financials other than a convertible loan arrangement with a principal of DKK 2.1 million to TAG Holding Aps, the Company's largest shareholder. The loan will be converted to equity as a part of the Offering.

Trends

To the best of the Company's knowledge, no changes in inventory, costs or sales prices have occurred since the end of the most recent financial year until the Prospectus date.

Effect of Coronavirus on Shape Robotics:

Due to the spread of the new coronavirus most of the Company's customers (e.g. resellers, schools, and municipalities) were temporarily closed down starting March 2020. Also, most planned EdTech exhibitions and school fairs were cancelled, which are important events for the Company and its resellers to meet potential customers. These things immediately led to orders being postponed, reduced, and cancelled. Because of these effects the Company has suspended its expectations to grow its turnover in 2020 (compared to 2019). The Company has adapted to the reduced activity level and lowered its monthly expenses by delaying new hires, terminating employment contracts, and pausing non-essential activities. The Company has also applied for the relevant financial aid packages provided by the Danish government. Further, the Company has reprioritized its development to quickly launch a new tele-robot product that allows isolated people to stay connected with friends, family, and school.

Shape Robotics future sales will, among other things, depend on how quickly the schools open again. At the time of this Prospectus the schools are slowly starting to reopen. But if it takes longer than the company expects or if the corona crisis affects the school budgets to buy robots there is a risk that the Company and its resellers will not achieve the growing sales of Fable as expected.



Risk Factors

Listed below are a number of risk factors that are considered to have influence on Shape Robotics. For each category, in the Company's estimation, the most significant risks are mentioned first, taking into account the likelihood that the risks will materialize and the expected extent of the adverse effects of the risks.

A prospective investor should consider carefully the risk factors set forth below before making an investment decision and should consult his or her own expert advisors as to the suitability of an investment in the Shares of the Company. An investment in the Shares is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of the investment.

RISKS RELATED TO THE ISSUER'S BUSINESS AND INDUSTRY

Shape Robotics is an early stage development company with limited historical revenue and is currently loss-making with negative cash-flows

Shape Robotics has, since the Company started its operations in 2015, developed a significant knowledge in robotic technology. The Company has since 2017, grown sales of its products in a few markets but is broadening towards other markets. As the Company is in a commercialization phase, the Company has so far generated limited sales revenue. Consequently, Shape Robotics is to a greater extent than an established company with established sales, dependent on successful commercialization of its products and the ability to penetrate new markets. Shape Robotics future earnings will, among other things, depend on the Company being able to enter into reseller/distributor agreements for the sale of the Company's products and technology. The possibility of concluding such agreements depends, among other things, on Shape Robotics' credibility as a potential partner and the quality of the Company's products. In addition to engaging in such reseller agreements, the Company is highly dependent on the resellers efficiency to sell Shape Robotics products.

During the past two years, Shape Robotics' net sales amounted to approximately DKK 3.6 and 8 million, respectively, with operating losses of DKK 6.2 and DKK 9.5 million, respectively. If the Company's commercialization does not result in revenues to a greater extent than previously, and given that the Company maintains the same cost framework and/or does not receive additional financing, the Company's proceeds from the IPO and the equity will be consumed, and the Company will not be viable.

Product liability

The level of security and quality of the Company's products is important for maintaining customer and market confidence. As a manufacturer, the Company has a product responsibility that may entail requirements or claims that result in a product having to be recalled from the various markets in which the Company operates. Withdrawals and claims for compensation can be costly and have a material adverse effect on the Company's brand, reputation and business in general.

In the event that one or more of the Company's products don't meet the operating standard, Shape Robotics may need to recall some products, which will generate a cost corresponding to at least the value of the recalled products. The Company has never recalled a product and has not been held liable for any broken or defect product. There is a risk that the Company's insurance coverage will not fully cover the costs that may arise as part of future fulfillment of product liability.

Components, component prices, outsourcing and supplier dependency

The Company is particularly dependent on certain components for the production of the Company's products, many of which are custom-made. The Company's production and position may therefore be affected by price fluctuations for such a component. If rising component prices is not reflected by higher prices for Shape Robotics' products, the Company's operations, financial position and earnings may be adversely affected. Some components used in production are single source, including some electronic components, motors, battery packs, plastic parts and storage boxes. Sometimes the lead times on such components are longer than anticipated or components do not pass quality assurance when received and tested. Therefore, Shape Robotics has, and may continue, to experience bottlenecks in the production which leads to a delay in shipment of Fable robots to customers and potential long-term effects on customer demand. Shape Robotics is setting up procedures to be able to predict such bottlenecks to manage them before they occur. Shape Robotics is in the process of outsourcing its production and hence will become dependent on a few external suppliers (in Thailand and Slovakia) to produce its products. If these suppliers are not reliable, there is a risk of bottlenecks in the production. If Shape Robotics does not manage to increase the stock of components, identifying alternative sources or outsourcing the production to reliable partners with more experience managing a supply chain, there is a risk that the Company's business, financial position and earnings would also be adversely affected.

The Company purchased components for approximately DKK 5 million during the fiscal year 2019. In the event that the price of components would rise by five percent and given similar circumstances otherwise, it would result an increased cost of DKK 250 000.



Technical development

Shape Robotics conducts research and development on optimizing and creating new features for existing products and expanding the product portfolio with new products. The results of such work may be undesirable by the market and thus the Company's forecasted costs and revenues are associated with great uncertainty. Unforeseen results can also lead to the need to rethink concepts and development, which means that supplementary research and development work may need to be carried out at considerable costs or that the research and development work is completely discontinued. Product launches may be delayed or completely abandoned if, for example, authorities or other decision makers make the assessment that the Company's products do not meet necessary standards.

In the event that the Company's technical research and the development of the Company's products do not result in line with expectations, (i) the Company's revenues from these new products may not reach anticipated levels or (ii) that the Company's product development costs will increase in order to develop a fully commercial product.

Unsecured subscription undertakings

Shape Robotics has entered into agreement on subscription undertakings with external investors and existing shareholders regarding the Offering. The agreements are not secured by pledging, blocking funds or any similar arrangement. There is thus a risk that the subscription undertakings will not be fulfilled. In the event that the Offering is not completed, and the Company fails to generate additional revenue, the Company would be forced to seek alternative financing or postpone existing projects and implement cost reductions. In the event that all alternative financing opportunities fail, and additional working capital is not available, this could lead to the Company being forced to close down parts of its operations or ultimately forced to restructure or to apply for bankruptcy.

In the event that the parties who have submitted subscription undertakings do not fulfill their obligation, this may mean that the Company cannot raise the desired capital. For the Company, the worst outcome in this regard would be that no shareholder participates in the Offering.

Dependency on key employees

Shape Robotics is to a large extent dependent on the senior management in the Company. David Johan Christensen, Rikke Møgelvang, Moises Pacheco and André Reinhard Fehrn are all considered key employees. Most of the employment contracts may be terminated with a 3 months' written notice, in line with the rules on notice for employees under Danish law. The possible loss of any of these individuals could lead to the development or commercialization of the Company's products being delayed or diminished. The Company's ability to recruit and retain qualified employees is important in safeguarding the level of competence within Shape Robotics. The Company has entered into employment agreements with key employees on what it considers to be market terms. Nonetheless, there is a risk that the Company will not be able to retain these key employees and the loss of any of them could have a negative impact on the Company's business, earnings and financial position.

The loss of any member of the senior management could have a negative impact on the Company's business, earnings and financial position.

Shape Robotics is exposed to competition from significantly larger and more established companies

The robotic market is characterized by fierce competition with a handful of players dominating the market. Several of Shape Robotics current and potential future competitors may take up competition, leveraging, for example, their longer history, more established brands, more established relationships with end customers and/or greater financial, technical and marketing resources. If Shape Robotics cannot adapt its operations and products to such market conditions there is a risk that the Company will lose competitiveness, which could adversely affect the Company's development opportunities.

Increased competition can lead to lower prices, and consequently, weaker margins for Shape Robotics. This could adversely affect Shape Robotics business, earnings and financial position.



FINANCIAL RISKS

International operations and exchange rate changes

Shape Robotics is a Danish public limited liability company whose earnings and financial position are reported in DKK. The Company's purchases are mostly in DKK, EUR and USD and are thus exposed to fluctuations in these currencies. A large part of the future market is located abroad and some of the potential sales is expected to be in other currencies. Such sales would result in the Company being exposed to currency fluctuations.

The Company has established currency accounts in DKK, EUR and USD at their banking facility, which somewhat hedges the currency risk. The sales for 2019 consisted of 35% USD, 31% EUR and 35% DKK. Since the Company's components and revenues derive from the same currencies, a currency related decrease in revenue would also mean lower cost of components. The effect of exchange rate changes is estimated to be around DKK 50.000 in the 2019 financial year.

RISKS RELATED TO THE COMPANY'S SECURITIES

Future offers

In the future, Shape Robotics may raise additional capital by deciding to issue new Shares or other securities. New issues may have a negative effect on the market price of the Shares. If additional offers are given, it may also reduce the proportionate ownership and voting share of holders of existing Shares in the Company (dilution).

In the event that such an issue as described above is carried out with preferential rights for existing shareholders, they have the opportunity to defend against dilution by subscribing for additional securities, which however requires an additional investment in the Company. An issue can, however, be made without preferential rights for existing shareholders, which means that the existing shareholders have no opportunity to protect themselves against dilution.

Existing shareholders selling may affect the price

The price of Shape Robotics Shares may drop if there is extensive sale of Shares in the Company, especially sales made by the Company's directors, executives or major shareholders, or when a larger number of shares are sold. Sales of large amounts of Shares by the main shareholders (Black Box Holding IVS, Iskil Holding ApS, Styrelsen for Institutioner og Uddannelses-systemer and TAG Holding ApS), that together hold approximately 92.6 percent of the share capital and votes before the Offering, or the perception that such sales could occur, could lead to a drop in price for the Share. The main shareholders are committed to, with certain exceptions, and for a period of one year from the first day of trading, not to sell their Shares or otherwise enter into transactions with similar effect. Västra Hamnen Corporate Finance may decide to lift the restrictions during this period. Such consent may be granted if deemed reasonable and necessary due to specific matters, e.g. for tax reasons and is not to be unreasonably withheld or delayed by the Certified Adviser. After the applicable lock up period has expired, the shareholders affected by the lock up agreement will be permitted to sell their Shares in Shape Robotics. Sales of large number of Shape Robotics Shares by the main shareholders after the end of the lock up period, or the perception that such sales will occur, could result in a significant decrease in the price of the Shares.

If the existing shareholders would sell off all or part of their respective shareholdings in the Company, it could have a material adverse effect on the price of the Company's shares.



Terms and conditions of the securities

GENERAL INFORMATION

The Offer Shares will be issued pursuant to a resolution adopted by the General Meeting of the Company on June 2, 2020. The Company's registered share capital as of the Prospectus Date is nominal DKK 407 000 divided into 4 070 000 shares of nominal DKK 0.1 each. Following completion of the Offering the share capital will amount to minimum DKK 611 081.7 and maximum DKK 682 510.2 if the Offering is fully subscribed. The Offer Shares are offered under the temporary International Security Identification Number (ISIN) DK0061273208. This temporary ISIN will not be listed on Nasdaq First North Growth Market Denmark. The temporary ISIN will be replaced by the permanent ISIN code DK0061273125 in VP Securities A/S. The Shares will be traded in the permanent ISIN code DK0061273125 on Nasdaq First North Growth Market Denmark under "SHAPE".

The Shares are denominated in Danish kroner (DKK). The Shares are issued according to the Danish Companies Act and are subject to the Company's Articles of Association. The terms and conditions of the Shares may be changed by the procedures and requirements of the Danish Companies Act and the Articles of Association. The Shares are, moreover, subject to general Danish legislation, including Regulation (EU) 2017/1129, the Danish Act on Capital Markets (no. 650 of 8/6-2017), etc., and the Nasdaq First North Growth Market rulebook.

Governing law and jurisdiction

The Offer Shares will be issued in accordance with Danish law. This Prospectus has been prepared in compliance with the standards and requirements of Danish law, including the rules issued by Nasdaq First North Growth Market Denmark.

Rights attached to the Offer Shares

The Offer Shares will carry the same rights as the Existing Shares of the Company. This includes voting rights, pre-emptive rights in connection with the offering of new/additional shares, right to receive dividends (no dividends will be paid for the financial year of 2019), and the right to participate in the proceeds in case of a liquidation of the Company. The Shares may be redeemed pursuant to following the procedures and requirements in the Danish Companies Act. According to the Articles of Association, no Shares has special rights, restrictions or any other form of limitations.

Application for trading on Nasdaq First North Growth Market Denmark

The decision to apply for the Offer Shares to be traded on Nasdaq First North Growth Market Denmark and this Prospectus, has been approved by the Board of Directors at a board meeting held on the Prospectus Date, June 3 2020. The Company is the issuer of the Offer Shares (i.e. legal entity identifier ("LEI") 254900D99QJEBJ52WZ34).

The Offer Shares are expected to be issued on or about June 25, 2020.

Registration

The Offer Shares will be registered by name (in Danish: "navneaktier") and are issued electronically in dematerialized form in VP Securities ("Værdipapircentralen"), Weidekampsgade 14, DK-2300 Copenhagen, Denmark. All Shares will be registered on accounts with account holding banks in VP Securities once the Offering is completed. Investors that are not residents of Denmark may use a VP Securities member directly or their own bank's correspondent bank as their account holding bank or arrange for registration and settlement through Clearstream, 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg, or Euroclear, 1, Boulevard du Roi Albert II, B-1210 Brussels, Belgium.

TAX TREATMENT IN DENMARK

The following is a resume of the taxation treatment of the Shares under Danish law. The resume is generic, and the purpose is neither to provide exhaustive legal nor any tax advice. The resume does not address all tax consequences related to an investment in the Shares. The resume solely addresses Danish tax legislation at the date of the prospectus. There may be changes to the legislation after the date of the prospectus and even with retroactive effect. The resume does not include special tax legislation, and may therefore be irrelevant to some investors, including investors subject to the regulation regarding pensions, professional investors, certain institutional investors, insurance companies, pension companies, banks, securities traders and investors, whose pension is tax beneficial. The resume neither covers tax treatment of person or companies, whose business is to buy/sell shares. The assumption is that a sale of shares is made to a third-party.

All investors are advised to consult their tax advisors regarding the applicable tax consequences of the offering, acquiring, holding, and disposing of the Shares based on their particular circumstances. Shareholders who may be affected by the tax laws of jurisdictions other than Denmark should consult their tax advisors with respect to the tax consequences applicable to their particular circumstances as such consequences may differ significantly from those described herein.



Tax treatment of investors resident for tax purposes in Denmark (2020)

Sale of shares – individuals

Gains from the sale of shares are taxable as share income. Share income comprises both capital gains on sale of shares and dividends. Share income is taxed with 27% of the initial DKK 55 300 (for cohabiting spouses, a total of DKK 110 600) and 42% for gainshare in-come above. These amounts are subject to yearly adjustments. Gains and losses from the sale of shares are calculated as the net-difference between the acquisition and the sales price. The acquisition price is generally set by the average-method, meaning that each share is acquired at a price equivalent to the average purchase price for all the shareholders shares in the company. A loss is deductible in gains and dividends from listed shares.

Sale of shares – companies

Gains from sale of shares are taxed at 22% (company tax), however, the gains are exempted from tax if the shareholder owns at least 10% of the company's shares (subsidiary company shares), or if the shares constitute group company shares as defined in the Danish Capital Gains Act. Losses are deductible unless the shares are subsidiary company shares or group company shares. Gains and losses are calculated according to the stock taxation method (in Danish: "lagerbeskatning"). According to the taxation method, each year's taxable gain or loss is calculated as the difference between the market value of the shares at the beginning and end of the tax year. Thus, taxation will take place on an accrual basis even if no shares have been disposed of and no gains or losses have been realised.

Dividends – individuals

Dividends tax in the amount of 27 % will be withheld at distribution. Dividends is taxable as share income (see above).

Dividends – companies

Dividends are taxed with 22% unless the dividends are paid out from subsidiary companies or group companies, which are exempted from tax. This is a withholding tax and may be refundable from the tax authorities.

TAKE-OVER REGULATION

There is no take-over regulation applicable to bids for shares listed on Nasdaq First North Growth Market Denmark (take-over bids). According to Section 70 of the Danish Companies Act, any shareholder who owns more than 9/10 of the shares (i.e. the voting rights), may decide that the remaining shareholders' shares shall be redeemed (in Danish: "tvangsindløst") by the majority shareholder. On the other hand, shareholders who own less than 1/10 of the shares (i.e. the voting rights) may demand that their shares are redeemed pursuant to Section 73 of the Danish Companies Act.



Details of the offer/Admission to trading

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The Offer Period commences:	June 4, 2020 at 9:00 a.m. (CET)
The Offer Period closes:	June 18, 2020 at 4:00 p.m. (CET)
Announcement of result of the Offering	June 19, 2020 before 12:00 a.m. (CET)
Settlement of the Offer Shares	June 23, 2020
Registration of new shares in the Danish Business Authority	June 24, 2020
First day of trading of the Shares on Nasdaq First North Growth Market Denmark under the permanent ISIN conditional upon final completion	June 25, 2020
Merge of temporary ISIN with permanent ISIN in VP Securities A/S	June 26, 2020

The above timetable is subject to change. Any changes will be announced via Nasdaq First North Growth Market Denmark. Until the publication by the Company of the result of the Offering, expected on June 19, 2020, the admission of the Shares to trading on Nasdaq First North Growth Denmark will remain conditional under the condition that the requirements for free float and sufficient number of shareholders are met before the first day of trading.

TERMS OF THE OFFERING

The Offering consists of (i) a public offering to retail and institutional investors in Denmark and Sweden and (ii) private placements to institutional investors in the rest of the world in compliance with Regulation S.

The minimum and maximum offering is a 2 040 817 and 2 755 102 Offer Shares, corresponding to subscription amounts of DKK 20 million to DKK 27 million.

OFFER PERIOD

The Offer Period commences on June 4, 2020 at 9:00 a.m. and closes June 18, 2020 at 4:00 p.m. (CET).

SUBMISSION OF APPLICATIONS TO SUBSCRIBE

Applications to subscribe for Offer Shares in the Offering should be made by submitting the application form enclosed in the Prospectus to the investor's own account holding bank during the Offer Period. Applications are binding and cannot be altered or cancelled.

Applications should be made for a number of Offer Shares or for an aggregate amount rounded to the nearest Danish krone amount. Only one application will be accepted from each account in VP Securities. The application form must be submitted to the investor's own account holding bank in com-

plete and executed form in due time to allow the investor's own account holding bank to process and forward the application to ensure that it is in the possession of Danske Bank A/S, no later than 4:00 p.m. (CET) on June 18, 2020.

Application - through Nordnet

Persons who are account customers at Nordnet AB may apply for the acquisition of shares through Nordnet's Online Service. Application with Nordnet can be made up until 23:59 CET on June 17, 2020. In order not to lose the right to allotment, account customers at Nordnet are to have enough cash equivalents available at the account during the period from 23:59 CET on June 17, 2020 until the settlement day which is estimated to be the June 23, 2020. More information regarding the application process is available at www.nordnet.se.

REDUCTIONS OF SUBSCRIPTIONS

In the event that the total number of Offer Shares applied for in the Offering exceeds the number of Offer Shares, reductions will be made as follows:

- (i) With respect to applications for amounts of up to and including DKK 299 999, reductions will be made mathematically. However, no individual allocations will be made for less than 500 Offer Shares.
- (ii) With respect to applications for amounts of more than DKK 300 000, individual allocations will be made.

The Board of Directors will allocate the Offer Shares after agreement upon such allocations with Västra Hamnen Corporate Finance. 1 622 439 Offer Shares will be allocated to the Cornerstone Investors that have issued irrevocable subscription undertakings for a total of DKK 15.9 million. 219 274 Offer Shares will be allocated to TAG Holding Aps for conversion of outstanding debt up to a total of DKK 2.1 million. (*see p. 40 "Subscription undertakings and offset of convertible debentures" for full list*).

Following the expiration of the Offer Period, investors will receive a statement indicating the number of Offer Shares allocated, if any, unless otherwise agreed between the investor and the relevant account holding bank.

Orders may not result in an allocation of Offer Shares.

If the total applications in the Offering exceed the number of Offer Shares, a reduction will be made. In such event, Västra Hamnen Corporate Finance reserves the right to require documentation to verify that each application relates to a single account in VP Securities. Further, Västra Hamnen Corporate Finance reserves the right to require documentation to verify the authenticity of all orders, to demand the name of each investor, to pass on such information to the Company and to make individual allocations if there are several orders that are determined to have originated from the same investor.



ADMISSION TO TRADING

The Board of Directors of Shape Robotics has applied for admission to trading of the Company's shares on Nasdaq First North Growth Market Denmark. First day of trading is planned at June 25, 2020, under the condition that the requirements for free float and sufficient number of shareholders are met before the first day of trading. The Shares will be traded under the ticker SHAPE and with the ISIN DK0061273125.

MINIMUM AND/OR MAXIMUM APPLICATIONS

The minimum subscription is 500 Offer Shares. No maximum subscription applies to the Offering. However, the number of shares is limited to the number of Offer Shares in the Offering.

WITHDRAWAL OF THE OFFERING

Completion of the Offering is conditional upon the Offering not being withdrawn. The Offering may be withdrawn by the Company at any time before the announcement of the result of the Offering take place. The Offering may also be withdrawn if First North Growth Market Denmark is not satisfied that there will be a sufficiently broad distribution of the Shares to investors or if, for other reasons, the Shares cannot be admitted for trading on First North Growth Market Denmark.

Any withdrawal of the Offering will be announced immediately through First North Growth Market Denmark.

INVESTOR'S WITHDRAWAL RIGHTS

In the event that the Company is required to publish a supplement to this Prospectus, between the date of publication of this Prospectus and the close of the Offer Period at 4:00 p.m. (CET) on June 18, 2020, investors who have submitted orders to subscribe Offer Shares in the Offering shall have two trading days following the publication of the relevant supplement within which the investors can withdraw their offer to subscribe Offer Shares in the Offering in its entirety. The right to withdraw an application to subscribe Offer Shares in the Offering in these circumstances will be available to all investors in the Offering provided the obligation to publish a supplement to this Prospectus was triggered before completion of the Offering and provided no Offer Shares have been delivered.

SELLING AGENT

Nordnet have been engaged as Selling Agent in connection with the Offering. Those who have custodian accounts at Nordnet in Denmark or Sweden may apply via Nordnet's Internet service on which the Offering will be available at Nordnet's Danish and Swedish websites.

PAYMENT AND REGISTRATION OF THE OFFER SHARES

The Offer Shares will be registered in book-entry form electronically with VP Securities, Weidekampsgade 14, 2300 Copenhagen S, Denmark. All Shares are registered on accounts with account holding banks in VP Securities. Investors that are not residents of Denmark may use a Danish bank directly or their own bank's correspondent Danish bank as their account holding bank or arrange for registration and settlement through Clearstream, 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg, or Euroclear, 1, Boulevard du Roi Albert II, B-1210 Brussels, Belgium.

Settlement is expected to take place two business days after the announcement of the allocation, and is expected to be on June 23, 2020. The account holding bank will normally send a statement to the name and address registered in VP Securities showing the number of Offer Shares subscribed by the investor unless otherwise agreed between the investor and the relevant account holding bank. This statement also constitutes evidence of the investor's shareholding.

The Offer Shares are expected to be delivered in book entry form through the facilities of VP Securities on or around June 23, 2020 against payment in immediately available funds in Danish kroner. All dealings in the Offer Shares prior to settlement will be for the account of and at the sole risk of the parties involved.

Investors will not receive specific allocation information from the Company.

PUBLICATION OF THE RESULT OF THE OFFERING

The result of the Offering will be announced through Nasdaq First North Growth Market Denmark, June 19, 2020 before 12:00 a.m. (CET).

PRE-ALLOTMENT INFORMATION

Upon completion of the Offering, and if the Offering is fully subscribed, the Company's share capital will be DKK 682 510.2, divided into 6 825 102 Shares with a nominal value of DKK 0.1 each. If the Offering is subscribed for at the minimum level, the Company's share capital will be DKK 611 081.7 divided into 6 110 817 Shares with a nominal value of DKK 0.1 each.

PRICING

The Offer Price has been decided by the Board of Directors in consultation with Västra Hamnen Corporate Finance to DKK 9.80 per nominal DKK 0.1 Offer Share.

The valuation of the Company is based on the potential of the Company's business plan. Furthermore, the valuation is based on a comparative valuation based on a number of peers within the robotics-industry with similar business models as Shape Robotics. Importantly, a major decision point has been the interest from a number of institutional investors that has been given the opportunity to evaluate the Offering before the Offer Price was determined.



Considering the subscription undertakings made by the Cornerstone Investors of DKK 15.9 million, the Offer Price is deemed to be according to market terms. Brokerage commission will not be charged.

No action has been or will be taken in any jurisdiction other than Denmark and Sweden that would permit a public offering of the Offer Shares, or the possession, circulation or distribution of this Prospectus or any other material relating to the Company or the Offer Shares, in any jurisdiction where action for that purpose is required. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisements in connection with the Offer Shares may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of such country or jurisdiction.

SUBSCRIPTION UNDERTAKINGS

The Company has obtained binding subscription undertakings for a total of DKK 15.9 million from Cornerstone Investors. In addition, existing shareholders have signed statements of intent for conversion of outstanding debt for a total of DKK 2.1 million. The conversion of debt, which was raised in April 2020, concerns funds already paid to the Company and thus will not form a part of the cash received from the Offering (i.e. cash proceeds). The subscription undertakings and conversion of outstanding debt amounts to a total of DKK 18 049 thousands, corresponding to approximately 66.8 percent of the maximum Offering and 90.2 percent of the minimum Offering.

Subscription undertakings and offset of convertible debentures

Shareholder	Offset conv. debt (t.DKK)*	New capital (t.DKK) Market value	Total (t.DKK)	% of the minimum Offering	% of the maximum Offering
TAG Holding ApS*	2 149	2 000	4 149	20.7%	15.4%
Polynom Investment AB	-	1 470	1 470	7.4%	5.4%
Sebastian Clausen	-	1 000	1 000	5.0%	3.7%
Stehr ApS	-	1 000	1 000	5.0%	3.7%
Gerhard Dal	-	1 000	1 000	5.0%	3.7%
Niklas Danaliv	-	980	980	4.9%	3.6%
Jimmie Landerman	-	900	900	4.5%	3.3%
Oscar Molse	-	800	800	4.0%	3.0%
Jens Olsson	-	700	700	3.5%	2.6%
Christian Månsson	-	500	500	2.5%	1.9%
Tobias Schön	-	500	500	2.5%	1.9%
Jinderman & Partners AB	-	500	500	2.5%	1.9%
Alexander Schoeneck	-	500	500	2.5%	1.9%
Støy Invest ApS**	-	500	500	2.5%	1.9%
Per Vasilis	-	500	500	2.5%	1.9%
Others	-	3 050	3 050	15.3%	11.3%
Total	2 149	15 900	18 049	90.2%	66.8%

* TAG Holding ApS is the main shareholder and is partly owned by Thomas Gjørup which is a board member. For more information about TAG Holding ApS, please see page 51.

** Støy Invest ApS is wholly owned by Kasper Støy which is a board member.

LOCK UP

In connection with the Offering, existing shareholders holding 100% of the Existing Shares before the Offering have agreed to enter into lock up agreements with Västra Hamnen Corporate Finance, obligating the shareholders to not sell, offer for sale, enter into any agreement regarding the sale of, pledge or in any other way directly or indirectly transfer the shares in the Company or other securities exchangeable into shares in the Company or warrants or other options to acquire shares in the Company (together "Company Securities") or to announce the intention to make any such act without the prior written consent of Västra Hamnen Corporate Finance acting as Financial Advisor in the Offering (the "Lock Up Obligation"). Such consent may be granted if deemed reasonable and necessary due to specific matters, e.g. for tax reasons and is not to be unreasonably withheld or delayed by the Financial Advisor.

The Lock Up Obligation shall apply for all Existing Shares prior to the Offering and is valid from the first day of trading and for a period of 12 months.

DILUTION

If the Offering is fully subscribed, the number of shares will increase with 2 755 102, from 4 070 000 to 6 825 102. The dilution effect for existing shareholders corresponds to 40.4 percent. If the Offering is subscribed to the minimum subscription level, the number of shares will increase with 2 040 817, from 4 070 000 to 6 110 817. With minimum subscription, the dilution effect will be 33.4 percent.



Corporate Governance

BOARD OF DIRECTORS

Like most other public limited liability companies organized under the laws of Denmark, the Company has a two-tier management system, with a Board of Directors (in Danish: "bestyrelse") and an Executive Board (in Danish: "direktion"). The Board of Directors is responsible for Shape Robotic's overall and strategic management and supervises the Company's activities, management and organization. The Board of Directors is comprised by five members, all elected on the general meeting (no employee representative is elected for the Board of Directors). The Executive Board, which is responsible for the day-to-day is comprised by one member, David Johan Christensen being the sole member ("Executive Management").

The names, positions, date of election and number of shares held by Company's Board of Directors are as shown in the table below.

Name	Position	Election date	Dependency	Shareholding*	Options
Lars Nyengaard	Board member (Chairman)	February 23, 2018	Independent	22 901	-
Moises Pacheco	Board member	October 25, 2017	Dependent	878 283	-
Kasper Støy	Board member	October 25, 2017	Independent	39 997	-
Michael Frank	Board member	October 25, 2017	Independent	-	-
Thomas Gjørup	Board member	October 25, 2017	Independent	237 599	-

* Refers to own and related natural and legal persons holding shares in the Company.



Lars Randel Nyengaard

Chairman of the Board since 2018.

- **Training and experience:** Lars Randel Nyengaard holds a master's degree with a major in economics (cand.oecon) from Aarhus University. Lars has been Chairman for several companies throughout his career, and he has worked with general management, innovation and business development in a series of international companies with complex products and services, including heading the LEGO MindStorms® Robotics franchise in the educational space.
- **Current assignments:** Executive Director in Arcane Tinmen ApS (from 2018), AT Private Labels ApS (from 2018), GamesPro Global Group ApS (from 2018), Fafnir Distribution ApS (from 2018) and LiLaNy Holding ApS (from 2017). Board member in Midtjysk Fornikling og Forchromning A/S (from 2018).
- **Other positions (historical 5 years):** Chairman in Midtjysk Fornikling og Forchromning A/S (2014-2018), chairman in Treat Systems ApS (2016-2017), board member in Inventilate Holding ApS (2016-2017), chairman in Algorhyme A/S (2015-2016), vice-chairman in Dencrypt A/S (2016-2017), chairman in Dot Marketing (2015-2017), chairman in TinyMobileRobots ApS (2015-2017), chairman in Sculptro ApS (2016-2017), chairman in Princh A/S (2016-2017).
- **Positions in companies having undergone bankruptcy, liquidation or similar procedure within the last 5 years:** Board member in Bike2 ApS (2015-2017), chairman in Limfjordsøsters ApS (2015-2017), Executive Director in Swapsafe Denmark ApS (2017), chairman in Swapsafe Production ApS (2016-2017), chairman in Adealo ApS (2016-2017).





Moises Pacheco

Member of the Board since 2017.

- **Training and experience:** Moises Pacheco has been working within the field of robotics both as a researcher and as an engineer for more than a decade. Moises Pacheco holds a master of science in Automation and Robot Technology and a Ph.D. in Modular Robotics from the Technical University of Denmark ("DTU"). Moises Pacheco has throughout his career acquired a deep knowledge about robotics and educational technology, as well as bringing the technology from a concept to a finished product. His core competencies include the ability to develop technologies that can help solve future global challenges and help create new business opportunities. Additionally, Moises Pacheco has as part of his academic career worked at DTU, Tec de Monter-rey and Harvard University.
- **Current assignments:** Executive Director of Black Box Holding IVS (from 2015).
- **Other positions (historical 5 years):** PhD. at DTU Center for Playware (2012 – 2015), Visiting Graduate at the Wyss Institute for Biologically Inspired Engineering (2015), Research Assistant At DTU Center for Playware (2012), M.Sc. DTU Elektro Automation and Control 2009-2012), Mechatronics Engineer at Center for Intelligent Systems (2008-2009) and Intern at 3D Motion Furth, Germany (2005).



Kasper Støy

Member of the Board since 2017.

- **Training and experience:** Kasper Støy is a robotics and embodied artificial intelligence researcher, entrepreneur and teacher. Kasper Støy is professor at the Computer Science Department of the IT University of Copenhagen, and he is engaged with ideas of ground-breaking potential across the domain of robotics in start-ups as well as in research. Kasper Støy was a co-founder of University Robots and more recently of Flow Robotics. He has published more than ninety papers in international conference proceedings or journals and he is the author of the book titled "Self-Reconfigurable Robot: An Introduction" which was published by MIT Press. He holds a M.Sc. in computer science and physics from Aarhus University (1999) and a Ph.D. in computer system engineering from University of Southern Denmark (2003).
- **Current assignments:** Executive Director of Støy Invest ApS (from 2016) board member of Flow Robotics A/S (from 2020), and Professor at IT University of Copenhagen (from 2016).
- **Other positions (historical 5 years):** Executive Director Flow Robotics A/S (2016-2019) and Associate Professor at IT University of Copenhagen (2013-2016).





Michael Frank

Member of the Board since 2017.

- **Training and experience:** Michael Frank has a long history working with start-up companies and he has worked as an Investment Director at early stage venture companies for more than two decades. He has a long track record with due diligence of more than 3.000 business models/start-ups, and he has completed more than 200 investments and been a member of more than 40 board of directors.
- **Current assignments:** Board member of Terranol A/S (from 2009), Flexya A/S (from 2013 to 2016 and again from 2019), Achoo ApS (from 2019), MedTrace Pharma A/S (from 2018), Ceko Sensors ApS (from 2015), Aquaporin A/S (from 2007) and FarmDroid ApS (from 2019). Chairman of the board of directors in Canvas Audio ApS (from 2019).
- **Other positions (historical 5 years):** Board member of F. Kleemann Motorcycles ApS (2011-2018) A/S, Immersive Technologies (2016-2019), Dosesystem A/S (2018-2019). Chairman of the board of directors in Sani Membranes (2014-2016).
- **Positions in companies having undergone bankruptcy, liquidation or similar procedure within the last 5 years:** Board member of Biosynergi Proces ApS (2010-2017 voluntary winding-up), Equinostic ApS (2007-2019 dissolved by declaration), Plastrecycling, Kolding A/S (2014-2016 bankruptcy), Selskabet af 30. Maj 2017 A/S (20161-2017 bankruptcy). CEO Tesis ApS (2002-2018 dissolved by declaration).



Thomas Gjørup

Member of the Board since 2017.

- **Training and experience:** Thomas Gjørup is an entrepreneur, who works with business development, management, strategy work, change management and process optimization. He has extensive experience with management and strategic work in inter-national companies as well as experience with working in family-owned businesses. Through previous jobs and memberships of board of directors, Thomas Gjørup has a vast experience in market analysis, campaign analysis, price optimization, inventory management, product development, company strategy, growth management, etc.
- **Current assignments:** Board member of Egedal Storbutik P/S (from 2019), IoT Solution A/S (from 2017), TAG Ejendomme A/S (from 2003), Hidebox ApS (from 2017), T.G. Invest ApS (from 2007), IOT Denmark A/S (from 2016), Matr. Nr. 9 Vestre Kvarter, Kbh., Lejl. 1, 2 og 7 ApS (from 2016), HG Holding 2016 A/S (from 2016) and ODK3 Ejendomme ApS (from 2016). Chief Executive Officer of TAG Holding ApS (from 2016), M.H.G. Invest ApS (from 2016), C.G. Invest ApS (from 2016), TAG 4000 ApS (from 2017), TAG Ejendomme A/S (from 2003), T.G. Invest ApS (from 1994) and TAG Innovation & Patents (from 2014). Executive Director of Vivino bar Scandinavia ApS (from 2018), Ejendomsselskabet af 15/2 2016 ApS (from 2017). Chairman of the board of directors of Daysi ApS (from 2015).
- **Other positions (historical 5 years):** Board member of EBF A/S (from 2016 to 2017), IIOTD A/S (from 2017 to 2019), Roskildevej 16, Tune ApS (from 2016 to 2017) and Toys Denmark ApS (from 2015 to 2016). Chief Executive Officer of ODIN DK Holding A/S (from 1983 to 2007).
- **Positions in companies having undergone bankruptcy, liquidation or similar procedure within the last 5 years:** Board member of TOP-TOY Holding III A/S (from 2018 to 2019) and TOP-TOY Holding II A/S (from 2018 to 2019)



EXECUTIVE MANAGEMENT AND KEY EMPLOYEES

The Executive Management is comprised by David Johan Christensen, and Rikke Møgelvang, Moises Pacheco and André Reinhard Fehr are all Key Employees.

Name	Position	Shareholdings*	Options
David Johan Christensen	CEO	878 283	-
Rikke Møgelvang	CCO	10 067	-
Moises Pacheco	CTO	878 283	-
André Reinhard Fehr	CFO	9 912	-

* The shareholdings are all indirect ownerships through their respective holding companies.



David Johan Christensen

CEO since 2015.

- **Training and experience:** David Johan Christensen is CEO and co-founder of the Company. He has been a Robotics and AI researcher for more than a decade prior to co-founding the Company. David Johan Christensen has a M.Sc. and a Ph.D. in Robotics and has more than 14 years of experience in Robotics from various positions at SDU, DTU, etc. He has a deep technical knowledge about Robotics combined with a passion for solving difficult problems, and his core competencies include the ability to drive a project forward to bridge the gap between experimental R&D of Robotics and business opportunities. David Johan Christensen has worked at some of the highest regarded universities in the world as a visiting researcher, hereunder MIT Media Lab, EPFL and Carnegie Mellon, and as a DTU-researcher, he has worked closely with companies such as Lego to help bring new products to the market.
- **Current assignments:** Chief Executive Officer of David Johan Christensen Holding IVS (from 2015). Chief Executive Officer of Iskil Holding IVS (from 2020)
- **Other positions (historical 5 years):** Associate/Assistant Professor at the Technical University of Denmark (2010-2017).



Moises Pacheco (CTO)

See Board of Directors, page 42.





Rikke Møgelvang

CCO since 2018.

- **Training and experience:** Rikke Møgelvang has an Executive Master of Business Administration (eMBA) from Henley Business School, University of Reading, and has more than 20 years of high level experience in sales and marketing from various positions such as CCO, Country Manager/Regional Sales Manager, Head of Marketing, Digital Business Developer, Media Director, etc.
- **Current assignments:** Chief Executive Officer of 260707 ApS (from 2011).
- **Other positions (historical 5 years):** Chief Commercial Officer in Bitrater (2016-2018), Country Manager in TVMania GmbH (2012-2015).
- **Positions in companies having undergone bankruptcy, liquidation or similar procedure within the last 5 years:** Chief Commercial Officer in Proventive System ApS (2017-2018).



André Reinhard Fehr

CFO since 2019.

- **Training and experience:** André Reinhard Fehr holds a M.Sc. in Business Administration and Auditing from Copenhagen Business School and has more than eight years of experience within the fields of financing, accounting and business administration from positions as Head of Finance, Group Financial Controller and auditor.
- **Current assignments:** Executive Director of Reinhard Fehr Invest ApS (from 2017).
- **Other positions (historical 5 years):** Martinsen Statsautoriseret Revisionspartnerselskab (2012-2016), Grant Thornton Statsautoriseret Revisionspartnerselskab (2016-2016), Ellab A/S (2016-2017).



OTHER INFORMATION REGARDING BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND KEY EMPLOYEES

On a 2020 full year-basis, the total remuneration (basic salary and benefits, including pension) to the current Executive Management and the key employees is expected to amount to DKK 2 975 000 as shown in the table below. The Company has not set aside or accrued any amount to provide pension, retirement or similar benefits. The employment contract of David Johan Christensen may be terminated by David Johan Christensen with a 1 months' written notice, and by the company with a 3 months' written notice. The employment of André Reinhard Fehr, Moises Pacheco and Rikke Møgelvang may be terminated in accordance with notices under the Salaried Employees Act. Members of the Executive Management receive usual benefits, including paid mobile phone etc.

None of the members of the board of directors or the Executive Management are related by family. None of the members of the board of directors or the Executive Management have in the previous five years (i) been convicted in relation to fraudulent offences, (ii) involved in any official public incrimination and/or sanction or (iii) been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct the affairs of any issuer.

Expected remuneration in 2020

(DKK)	Expected remuneration in 2020 (DKK)
Board of Directors	
Lars Nyegaard	100 000
Moises Pacheco	-
Kasper Støy	-
Michael Frank	-
Thomas Gjørup	-
Executive Management and Key Employees	
David Johan Christensen	730 000
Rikke Møgelvang	890 000
Moises Pacheco	730 000
André Reinhard Fehr	625 000
Total	3 075 000



Financial information

Shape Robotics financial performance for the financial years 2018 and 2019 are presented below. The information is collected from the Company's audited financial statements for 2018 and 2019, which have been prepared in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B, with additional choice of rules relating to reporting class C. Shape Robotics is not part of any group. The financial statements for 2018 and 2019 have been provided with an auditor's statement without qualifications. The current fiscal year is January 1 - December 31.

The financial information below has been obtained from the above-mentioned incorporated documents. The Prospectus has not been reviewed by the Company's auditor. The key figures are taken from the above mentioned sources and have not been audited or reviewed by the Company's auditor. References to these reports are made as follows:

- Shape Robotics annual report for 2019: income statement (pages 7), balance sheet (pages 8-9), notes (pages 11-18) and audit report (pages 2-4).
- Shape Robotics annual report for 2018: income statement (page 7), balance sheet (pages 8-9), notes (pages 10-17) and audit report (pages 2-4).

Income Statement

	1 jan 2019 - 31 dec 2019	1 jan 2018 - 31 dec 2018
(amounts in DKK)	Audited	Audited
Revenue*	8 061 046	3 685 532
Capitized development cost*	858 500	1 509 068
Cost of goods sold*	-5 278 554	-2 137 476
Other external cost*	-3 105 770	-2 565 436
Gross profit	535 222	491 688
Staff expenses	-9 433 012	-6 308 575
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	-610 686	-341 792
Profit/loss before financial income and expenses	-9 508 476	-6 158 679
Financial income	181	910
Financial expenses	-68 035	-35 186
Profit/loss before tax	-9 576 330	-6 192 955
Tax on profit/loss for the year	481 742	769 102
Net profit/loss for the year	-9 094 588	-5 423 853

* Are not included in the income statement, but reported in the notes (Specifikationer til årsregnskabet)



Balance Sheet

	31 dec 2019	31 dec 2018
(amounts in DKK)	<i>Audited</i>	<i>Audited</i>
Completed development projects	5 274 716	2 526 497
Development projects in progress	-	1 936 495
Intangible assets	5 274 716	4 462 992
Other fixtures and fittings, tools and equipment	735 017	41 534
Leasehold improvements	11 000	14 300
Property, plant and equipment	746 017	55 834
Fixed assets	6 020 733	4 518 826
Raw materials and consumables	2 295 649	1 360 780
Prepayments for goods	274 375	-
Inventories	2 570 024	1 360 780
Trade receivables	1 461 921	1 964 391
Receivables from group enterprises	18 854	-
Other receivables	714 788	94 792
Corporation tax receivable from group enterprises	481 742	538 455
Prepayments	81 288	295 493
Receivables	2 758 593	2 893 131
Cash at bank and in hand	1 815 023	2 797 469
Currents assets	7 143 640	7 051 380
Total Assets	13 164 373	11 570 206
Share Capital	255 922	201 615
Reserve for development costs	4 185 769	3 481 134
Retained earnings	5 029 055	3 543 585
Equity	9 470 746	7 226 334
Trade payables	1 351 097	996 551
Other payables	2 154 159	2 317 108
Deferred income	188 371	1 030 213
Short-term debt	3 693 627	4 343 872
Debt	3 693 627	4 343 872
Liabilities and equity	13 164 373	11 570 206



Key figures

(amounts in DKK)	1 jan 2019 - 31 dec 2019	1 jan 2018 - 31 dec 2018
Revenue	8 061 046	3 685 532
Operating earnings (EBIT)	-9 508 476	-6 158 679
Cash flow from operating activities*	-8 800 333	-5 226 237
Equity ratio, %*	72%	62%
Number of employees end of period*	21	17

Definitions

Operating earnings (EBIT)	Operating income less operating expenses plus depreciation and amortization
Equity ratio, %	Equity divided by total assets

* Unaudited figures

DIVIDEND POLICY

No dividends have been paid out by the Company previous financial years. There is no guarantee that dividends will be proposed or decided on by the Company. The Boards will annually review the possibility of dividends. In considering future dividends, the Board will consider several factors, including the Company's operations, operating income and financial position, current and expected liquidity needs, expansion plans, contractual restrictions and other significant factors. Shape Robotics believes that focus in the future should primarily promote growth and that dividends are not relevant in the near future.

SIGNIFICANT CHANGES IN THE COMPANY'S FINANCIAL POSITION SINCE DECEMBER 31, 2019

Since December 31, 2019, no events have occurred which could materially change the Company's financials other than a convertible loan arrangement with a principal of DKK 2.1 million to TAG Holding Aps, the Company's largest shareholder. The loan will be converted into equity as a part of the Offering.



Capitalization, indebtedness and other financial information

The tables in this section describe the Company's receivables and liabilities as of March 31, 2020. The tables in this section should be read together with the Company's financial statements and accompanying notes which are incorporated in this Prospectus by reference.

Shareholder's Equity and Liabilities	March 31, 2020	Net indebtedness	March 31, 2020
	DKK		DKK
Sum current debt	5 822 171	(A) Cash	2 138 055
Guaranteed	-	(B) Cash equivalents	-
Secured	2 100 000*	(C) Trading securities	-
Unguaranteed/unsecured	3 722 171	(D) Liquidity A + B + C	2 138 055
Sum non-current debt		(E) Current financial receivables	-
Guaranteed	-	(F) Current bank debt	-
Secured	-	(G) Current portion of non-current debt	-
Unguaranteed/unsecured	-	(H) Other current financial debt	-
Shareholder's Equity	6 454 189	(I) Other current financial debt F + G + H	-
Share capital	407 000	(J) Net current financial indebtedness I - E - D	-2 138 055
Reserve for development costs	3 974 663	(K) Non-current bank loans	-
Retained earnings	2 072 526	(L) Bonds issued	-
		(M) Issued convertible debentures	-
		(N) Other non-current financial debt	-
		(O) Non-current financial indebtedness K + L + M + N	-
		(P) Net indebtedness (O + J)	-2 138 055

*The secured debt will be converted to equity in the IPO

WORKING CAPITAL

According to the assessment by the Board of Directors, the working capital as per the date of this prospectus is insufficient for the next twelve months. The working capital needs for the next twelve months is to be covered by the issue of new shares carried out in connection with the Offering, which could provide the Company with a maximum of DKK 21.4 million before transaction costs. If the Offering is carried through, also at the minimum Offering, the Company will have sufficient working capital available for the Company's planned activities for at least twelve months after the first date of trading on Nasdaq First North Growth Market Denmark.

In the event that the Offering is not carried through, the Company will review its current business plan, and raise new equity through existing shareholders and/or new investors.

PAYMENT TERMS

The Company is typically working with 14 days payment terms for direct sales and 25 days to resellers/distributors. The Company determine on a case by case basis whether there should be an upfront payment from new customers/resellers. Payment terms to the Company suppliers normally range from 14-30 days.



Shareholder and Security holder information

OWNERSHIP AND MAJOR SHAREHOLDERS

As of the date of this Prospectus and based on the share capital of DKK 407 000 prior to the Offering, there are no physical or legal persons who own more than five percent of all shares and votes in Shape Robotics in addition to what is shown in the table to the right. The major shareholders have no different voting rights. To the Company's knowledge, the Company is not directly or indirectly owned or controlled by any other natural or legal person. Neither do there, to the Company's knowledge, exist any arrangements in Shape Robotics which may at a subsequent date result in or prevent a change of control in the Company.

SHARE CAPITAL

At the time of the Prospectus, the share capital in Shape Robotics amounts to DKK 407 000, divided into 4 070 000 shares. All Shares are negotiable instruments and there are no restrictions regarding the transferability of the Shares. Each share has a nominal value of DKK 0.1. Prior to the Offering, the shareholders of the Company had a general meeting that decided to convert the company from a limited liability company (in Danish: "anpartsselskab") to a limited company (in Danish: "aktieselskab"). In this regard, the share capital of the Issuer was increased from nominally DKK 255 922 to nominally DKK 407 000 through issuance of bonus shares in the Company to its existing shareholders.

The shareholders of the Company have at a General Meeting on June 2, 2020 adopted a resolution to increase the share capital of the Company by up to 275 510.20, all of which will be offered in the Offering. At the same General Meeting, the shareholders resolved to adopt new articles of association appropriate for a company with publicly traded shares. The new Articles of Association are conditioned upon the completion of the the Offering. In the event that the the Offering is not completed, all decisions made on the general meeting as described above shall be null and void. Among other, the following decisions were made on this general meeting: Consolidation of share classes, deletion of designation rights of representatives to the Company's board of director, deletion of all warrant related provisions in the articles of association, deletion of veto rights and insertion of "one share, one vote" and capital increase by cash contribution from investors as part of the Offering.

Under the Offering, the Company's share capital will be increased with a minimum of DKK 204 081.70 and a maximum amount of nominally DKK 275 510.20. Accordingly, between 2 040 817 and 2 755 102 Offer Shares, each with a nominal value of DKK 0.1 will be issued under the Offering. The Company's share capital immediately after the Offering will amount to nominally DKK 611 081.7 if the minimum share capital is subscribed for, and nominally DKK 682 510.2 if the maximum share capital is subscribed for. All Shares which are issued are fully paid and there are no Shares which do not

Ownership relationship as of June 3, 2020

Name	Percentage of shares and votes (%)
TAG Holding ApS*	39.2%
Iskil Holding ApS*	24.0%
Black Box Holding IVS*	21.6%
Styrelsen for Institutioner og Uddannelses-systemer	7.8%
Other	7.4%
Total	100%

** Black Box Holding IVS is wholly-owned by Moises Pacheco (100 %). Iskil Holding ApS is owned by David Johan Christensen Holding IVS (with an ownership of 89.74 %) and Nordstorm Holding IVS (with an ownership of 10.26 %). David Johan Christensen Holding IVS is wholly-owned by David Johan Christensen, and Nordstorm Holding IVS is wholly-owned by Helene Hald Christensen. Styrelsen for Institutioner og Uddannelsessystemer is an administrative unit under the state of Denmark. TAG Holding ApS is owned by C.G. Invest ApS, which is owned by Casper Gjørup and Thomas Gjørup (with an ownership between 25-33.32 %, and no voting rights), M.H.G. Invest ApS, which is owned by Thomas Henrik Gjørup and Martin Henrik Gjørup, (with an ownership between 25-33.32 %, and no voting rights), MAC G ApS, which is owned by Anizette Gjørup (with an ownership between 33.33-49.99 %, and no voting rights) and T.G. Invest ApS, which is owned by Thomas Henrik Gjørup and Henrik Gjørup (with an ownership between 10-14.99 %, and 100% of the voting rights). David Johan Christensen is both CEO of the Issuer and has an ownership in the Issuer through Iskil Holding ApS (as described above), and Moises Pacheco is both a board member of the Issuer, CTO of the Issuer, and has an ownership in the Issuer through Black Box Holding IVS (as described above).*

represent capital. No Shares are held by or on behalf of the Company itself or by subsidiaries of the Company. There are no convertible securities, exchangeable securities or securities with warrants in the Company. There are no terms of any acquisition rights and/or obligations over authorized but unissued capital or an undertaking to increase the capital. Neither are there any provisions in the Articles of Association that would have an effect of delaying, deferring or preventing a change in control of the Company.

Authorisation to increase the share capital

In accordance with the Articles of Association, the Board of Directors is authorised to increase the share capital of the Company for the amounts as set out below.

According to the Articles of Association, the Board of Directors is until 19 February 2025 authorized to increase the Company's share capital by issuance of new shares with and without pre-emptive rights for the Existing Shareholders of up to nominally DKK 183 150 shares through cash contribution. Shares which are issued without pre-emptive rights for the Existing Shareholders shall be subscribed at market value.

All new shares issued pursuant to the authorization set out above are negotiable instruments and shall have the same rights as the Company's Existing Shares. The new shares must be registered in the names of the holders. No restrictions shall apply to the transferability of the new shares. The new shares shall be fully paid.



Authorisation to acquire Treasury Shares

The Company may acquire treasury shares until the ordinary general assembly in 2021 corresponding to 10% of the share capital provided that the Company's portfolio of treasury shares does not exceed 5% of the Company's share capital at any time and is in compliance with the Safe Harbour principles. Any purchase of treasury shares under the authorisation, may not deviate by more than 10% from the most recently quoted market price of the Shares on the date of the acquisition.

Dilution

As a result of the Offering, the Company's share capital will be increased by the issuance of the Offer Shares to be used as consideration in the Offering. The Existing Shares' combined ownership interests will be diluted by the issuance of up to 2 755 102 Offer Shares in the Offering corresponding to a nominal value of up to DKK 275 510.2. Following the completion of the Offering, the Existing Shares equal 66.6 percent of the Company's total share capital with minimum subscription and 59.6 percent with the maximum of the Offer Shares subscribed for.

POST-OFFERING LONG TERM INCENTIVE PROGRAM

In connection with and subject to completion of the Offering, there will be established a long-term incentive program (the "Post-LPO LTIP") under which the Executive Management, certain employees may be eligible to receive a number of share options as determined by the Board of Directors in its sole discretion. Under the Post-IPO LTIP, share options will be granted to eligible employees free of payment as soon as practically possible after completion of the Offering. Thereafter, share options are expected to be ongoingly granted as determined by the Board of Directors each year. The Company intends to own the shares to be used as share options as treasury shares, thus no dilution is intended to take place. The share options will vest according to a vesting schedule, typically during the three financial years subsequent to grant. The vesting schedule for any future grants under the Post-IPO LTIP will be set by the Board of Directors in their sole discretion, including the contents and nature of the financial milestones taking duly into consideration potential alignment with any externally communicated financial targets of the Company. To the extent the value of the share options changes during the vesting period or before the exercise of vested share options, e.g., due to changes in the capital structure of the Company or dividend distributions above pay-out as stipulated in the dividend-policy at the time of the grant, the number of share options granted and/or the exercise thereof may be adjusted accordingly. Upon vesting, the holder may exercise the share options vested during the open trading window following publication of the annual report. Each vested share option entitles the holder to purchase one Share at the exercise price of the share options for that particular grant. The exercise

price for future grants under the Post-IPO LTIP will typically be equal to the average closing price for the Shares on Nasdaq First North Growth Market Denmark during the ten days preceding three working days prior to grant. If vested share options are not exercised within the vesting window, they will lapse without compensation and remain treasury shares of the Company. The exercise price or any adjustment thereto will not have any dilutive effect since the number of allocated share options is fixed.

LEGAL ISSUES

Material Contracts

Other than the contracts described below, and such contracts that have been entered into in the ordinary course of business, there are no contracts to which the Company is a party which are material to the Company and which have been applicable in the last year immediately preceding the date of this Prospectus.

Distributor/reseller agreements

The Company's key activities are to develop hardware, software and materials for its education robots, as well as, sales of its products and associated services through a network of independent resellers. The Company has entered into four large distributor/reseller agreements. Three of these are based on the same template. Distributors are generally assigned the sole and exclusive rights to distribute and sell the products of the Company within a certain territory.

The distributors are i) Ednex (operating on an exclusive basis within the Gulf Cooperation Council (the GCC) which is comprised by UAE, Saudi Arabia, Bahrain, Kuwait, Oman and Qatar) entered into on 3 October 2018, ii) Pitsco, Inc (operating on an exclusive basis within USA) entered into on 24 October 2018, and iii) Monti Russo (operating on an exclusive basis within Italia) entered into on 30 September 2019, and iv) LLC Center for Innovative Technologies in Educational (operating on an exclusive basis within Russia) entered into on February 2019.

Distributors are responsible for approximately 50 percent of the Company's total sales of products and technology. If the reseller reaches the minimum purchase expectation, the Company will provide the reseller a market development funds equal to an amount of 3% of the reseller's net purchases from the Company for the period in which the relevant minimum purchase expectation has been met. The agreements will automatically renew for a renewal term of 12 months, unless either party has elected not to renew the agreement by providing written notice to the other party at least three months before the end of a term.

DTU License Agreement

See "IPR" for further information



IPR

Key technologies

The key technology of the Company is a modular construction system called Fable (or Fable Robotics System) where students can build and program their own robots. Fable robots are highly integrated devices consisting of numerous key technologies in the form of hardware and software. Besides technology licensed from Danmarks Tekniske Universitet, see “DTU license agreement”, all key technologies are the Company’s proprietary technology. Below is briefly summarized some of them.

- Plastic parts: The mechanics of Fable are made from injection moulded plastic. The designs are made by the Company and the moulds are custom made.
- Connectors: Fables modularity, sturdiness and “quick to assemble” functionality originate from the unique magnetic connector design.
- Electronics: Fable Spin and Joint have on-board custom-made electronics. Electronics has an on-board microcontroller (computer) that communicates with the host computer (wireless) and controls the robot.
- Sensors: Fable Spin and Joint have various sensors embedded in their electronics which is made available wireless to the end-user through its user programmable interface.
- Motors: Fable Spin has DC motors with hall effect sensor-based encoders. Fable Joint has digital DC servo motors with potentiometer-based encoder.
- Batteries: Fable Spin and Joint are equipped with LiPo rechargeable batteries and charging electronics that enables charging through an external USB charger.
- Colored light pairing: A key technology is the ability to pair a Fable with several Fable modules using the colors of LEDs on each device which can be toggles by pressing the button on the device.
- Wireless communication: The custom wireless communication architecture is based on a 2.4GHz radio module embedded in each device. Modules communicate short packages of data with a host computer through a Fable Hub to synchronize the virtual state of the module on the computer with the module’s physical state. The host computer can read and write to the virtual state to indirectly control the physical state of the remote Fable module.
- User programmable interface: The graphical programming interface called Fable Blockly is implemented using standard web technologies and is based on the open-source library of Google Blockly and the programming language Python.
- Smartphone: A Unity app connects using Bluetooth communication to a Fable Hub and exposes the smartphones sensors and graphical eyes to be controlled by the user in a similar fashion as the other Fable modules.

Designs

The Company has 10 protected designs relating to the Fable robot in the EU.¹ The designs have been filed on 30/01/2017. All 10 designs are registered and fully published. The designs expire on 30 January 2022.

Possible infringements of third party IPR by the Company

In connection to the process of filing a patent application in relation to the DTU license agreement, see “DTU license agreement”, it was agreed to investigate if the Company was liable of infringement of any third-party intellectual property rights. Particularly, focus was concentrated on Lego A/S participating in Højteknologifonden’s projecting (2011-2014) during which the development of Fable initially began. Also, focus was concentrated on Harvard University, USA (2015) where Moises Pacheco stayed for 6 months while doing his PHD-project. The investigation led to no grounds implicating that DTU and the Company did not have the full rights to Fable.

Further, Lego and Harvard have been aware of the fact that the Company has been commercializing Fable since 2016/2017 without making any objections against it.

DTU License Agreement

Danmarks Teknologiske Institut (DTU) has granted an exclusive, non-assignable, worldwide license to the Company to – in the Company’s own name, and at the Company’s own costs – exploit the invention, being i) mechanical and electronic designs as well as the external appearance of the mechanical and electronic components/elements/modules of the Fable Robotic System and ii) software. The Company has the right to use, develop, manufacture, have manufactured, market and sell products covered by the license.

No royalty is paid until net sales reaches DKK 1 000 000. Thereafter, 5.0% royalty of net sales during the next months or years until accumulated net sales amount to DKK 5 000 000 after which the royalty shall be 2.0% of additional net sales. Once cumulative net sales reach DKK 50 000 000 and 2.0% royalty thereof has been paid to DTU, the Company shall receive ownership to the licensed rights. In 2019 and 2020, the total royalty payment was DKK 200 000.

The Company may at any time purchase the ownership of the licensed patent and hardware designs and a perpetual non-exclusive license to the software by paying a total amount of DKK 1 100 000 to DTU.

¹ <https://euipo.europa.eu/eSearch/#details/owners/808790>



RELATED PARTY TRANSACTIONS

The Company's related parties include the Company's Board of Directors, the Executive Management, and close family members of these persons as well as the Company's major shareholders. Related parties also include companies in which these persons and shareholders have significant influence.

Capital increase

The Company obtained a convertible loan from TAG Holding ApS on the 1st of April 2020. The loan had a principal amount of 2.1 MDKK and an interest rate of 10% per annum. The loan is converted to Shares on the same terms and conditions as the Offer Shares subscribed for in the Offering.

On 21 March 2019, the Company held an extraordinary general meeting, where it was decided to increase the share capital, where TAG Holding ApS subscribed for nominally DKK 24 301 shares in the Company through a cash contribution of DKK 5 000 000. On the same extraordinary general meeting in the Company, it was decided to increase the share capital, where Reconfigurable Systems Holding IVS (Black Box Holding IVS and David Johan Christensen IVS) subscribed for nominally DKK 2 259 shares through debt conversion of a debt of DKK 400 000.

On 18 September 2019, the Company held an extraordinary general meeting, where it was decided to increase the share capital, where TAG Holding ApS subscribed for nominally DKK 24 301 shares in the Company through a cash contribution of DKK 5 000 000.

All related party transactions have, in the opinion of the Board of Directors, been concluded on arm's length terms.

Except as described in the section "*Corporate Governance*", the Company has not concluded any related party transactions which are material to the Company.

COMPLIANCE AND LITIGATION

During the last 12 months, the Company has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), which may have, or have had, in the recent past significant effects on the Company and/or the group of the Company's financial position or profitability.

CONFLICTS OF INTEREST

None of the members of the board of directors, executive management or any key employees have conflict of interest with respect to their duties on behalf of the Company. Members of the Company's board of directors, executive management or key employees either directly or indirectly own shares, see "*Corporate Governance*". In the event these persons' personal interests as either direct or indirect shareholders of the Company don't match the interests of the Company, a conflict of interest may occur.

Available documents

Copies of the following documents may be inspected during the entire period of the Prospectus at the Company's office Rugmarken 18, 3520 Farum, during ordinary office hours.

- Shape Robotics certificate of incorporation and articles of association.

The above documents are also available in electronic form on the Company's website www.shaperobotics.com.



Subscription form – for subscription of shares in Shape Robotics A/S



Subscription period: June 4 – June 18, 2020 4.00 p.m.

Subscription price: DKK 9.80

Settlement: Delivery of shares in the temporary ISIN is delivery against payment.

Payment: Payment is expected to take place on June 23, 2020.

ISIN: Permanent ISIN for the Shares: DK0061273125,
Temporary ISIN for the New Shares: DK0061273208

This form must be submitted to the investor's own account holding bank in complete and executed form in due time to allow the investor's own account holding bank to process and forward the application to ensure that it is in the possession of Danske Bank A/S, no later than 4:00 p.m. (CET) on June 18, 2020.

In an assessment of Shape Robotics A/S, Company reg. no. 38322656. ("Shape Robotics") future development and operations, it is of great importance to consider all relevant risks. Each investor must make their own assessment of the impact of these risks by reading and understanding all available information published concerning this offer. The prospectus is available for download at www.shaperobotics.com.

The undersigned hereby applies for subscription of the following number of shares in Shape Robotics at a subscription price of DKK 9.80 per share:

Number of shares (minimum 500 shares per subscription)

Fill in where the allotted and paid for shares are to be delivered, owner-registered securities account or custody account (state only one alternative):

VP custody account no.	Bank
Settlement account no.	Bank
Custody account	Bank/Nominee

Note that if you have an account with specific rules for securities transactions, such as an investment savings account or endowment account, you must check with your bank/nominee, whether, and if so how, the acquisition of securities within the framework of the offer is possible. The subscription shall be made, in that case, in accordance with instructions received from the bank/nominee that holds the account.

Settlement of the Offering will be effected by way of registration of New shares representing the allocated number of Offer Shares on your custody account with VP SECURITIES A/S (VP) against payment in DKK, which will take place on the settlement date. All dealings in the New shares and/or the Offer Shares prior to settlement of the Offering will be for the account of, and at the sole risk of, the parties involved.

Fill in your name and address information (PLEASE WRITE CLEARLY)

Last name/Company	First name	National ID number/Company registration number
Street address (or PO Box or equivalent)		Daytime telephone/mobile telephone
Postal code	City	Country
E-mail	Signature (authorized company signature, or guardian, if applicable)	

By signing this subscription form I confirm the following:

- That I have read the prospectus and understand the risks associated with investing in this particular financial instrument;
- That I have read and understand the information stated in the section "Details of the offer/Admission to trading" in the prospectus;
- That I have read and accepted the information shown on the subscription form;
- I have observed that the offer is not addressed to persons resident in the USA, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland, Singapore or other countries where participation requires additional prospectuses, registration or other measures other than those required by Danish law;
- That I am aware that the application is not covered by the right of return that follows from the Danish Consumer Contracts Act;
- That no amendments or additions may be made to the printed text in this subscription form;
- That the allocation of shares in accordance with the subscription cannot be guaranteed;
- That an incomplete or incorrect subscription form may be disregarded;
- That the subscription is binding;
- That no modifications or amendments may be made to the printed text in this application form;
- That I am aware that no customer relationship exists between Våstra Hamnen Corporate Finance AB and the subscriber with respect to this subscription.
- That Danske Bank as settlement agent is allowed to receive this form containing my information and signature and that Danske Bank is allowed to forward the form to my custody bank.





Shape
Robotics

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