



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 2019

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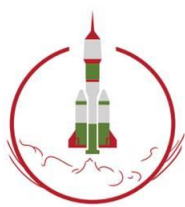
**Steady Development of the Robotics Education
Profit Surged by 113% YoY to Approx. HK\$58.83 Million**

**Increase Education Income through Competitions
with Unlimited Potential of Robotics Education**

Financial Highlights	For the year ended 31 March (HK\$'000)		
	2018/19	2017/18	Change
Revenue	177,415	141,482	+25.4%
Gross profit	126,944	92,807	+36.8%
Gross profit margin	71.6%	65.6%	+6.0 p.p.
Profit before tax	85,425	45,065	+90.0%
Profit attributable to owners of the Company	58,832	27,602	+113.1%

[Hong Kong, 14 June 2019] - **Shentong Robot Education Group Company Limited** (Stock Code: 8206) ("S ROBOT EDU" or the "Company", together with its subsidiaries, the "Group"), is pleased to announce its audited consolidated results for the year ended 31 March 2019 (the "Year") today.

The Group provides robotics-related education and training, and hosts robot sports competition in Heilongjiang Province (collectively, the "Robotics Education Business"). During the Year, benefiting from the continuing development of the Robotics Education Business, the Group recorded consolidated revenue of approximately HK\$177,415,000, representing an increase of approximately 25.4% as compared with the corresponding period last year. The Group's gross profit increased by 36.8% year-on-year to approximately HK\$126,944,000, while gross profit margin increased approximately 6 percentage points year-on-year to approximately 71.6%. With the sustained growth in business, the Group recorded a profit attributable to owners of the Company of approximately HK\$58,832,000, representing a significant increase of approximately 113.1% as compared with the corresponding period last year. The Robotics Education Business continues to be the Group's key growth engine. For the year ended 31 March 2019, the revenue from the Robotics Education and Others was approximately HK\$155,318,000, representing an increase of approximately 41.1% as compared with the corresponding period last year.



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In order to promote the development of the Robotics Education Business more effectively, the Group was committed to commencing various types of robotics education courses and developing a diversified learning framework during the Year. Through carnival and on-site interaction, the Group cooperated with online media to enhance the promotion efficiency, so that more and more parents understand and pay attention to robotics curriculum for schools, setting off a wave of taking robotics education. In August 2018, the China Robot Sports Mudanjiang Talent Training Centre, the China International Youth Robot Mudanjiang Exchange Centre and the China Robot Sports Mudanjiang Science and Technology Museum were officially put into operation. It gradually shows the Group's goal and achievements from the establishment of a comprehensive base with strong strength.

On the other hand, the Group actively organised various robotics competitions to raise the reputation of the Robotics Education Business and positively contribute to the income of the business. Apart from the "First Robotics Competition for University Students in Heilongjiang Province" and the "China Communication Cup First National Robotic Football Competition", the "2018 Postal Savings Bank Cup Heilongjiang Intelligent Robot Competition" jointly held by the Heilongjiang Provincial Science and Technology Association and the Department of Education of Heilongjiang Province, and co-organised by the Group was held in Harbin City in October 2018. The competition attracted numbers of outstanding students from 13 cities in Heilongjiang Province, creating a dynamic competition environment and greatly enhancing the Group's appeal and influence in the field of robotics.

Mr. He Chenguang, Chairman of Shentong Robot Education Group Company Limited, said, "In the past year, the robotics education which combines education, technology and practice continued to develop rapidly. As one of the leading regions of the PRC in the development of robotics education, the Robotics Education Business recorded a steady development in Heilongjiang Province. Through innovative education and promotion, we deepened the integration of education, sports and technology in Heilongjiang Province, and strived to create a high-end robotics education platform, aiming at making greater contributions to the development of robotics education in the PRC."



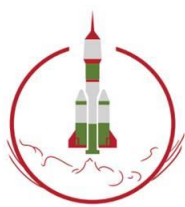
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In March 2019, the Ministry of Education issued the “Key Points of Education Informationisation and Cyber-security in 2019”, indicating that it would continue to promote the establishment of artificial intelligence related courses in the primary and secondary schools in this year, and gradually promote programming education. With the further maturity of artificial intelligence technology and the increasing investment from government and industry, application of artificial intelligence will continue to accelerate, while robotics education with relative mature development in the PRC, is becoming more and more popular. Numerous primary and secondary schools have also carried out a variety of robotics courses. Robotics education, sports and competitions have continued to heat up in Heilongjiang Province.

Looking ahead, the Group plans to launch various robotics theme activities in Heilongjiang Province. Apart from various robotics education courses and teacher training, the Group will actively organise intelligent robotics classrooms, on-campus robotics education programmes, as well as international exchanges and field trips. The above activities help to promote smart education into the campus, further strengthening the internationalisation and diversification of robotics education in the PRC. The Group will also take all efforts to promote the vigorous development of the Robotics Education Business and related business in Heilongjiang Province as well as throughout the country. In addition to building a good platform for robotics education for young people in Heilongjiang Province, the Group will actively participate in planning the national development strategy of robotics education and strive to cultivate the robotics industry and robotics professionals.

Mr. He Chenguang continued, “The development of robotics education in the PRC is showing a booming trend. Benefiting from the sound market development and the strong support of Heilongjiang Province for the popularisation of robotics education, we will continue to strive to optimise business operations and develop robotics education related industries in the PRC, in order to effectively promote the innovation and healthy development of the Group’s education business and bring the greatest return to 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 the Robotics Education Business

Shentong Robot Education Group Company Limited provides robotics-related education and training, and hosts robot sports competitions in Heilongjiang Province (collectively, the "Robotics Education Business"). The Robotics Education Business 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.

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