



Shentong Robot Education Group Company Limited 神通機器人教育集團有限公司

Shentong Robot Education Group Company Limited Announces Annual Results for the Year Ended 31 March 2018

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**Further Expansion of Robotics Education Business
Profit Surged by 618% to Approx. HK\$27.6 Million**

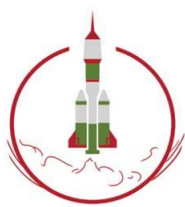
**To Generate Income through Competitions
Continuing to Expand Education Business to Boost Considerable Growth**

Financial Highlights	For the Year Ended 31 March (HK\$ '000)		
	2017/18	2016/17	Change
Revenue	141,482	91,507	+54.6%
Gross profit	92,807	55,540	+67.1%
Gross profit margin	65.6%	60.7%	+4.9 p.p.
Profit before tax	45,065	11,507	+291.6%
Profit attributable to owners of the Company	27,602	3,846	+617.7%

[Hong Kong, 15 June 2018] - **Shentong Robot Education Group Company Limited** (Stock Code: 8206) ("S ROBOT EDU" or the "Company", together with its subsidiaries, the "Group"), today announced its audited consolidated results for the year ended 31 March 2018 (the "Year").

The Group is the only enterprise in Heilongjiang Province authorised to host robot sports competitions and provide robotics-related education and training business for the entire province (collectively, the "Robotics Education"). During the Year, benefiting from the continuous development of Robotics Education, the Group once again achieved new record highs, consolidated revenue amounted to approximately HK\$141,482,000 for the year ended 31 March 2018, representing an increase of approximately 54.6% as compared to approximately HK\$91,507,000 for the year ended 31 March 2017. The Group's gross profit increased by 67.1% year-on-year to approximately HK\$92,807,000, and gross profit margin increased approximately 4.9 percentage points year-on-year to approximately 65.6%.

Upon completion of the acquisition of the entire equity interest of Heilongjiang Shentong Cultural Club Co., Ltd. in May 2016, the Robotics Education business continues to be the main growth engine, which has contributed to continuous improvement in profitability of the Group. Meanwhile, the Group successfully created a new source of revenues from industries related to robotics education, with a more diversified income structure.



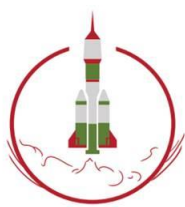
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Mr. He Chenguang, Chairman of Shentong Robot Education Group Company Limited, said, “The robotics education which combines technology, education and practice has developed rapidly last year. Through organising diversified robotics education events in Heilongjiang Province, such as sports events, competition experience, course promotion, and experiential programmes, the Group successfully encouraged the development of local Robotics Education business and gained extensive market and social recognition. We also strived to create a high-end robotics education platform to nurture high-quality robot sports professionals, aiming at making greater contributions to the development of robotics education in the PRC.”

“Robotics Curriculum Guide for Secondary and Primary Schools” by the Ministry of Education was approved by experts in the beginning of 2016, setting clear standards and norms for the robotics education curriculum in primary and secondary schools in the PRC, and also laying a solid foundation for promoting the school-based teaching of robotics in the PRC. On the other hand, we will actively cooperate with the Robot Sports Association of Heilongjiang Province, take all efforts to promote robotics education and robotics competitions in Heilongjiang Province, and promote the vigorous development of national robotics-related business in Heilongjiang Province as well as throughout the country.”

Robot sports in the PRC has been recognised as one of the 108 national social sports programmes by the General Administration of Sport of China, demonstrating that the government attaches a great importance to the development of robot sports. In November 2017, the China Robot Sports Rank Examination organised by the China Robot Sports Working Committee and the Working Committee of the National School Sports Robot League was held in the Heilongjiang Province. The examination further propagated the robotics discipline and the concept of education in robot sports. In the same month, the National Robotics Competition Equipment Testing and Certification Center and the National Robot Teaching Equipment Testing and Certification Center were established in the Harbin Institute of Technology in the Heilongjiang Province, by which a national mechanism for standard testing and accreditation in the PRC was formally activated, effectively promoting the standardisation process of robotics education in the PRC.

Looking ahead of 2018, S ROBOT EDU will plan diversified scientific experiences programmes to create a broad education platform for students and broaden their vision of science and technology and worldview. In April 2018, the “First Robotics Competition for University Students in Heilongjiang Province” was successfully held by the Department of Education in Heilongjiang Province and co-sponsored by the Group and Harbin Branch of China Mobile. It attracts nearly 500 students from around 40 universities and colleges, which has further deepened the integration of local sports, education and technology. On the other hand, the Group will host the “China Communication Cup First National Robotic Football Competition” in Daqing, Heilongjiang Province in August 2018. It is expected to be a football match using robots as the tools for competition, which will effectively raise the reputation of robot sports in the province and drive the development of Robotics Education business of the Group. Meanwhile, the Group will actively

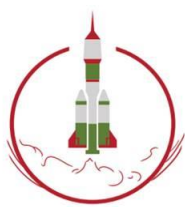


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participate in the development of innovation and technology and education in Hong Kong, and seriously consider extending its existing robotics education-related business into the innovation and technology field in Hong Kong. The Group believes that, the robot sports events and education courses will promote the importance of sports and technology among the general public, as well as inspire and guide the younger generation to join the innovation and technology industry and help develop Hong Kong become an international innovation and technology centre.

Mr. He Chenguang continued, “We will exert our own advantages in robotics education, sports, competitions, international exchanges, and etc., actively cooperate with various institutions in Heilongjiang Province to negotiate and carry out robotics education-related projects and promotion of international exchanges, so as to achieve a new milestone with the national education. In addition to continue to deepen the development of the operating networks of Harbin city and Daqing city, the Group has successfully expanded its business to Anda city and Qiqihar city. In the future, we will continue to expand the Robotics Education business in Heilongjiang Province to attract more students and teachers to become a part of our Robotics Education, so as to facilitate a continuous increase in the Group’s operating income and create long-term value for the Group and its shareholders.”

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About Shentong Robot Education Group Company Limited

Shentong Robot Education Group Company Limited ("S ROBOT EDU" or the "Company", Stock Code: 8206) has expanded its business to industries related to robotics education in the PRC upon completion of the full acquisition of the service provider of China Robotics Competition ("CRC") in Heilongjiang Province on 16 May 2016. At present, the Company focuses on the robotics education in the PRC. In addition, the Company's businesses also include robotics competitions and promotion and management services of "Shentong Card".

About Robotics Education Business

Shentong Robot Education Group Company Limited is the only enterprise in Heilongjiang Province authorised to host robot sports competitions and provide robotics-related education and training business for the entire province (collectively, the "Robotics Education"). The Robotics Education in Heilongjiang Province has become the main driving force of business growth of the Group.

The schools and training organisations in Heilongjiang Province wishing to become an official CRC Training Centre are required to submit applications to the CRC Working Committee through the Company. The Company then coordinates with the registered CRC Training Centres to provide them with CRC courses and CRC teaching materials, equipment and tutors. Once the CRC Training Centre starts to provide CRC training courses, it will be a CRC Course Provider and provide authorised CRC courses in the Province. The Company established self-operated demonstration centres and online learning platforms to provide authorised CRC courses, and it will reach out to more schools and training organisations, by promotion, site visits and demonstrations in Heilongjiang Province, to encourage them to become CRC Course Providers. The Company's revenue proportion in Robotics Education Business is: 100% for self-operated demonstration centres, 100% for online learning platforms, 50% for schools and 30% for training centres.

For further enquiries, please contact:

Shentong Robot Education Group Company Limited

Tel: (852) 3102 8166

Email: contact@srobotedu.com