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

(Incorporated in Cayman Islands with limited liability)
(Stock code: 8206)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2017

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the "Directors") of Shentong Robot Education Group Company Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

CHAIRMAN'S STATEMENT

On behalf of the Board of the Directors (the "Board"), I am pleased to present the audited consolidated results of Shentong Robot Education Group Company Limited ("Shentong Robot Education" or the "Company", together with its subsidiary companies, the "Group") for the year ended 31 March 2017 (the "Year").

KEY DEVELOPMENTS

The Year has been one of great significance for the Group. I am pleased to announce that the Group completed the acquisition (the "Acquisition") of the entire equity interest in Copious Link Ventures Limited (the "Target Company", together with its subsidiaries, the "Target Group") on 16 May 2016. The Target Company is the holding company of 黑龍江神通文化俱樂部有限公司 (Heilongjiang Shentong Cultural Club Co., Ltd.#) ("Heilongjiang Shentong") which is principally engaged in the provision of education and training courses relating to robotics standardised by China Robot Competition (the "CRC") in Heilongjiang Province of the People's Republic of China (the "PRC") as well as the organisation and hosting of CRC competition events in Heilongjiang Province of the PRC. With the completion of the Acquisition, the Group has become the only enterprise authorised to organise and host CRC competition events and provide related training courses in Heilongjiang Province. This quality education business which combines technology and education means that the Group has officially entered the China quality education market and successfully created a new source of revenues.

FINANCIAL PERFORMANCE

The Group has been endeavouring to improve its overall financial position through restructuring and streamlining of business operations, and this effort finally came to fruition during the Year. The Group recorded consolidated revenue of approximately HK$91,507,000 for the year ended 31 March 2017, representing an increase of approximately 163.8% as compared to approximately HK$34,684,000 for the year ended 31 March 2016. The increase was mainly attributable to the contribution of steady revenues recorded by the Group after the completion of the Acquisition.

For the Year, the Group successfully turned losses into gains by recording approximately HK$3,846,000 in profit attributable to owners of the Company as compared to the approximately HK$20,370,000 in loss attributable to owners of the Company for the year ended 31 March 2016. The Group's gross profit increased by 134.7% year-on-year to approximately HK$55,540,000, with a gross profit margin of approximately 60.7%. For the period from the completion date of the Acquisition to the end of the reporting period (totalling approximately ten and a half months), the Target Group segment recorded approximately HK$60,050,000 in revenue and approximately HK$28,598,000 in profit before tax.

English name is for identification purpose only

BUSINESS REVIEW

During the reporting period, the Group's revenue were mainly attributable to the provision of robotics training courses and others in Heilongjiang Province of the PRC and the provision of promotion and management services of electronic smart card "Shentong Card" in the PRC.

With the completion of the Acquisition, the Group has obtained the exclusive right to host CRC competition events and provide related CRC education and training (collectively, the "CRC Business") in Heilongjiang Province. The CRC Business in Heilongjiang Province achieved a leap-forward development in the past year and brought the province's quality robot education to a new milestone with wide recognition from the general public as well as from the market. To better reflect the Group's business activities and development directions, the Company officially changed its name to "Shentong Robot Education Group Company Limited" in August 2016 with a clearer corporate image.

Heilongjiang Province is one of the leading regions of China in the development of quality robot education. The Group is the sole organiser of CRC events in Heilongjiang Province with the approval of the General Administration of Sport of China. The CRC Business in Heilongjiang has become an important part of the Group's development strategy. During the Year, the Group organised a diversified series of CRC events with the focus on land robots and aerial robots such as robotic polo competition, robot obstacle race, off-road robot competition, humanoid robotic dance competition and smart robot innovation competition, in order to tap the potential of the quality robot education market, which attracted kindergarten, primary school, secondary school and university level participants from across Heilongjiang Province. Prominent among them were the 2016 Heilongjiang "China Communication Cup" Robot Tournament Qualifying held in various prefecture-level cities in the province during the year, the "Harbin Bank Cup" Smart Robot Competition held in Heilongjiang Province in July 2016 and the "Back-to-school Season Land Robot Obstacle Challenge" held in February 2017. These novel competitions were very successful and received a lot of attention from all walks of life.

By organising CRC events in Heilongjiang Province, the Group effectively promotes the development of quality robot education and makes it take root in the province and develop more related talent. We believe that various robot competitions will promote the popularisation and development of robot education by providing excellent opportunities for students and schools to explore robotic technologies, particularly in the Group's key markets of Harbin and Daqing where the influence of quality robot education is increasing.

Education and talent development are key to China's overall development in the future. Promoting China quality education is beneficial for improving the general literacy of the entire population and driving all-round development of students in terms of morality, intellectuality and physical fitness. During the Year, the Group made active efforts to promote the school-based quality robot teaching business in China in coordination with the working committee of the National School Sports Robot League. In this regard, we organised experience courses including the "Little Pilot" Science and Technology Experience Activity and the 2016 Science Popularisation Day in Heilongjiang Province, which not only expanded the influence of the Group's quality education business in the local areas but also contributed to the development of China quality education at large. We are highly confident in the Group's current positioning with its focus on quality education which combines science, technology and education.

PROSPECTS

The CRC Business in Heilongjiang, which has made revenue contributions in the short span of just a little more than ten months, has made a good start in our efforts to optimise our operations. The CRC Business in Heilongjiang will also become a driver of the Group's business growth in the future. We will further strengthen our marketing efforts to expand the CRC business in wider areas of Heilongjiang on top of our existing achievements. In addition to consolidating our operations in Harbin and Daqing, we will gradually expand our CRC business network to the other 11 prefecture-level cities of Heilongjiang Province.

While continuously developing our CRC Business network in Heilongjiang Province, we will keep developing and organising various robot competitions to increase the number of participants in CRC events and training courses. The China Robot Sports Working Committee has planned a number of national robot competitions for 2017. Among them, the Second National Robot Competition will take place in Shandong Province in August 2017. With new competition items, this competition will be more diversified compared to the first session in 2015. At the same time, qualifying and final competitions at varying scales will be held in different regions. As schools and students strive for eligibility of participation, the number of participants in the competition events and relevant training courses will steadily increase. We are also pleased to announce that Heilongjiang Province will host the first football match using robots as the tools for competition in China, the "First National Robotic Football Competition" in China in the second half of 2017. The new competition is expected to significantly raise the reputation and boost up the development of Heilongjiang's robot sports and related training programmes and drive the development of the CRC Business in the PRC.

"The Development Plan for the Robotics Industry (2016–2020)" jointly issued by the Ministry of Industry and Information Technology, the National Development and Reform Commission and the Ministry of Finance in April 2016 highlighted measures to organise and implement talent development plans for the robotics industry, strengthen robotics-related programmes at higher learning institutions, and promote robotics professional training education, indicating the great importance attached by the government to robot education. Going forward, we will enjoy even greater development opportunities. We will keep a close watch on other development opportunities relating China quality education and explore acquisition opportunities in other provinces and municipalities. In addition, we will carefully consider expanding our business to robot education-related sectors and other sectors with an eye to continuously tapping feasible investment opportunities and achieving the Group's sustainable business growth.

The Chinese government's support of the education market and the increasing government expenditure on education will drive the development of education as an industry. "The Plan on National Educational Development during the 13th Five-Year Plan Period" issued by the State Council in January 2017 outlined measures to comprehensively deepen the education reform, accelerate education modernisation and build China into an innovative country and a strong country in terms of human resources. The plan suggests prioritising expenditure on education with the aim of ensuring that the national fiscal expenditure on education as a percentage of the GDP will be not less than 4% by 2020, while the number of students at school will only increase, rather than decrease, year by year. Although robot education in China is still in the starting stage with a significant gap with western countries in terms of penetration, China's education industry will enter a golden era as the country's middle class expands and Chinese parents attach increasing importance to children's education. The year 2017 marks year one of the Group in the education market. We believe that, supported by favourable policy, China's robot education will have a huge potential of development. The Group's quality education business in China will achieve stable development and help take China quality education to a new level.

To sum up, the Group will continue with its mission to optimise its quality education-related operations. We will continue to leverage our first-mover advantages in China quality education, to develop more high-quality education programmes, and strive to build an all-new portfolio of businesses along the entire industry chain. We believe that China quality education will gain even more traction and help boost the Group's overall competitiveness and maximise returns to the Group and its shareholders.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our gratitude to our shareholders for their tremendous support and to my fellow Directors and our management and staff for their dedication and contribution in the past year.

RESULTS

The Board is pleased to announce the audited consolidated results of the Group for the year ended 31 March 2017, together with the comparative figures for the corresponding year ended 31 March 2016 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 MARCH 2017

	Note	**2017** *HK$'000*	2016 *HK$'000*
Revenue	*3*	**91,507**	34,684
Cost of sales		**(35,967)**	(11,020)
Gross profit		**55,540**	23,664
Other income	*4*	**1,655**	52
Selling and distribution expenses		**(13,636)**	(14,684)
Administrative expenses		**(29,702)**	(25,968)
Other operating expenses		**(456)**	–
Profit/(loss) from operations		**13,401**	(16,936)
Finance costs	*6*	**(1,894)**	(1,884)
Profit/(loss) before tax		**11,507**	(18,820)
Income tax expense	*7*	**(7,661)**	(1,550)
Profit/(loss) for the year attributable to owners of the Company	*8*	**3,846**	(20,370)
		HK cent	HK cent
Earnings/(loss) per share			
Basic (cents per share)	*10(a)*	**0.24**	(1.57)
Diluted (cents per share)	*10(b)*	**N/A**	N/A

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017

	2017	2016
	HK$'000	*HK$'000*
Profit/(loss) for the year	**3,846**	(20,370)
Other comprehensive income		
Item that may be reclassified to profit or loss:		
Exchange differences on translating foreign operations	**(20,354)**	(1,237)
Total comprehensive income for the year attributable to owners of the Company	**(16,508)**	(21,607)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2017

	Note	**2017** **HK$'000**	2016 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**5,416**	933
Goodwill		**36,302**	–
Intangible assets	*11*	**371,929**	–
Total non-current assets		**413,647**	933
Current assets			
Inventories		**54**	–
Prepayments, deposits and other receivables	*12*	**32,582**	21,847
Bank and cash balances		**92,525**	17,961
Total current assets		**125,161**	39,808
TOTAL ASSETS		**538,808**	40,741
EQUITY AND LIABILITIES			
Share capital	*15*	**16,557**	12,947
Reserves		**74,869**	(88,779)
Total equity		**91,426**	(75,832)
LIABILITIES			
Non-current liabilities			
Promissory note	*13*	**–**	101,949
Deferred tax liabilities		**95,014**	–
Total non-current liabilities		**95,014**	101,949
Current liabilities			
Training course obligation		**21,581**	–
Receipt in advance		**129**	–
Accruals and other payables	*14*	**209,590**	2,003
Promissory note	*13*	**103,843**	–
Current tax liabilities		**17,225**	12,621
Total current liabilities		**352,368**	14,624
TOTAL EQUITY AND LIABILITIES		**538,808**	40,741

NOTES:

1. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the "GEM") of the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622).

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

The Group had net current liabilities of approximately HK$227,207,000 as at 31 March 2017. This condition indicates the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Nevertheless, the directors had adopted the going concern basis in the preparation of these consolidated financial statements of the Group based on the following:

(a) On 15 November 2016, the Group agreed with China Communication Investment Limited ("CCI"), a substantial shareholder of the Company, to postpone the repayment date to 15 November 2017 for an amount of HK$200,100,000 due to CCI and the directors expect that the repayment date will be further postponed successfully.

(b) On 31 May 2017, the Group agreed with CCI to postpone the maturity date of the promissory note to 30 June 2018.

(c) The directors have obtained the confirmation from 神州通信集團有限公司 (China Communication Group Co., Ltd.[#]) ("CCC"), the holding company of CCI and regarded as the substantial shareholder of the Company, that CCC will continue to provide adequate funds for the Group to meet its present and future financial obligations as they fall due, and to cause CCI to postpone the repayment dates of any present and future liabilities due to CCI by the Group when necessary.

[#] *English name is for identification purpose only*

Having regard to the financial support of CCC and CCI, at a level sufficient to finance the working capital requirements of the Group, the directors are therefore of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

(a) Application of new and revised HKFRSs

The HKICPA has issued a number of new and revised HKFRSs that are first effective for annual periods beginning on or after 1 April 2016. None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

(b) New and revised HKFRSs in issue but not yet effective

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning 1 April 2016. These new and revised HKFRSs include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKAS 7 Statement of Cash Flows: Disclosure initiative	1 January 2017
Amendments to HKAS 12 Income Taxes: Recognition of deferred tax assets for unrealised losses	1 January 2017
HKFRS 9 Financial Instruments	1 January 2018
HKFRS 15 Revenue from Contracts with Customers	1 January 2018
Amendments to HKFRS 2 Share-based Payment: Classification and measurement of share-based payment transactions	1 January 2018
Annual Improvements to HKFRSs 2014–2016 Cycle	1 January 2018
HKFRS 16 Leases	1 January 2019

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. As the Group has not completed its assessment, further impacts may be identified in due course.

HKFRS 9 Financial Instruments

The standard replaces HKAS 39 Financial Instruments: Recognition and Measurement.

The standard introduces a new approach to the classification of financial assets which is based on cash flow characteristics and the business model in which the asset is held. A debt instrument that is held within a business model whose objective is to collect the contractual cash flows and that has contractual cash flows that are solely payments of principal and interest on the principal outstanding is measured at amortised cost. A debt instrument that is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling the instruments and that has contractual cash flows that are solely payments of principal and interest on the principal outstanding is measured at fair value through other comprehensive income. All other debt instruments are measured at fair value through profit or loss. Equity instruments are generally measured at fair value through profit or loss. However, an entity may make an irrevocable election on an instrument-by-instrument basis to measure equity instruments that are not held for trading at fair value through other comprehensive income.

The requirements for the classification and measurement of financial liabilities are carried forward largely unchanged from HKAS 39 except that when the fair value option is applied changes in fair value attributable to changes in own credit risk are recognised in other comprehensive income unless this creates an accounting mismatch.

HKFRS 9 introduces a new expected-loss impairment model to replace the incurred-loss impairment model in HKAS 39. It is no longer necessary for a credit event or impairment trigger to have occurred before impairment losses are recognised. For financial assets measured at amortised cost or fair value through other comprehensive income, an entity will generally recognise 12-month expected credit losses. If there has been a significant increase in credit risk since initial recognition, an entity will recognise lifetime expected credit losses. The standard includes a simplified approach for trade receivables to always recognise the lifetime expected credit losses.

The de-recognition requirements in HKAS 39 are carried forward largely unchanged.

The new expected credit loss impairment model in HKFRS 9 may result in the earlier recognition of impairment losses on the Group's trade receivables and other financial assets. The Group is unable to quantity the impact until a more detailed assessment is completed.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 replaces all existing revenue standards and interpretations.

The core principle of the standard is that an entity recognises revenue to depict the transfer of goods and services to customers in an amount that reflects the consideration to which the entity expects to become entitled in exchange for those goods and services.

An entity recognises revenue in accordance with the core principle by applying a 5-step model:

1. Identify the contract with a customer

2. Identify the performance obligations in the contract

3. Determine the transaction price

4. Allocate the transaction price to the performance obligations in the contract

5. Recognise revenue when or as the entity satisfies a performance obligation

The standard also includes comprehensive disclosure requirements relating to revenue.

The Group is currently assessing the impacts of adopting HKFRS 15 on the consolidated financial statements but unable to estimate the impact of the new standard on the consolidated financial statements until a more detailed analysis is completed.

HKFRS 16 Leases

HKFRS 16 replaces HKAS 17 Leases and related interpretations. The new standard introduces a single accounting model for lessees. For lessees the distinction between operating and finance leases is removed and lessees will recognise right-of-use assets and lease liabilities for all leases (with optional exemptions for short-term leases and leases of low value assets). HKFRS 16 carries forward the accounting requirements for lessors in HKAS 17 substantially unchanged. Lessors will therefore continue to classify leases as operating or financing leases.

The Group's office property leases are currently classified as operating leases and the lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term. Under HKFRS 16 the Group may need to recognise and measure a liability at the present value of the future minimum lease payments and recognise a corresponding right-of-use asset for these leases. The interest expense on the lease liability and depreciation on the right-of-use asset will be recognised in profit or loss. The Group's assets and liabilities will increase and the timing of expense recognition will also be impacted as a result.

The Group will need to perform a more detailed assessment in order to determine the new assets and liabilities arising from these operating leases commitments after taking into account the transition reliefs available in HKFRS 16 and the effects of discounting.

3. REVENUE

	2017	2016
	HK$'000	*HK$'000*
Promotion and management services income from CCC	**31,457**	34,684
Robotics training course and others	**60,050**	–
	91,507	34,684

4. OTHER INCOME

	2017	2016
	HK$'000	*HK$'000*
Exchange gain	**90**	–
Interest income	**89**	51
Sundry income	**12**	1
Gain on waiver of other payables	**1,464**	–
	1,655	52

5. SEGMENT INFORMATION

The Group has the following operating segments:

Promotion and management services	— Provision of promotion and management services for an electronic smart card "Designated Shentong Card" in the PRC
Robotics training course and others	— Organising and hosting of China Robot Competition ("CRC") and provision of CRC training course in Heilongjiang Province in the PRC.

A new operating segment, Robotics Training Course and Others was formed during the year.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies. Each of the above operating segments corresponds to related subsidiaries engaging in the respective segment activities.

The accounting policies of the operating segment are the same as those applicable to the Group. Segment profits or losses do not include finance costs, income tax expense and unallocated corporate expenses. Segment assets include all non-current assets and current assets with the exception of corporate assets. Segment liabilities include all non-current liabilities and current liabilities with the exception of current tax liabilities, deferred tax liabilities and corporate liabilities.

Information about operating segments' profit or loss, assets and liabilities:

	2017			2016
	Promotion and management services	**Robotics training course and others**	**Total**	Promotion and management services
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*
Year ended 31 March				
Revenue from external customer (including related companies)	**31,457**	**60,050**	**91,507**	34,684
Segment profit	**5,844**	**28,598**	**34,442**	3,259
Interest income	**61**	**27**	**88**	50
Depreciation and amortisation	**553**	**2,856**	**3,409**	2,864
Gain on waiver of other payables *(note 4)*	**–**	**1,464**	**1,464**	–
Additions to segment non-current assets				
— Acquisition of subsidiaries	**–**	**435,767**	**435,767**	–
— Purchase of property, plant and equipment	**1,043**	**818**	**1,861**	165
	1,043	**436,585**	**437,628**	165
As at 31 March				
Segment assets	**39,420**	**498,026**	**537,446**	36,377
Segment liabilities	**1,403**	**229,046**	**230,449**	1,312

Reconciliations of segment revenue, profit or loss, assets and liabilities:

	2017 HK$'000	2016 HK$'000
Revenue		
Total revenue of reportable segments	**91,507**	34,684
Consolidated revenue	**91,507**	34,684
Profit or loss		
Total profit of reportable segments	**34,442**	3,259
Finance costs	**(1,894)**	(1,884)
Income tax expense	**(7,661)**	(1,550)
Unallocated amounts:		
Consultancy fee	**(650)**	–
Directors' emoluments and allowances	**(5,174)**	(3,546)
Legal and professional fee	**(3,151)**	(8,233)
Rent	**(2,401)**	(2,280)
Salaries and share-based payments	**(6,167)**	(2,995)
Other unallocated head office and corporate expenses	**(3,498)**	(3,141)
Consolidated profit/(loss) for the year	**3,846**	(20,370)
Assets		
Total assets of reportable segments	**537,446**	36,377
Elimination of intersegment assets	**(2,915)**	–
Unallocated assets:		
Bank and cash balances	**3,168**	3,550
Other unallocated head office and corporate assets	**1,109**	814
Consolidated total assets	**538,808**	40,741
Liabilities		
Total liabilities of reportable segment	**230,449**	1,312
Elimination of intersegment assets	**(2,915)**	–
Current tax liabilities	**17,225**	12,621
Deferred tax liabilities	**95,014**	–
Promissory note	**103,843**	101,949
Other unallocated head office and corporate liabilities	**3,766**	691
Consolidated total liabilities	**447,382**	116,573

Geographical information

No separate analysis of segment information by geographical is presented as the Group's revenue and non-current assets are principally attributable to a single geographical region, which is the PRC.

Revenue from major customer

	2017	2016
	HK$'000	*HK$'000*
CCC — Promotion and management services segment	**31,457**	34,684

6. FINANCE COSTS

	2017	2016
	HK$'000	*HK$'000*
Interest on promissory note payable to CCI	**1,894**	1,884

7. INCOME TAX EXPENSE

	2017	2016
	HK$'000	*HK$'000*
Current tax — PRC		
Provision for the year	**7,966**	2,076
Over-provision in prior year	**(305)**	–
Deferred tax	**–**	(526)
	7,661	1,550

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit for the years ended 31 March 2017 and 2016.

PRC Enterprise Income Tax has been provided at a rate of 25% (2016: 25%).

The reconciliation between the income tax expense and the product of profit/(loss) before tax multiplied by the PRC Enterprise Income Tax rate is as follows:

	2017	2016
	HK$'000	*HK$'000*
Profit/(loss) before tax	**11,507**	(18,820)
Tax at the PRC Enterprise Income Tax rate of 25% (2016: 25%)	**2,876**	(4,705)
Tax effect of temporary differences not recognised	**(19)**	(19)
Tax effect of income that is not taxable	**–**	(4)
Tax effect of expenses that are not deductible	**5,109**	6,278
Over-provision in the prior year	**(305)**	–
Income tax expense	**7,661**	1,550

8. PROFIT/(LOSS) FOR THE YEAR

The Group's profit/(loss) for the year is stated after charging/(crediting) the following:

	2017	2016
	HK$'000	*HK$'000*
Auditor's remuneration		
— audit services	**650**	538
— other services	**700**	2,012
	1,350	2,550
Amortisation of intangible assets		
— included in selling and distribution expenses	**–**	2,104
Acquisition related costs	**2,469**	7,909
Depreciation	**3,427**	771
Operating lease charges for land and buildings	**5,917**	4,665
Loss on disposal of property, plant and equipment	**364**	–
Property, plant and equipment written off	**90**	–
Gain on waiver of other payables *(note 4)*	**(1,464)**	–

9. DIVIDENDS

No dividends have been paid or proposed during the year, nor has any dividend been proposed since the end of reporting period (2016: Nil).

10. EARNINGS/(LOSS) PER SHARE

The calculation of basic and diluted earnings/(loss) per share is based on the following:

	2017	2016
	HK$'000	*HK$'000*
Profit/(loss) attributable to owners of the Company, used in the basic and diluted earnings/(loss) per share calculation	**3,846**	(20,370)

(a) Basic earnings/(loss) per share

	2017	2016
Number of shares		
Issued ordinary shares at the beginning of the year	**1,294,697,017**	1,294,697,017
Effect of subscription of shares	**315,504,110**	N/A
Weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share	**1,610,201,127**	1,294,697,017

(b) Diluted earnings/(loss) per share

No diluted earnings/(loss) per share was presented as the Company did not have any dilutive potential ordinary shares for the years ended 31 March 2017 and 2016.

11. INTANGIBLE ASSETS

	Distribution network *HK$'000*	Service contract *HK$'000*	Exclusive Rights *HK$'000*	Total *HK$'000*
Cost				
At 1 April 2015	73,725	183,289	–	257,014
Exchange differences	(3,082)	(7,663)	–	(10,745)
At 31 March 2016 and 1 April 2016	70,643	175,626	–	246,269
Acquisition of subsidiaries *(note 16)*	–	–	390,514	390,514
Exchange differences	(4,075)	(10,130)	(18,585)	(32,790)
At 31 March 2017	66,568	165,496	371,929	603,993
Accumulated amortisation and impairment losses				
At 1 April 2015	71,561	183,289	–	254,850
Amortisation for the year	2,104	–	–	2,104
Exchange differences	(3,022)	(7,663)	–	(10,685)
At 31 March 2016 and 1 April 2016	70,643	175,626	–	246,269
Exchange differences	(4,075)	(10,130)	–	(14,205)
At 31 March 2017	66,568	165,496	–	232,064
Carrying amount				
At 31 March 2017	–	–	371,929	371,929
At 31 March 2016	–	–	–	–

Exclusive Rights represent the rights to use the CRC Shengtong Card payment system, to organise and develop China Robot Competition (全國素質體育機器人運動會) ("CRC") competition events and to provide CRC education and training courses in the Heilongjiang Province of the PRC.

Heilongjiang Shentong Cultural Club Company Limited ("Heilongjiang Shentong"), a subsidiary of the Company, was authorised by Beijing Shentong Culture Club Co., Ltd. ("Beijing Shentong"), and consented by the Social Sports Direction Centre of the General Administration of Sport (國家體育總局社會體育指導中心) and further confirmed by the Heilongjiang Province Sports Federation (黑龍江省體育總會) and the Harbin Municipal Sports Federation (哈爾濱市體育總會) to organise and develop CRC competition events and to provide CRC education and training courses in Heilongjiang Province of the PRC.

Pursuant to CRC Organisation Contract, Beijing Shentong obtained from the Social Sports Direction Centre of the General Administration of Sport, among other things, the rights to organise and develop CRC competition events and to provide CRC education and training courses at a national level for an initial period from 9 May 2011 to 31 December 2016, upon the expiry of which the CRC Organisation Contract would be automatically extended. Each extension shall be for a duration of five years if the parties have no objection. The parties intend to form a long-term cooperation relationship, and that the CRC Organisation Contract shall remain effective for a long-term.

Pursuant to the Heilongjiang CRC Authorisation Supplemental Agreement, so long as the co-operation period between the Social Sports Direction Centre of the General Administration of Sport and Beijing Shentong under the CRC Organisation Contract remains effective, the authorisation granted by Beijing Shentong to Heilongjiang Shentong would be automatically extended indefinitely unless terminated by Heilongjiang Shentong by written notice.

Pursuant to the CRC Shentong Card Payment System Heilongjiang Province Exclusive Right Authorisation Agreement, CCC granted to Heilongjiang Shentong the long-term and exclusive right to use the CRC Shentong Card payment system. The CRC Shentong Card Payment System Heilongjiang Province Exclusive Right Authorisation Agreement shall be effective and extended indefinitely unless terminated by Heilongjiang Shentong.

Exclusive Rights of the Group are regarded and assessed to have indefinite useful lives as there is no foreseeable limit to the period over which these assets are expected to generate cash flows for the Group.

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset.

Intangible assets assessed to have indefinite useful lives are not amortised. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and amortisation is charged to profit or loss on a straight-line basis over the asset's estimated remaining useful life.

Impairment reviews of intangible assets with indefinite useful lives are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment.

12. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2017 *HK$'000*	2016 *HK$'000*
Amount due from a substantial shareholder *(note a)*	**25,687**	20,656
Amounts due from related companies *(note b)*	**2,241**	–
Other receivables	**289**	11
Prepayments and deposits	**4,365**	1,180
	32,582	21,847

Note:

(a) The amount due from CCC, a substantial shareholder of the Company is denominated in RMB, unsecured, interest-free and repayable on demand.

(b) The amounts due from related companies are denominated in RMB, unsecured, interest-free and repayable on demand.

13. PROMISSORY NOTE

As at 31 March 2017, the promissory note is held by CCI with principal amount of approximately HK$94,427,000 (2016: HK$94,427,000).

On 31 March 2015, the Group and CCI agreed to extend the maturity date from 30 June 2015 to 30 June 2016. On 30 September 2015, the Group and CCI agreed to extend the maturity date from 30 June 2016 to 30 June 2017. On 31 May 2017, the Group and CCI agreed to extend the maturity date from 30 June 2017 to 30 June 2018.

The principal amount of the promissory note is denominated in HK$. The promissory note is unsecured. As at 31 March 2017, the coupon rate is 2% per annum (2016: 2% per annum) and the effective interest rate is 1.86% (2016: 1.86%).

14. ACCRUALS AND OTHER PAYABLES

	2017 *HK$'000*	2016 *HK$'000*
Amount due to a substantial shareholder *(note a)*	**200,100**	–
Amount due to a related company *(note b)*	**564**	–
Accrued salaries	**1,419**	623
Accrued expenses	**1,286**	647
Security deposits *(note c)*	**5,080**	–
Other payables	**1,141**	733
	209,590	2,003

Note:

(a) The amount due to CCI, a substantial shareholder of the Company is denominated in HK$, unsecured, interest-free and repayable on 15 November 2017.

(b) The amount due to a related company is denominated in HK$, unsecured, interest-free and repayable on demand.

(c) The amount represented the security deposits paid by CCC for the Heilongjiang Shentong CRC Shentong Card Payment system.

15. SHARE CAPITAL

	2017 Number of shares	**2017** Amount *HK$'000*	2016 Number of shares	2016 Amount *HK$'000*
Authorised:				
Ordinary shares of HK$0.01 each				
At the beginning and the end of the year	**10,000,000,000**	**100,000**	10,000,000,000	100,000
Issued and fully paid:				
Ordinary shares of HK$0.01 each				
At the beginning of the year	**1,294,697,017**	**12,947**	1,294,697,017	12,947
Shares issued upon subscription *(note)*	**361,000,000**	**3,610**	–	–
At the end of the year	**1,655,697,017**	**16,557**	1,294,697,017	12,947

Note: On 3 May 2016, the Company entered into CCI Subscription Agreement with CCI in respect of 100,000,000 new shares of the Company to be allotted and issued to CCI at HK$0.5 per new share. The CCI Subscription Agreement was completed on 16 May 2016. On 3 May 2016, the Company entered into Investor Subscription Agreements with 6 independent investors in respect of a total of 261,000,000 new shares of the Company to be allotted and issued to them at HK$0.5 per new share. The Investor Subscription Agreements were completed on 16 May 2016.

16. ACQUISITION OF SUBSIDIARIES

On 16 May 2016, the Group acquired 100% equity interest of Copious Link Ventures Limited and its subsidiaries (collectively referred to the "Copious Link Group") by cash consideration of HK$30,000,000. Copious Link Group is engaged in robotics education in Heilongjiang province of the PRC. The acquisition is for the purpose of diversifying the Group's revenue base. The fair value of the identifiable assets and liabilities of it as at the date of acquisition, is as follows:

	HK$'000
Net assets acquired:	
Property, plant and equipment	7,137
Intangible assets — Exclusive Rights *(note 11)*	390,514
Inventories	44
Prepayment, deposits and other receivables	26,566
Amount due from a substantial shareholder — CCC	43,696
Amounts due from related companies	6,422
Bank and cash balances	1,237
Receipt in advance	(12)
Training course obligation	(19,032)
Accruals and other payables	(11,035)
Amount due to a substantial shareholder — CCI	(350,100)
Amount due to a related company	(564)
Current tax liabilities	(3,227)
Deferred tax liabilities	(99,762)
	(8,116)
Goodwill on acquisition	38,116
	30,000
Satisfied by:	
Cash	30,000
Net cash outflow arising on acquisition:	
Cash consideration paid	(30,000)
Cash and cash equivalents acquired	1,237
	(28,763)

The fair value of other receivables, amount due from a substantial shareholder and amounts due from related companies are HK$2,643,000, HK$43,696,000 and HK$6,422,000 respectively. All of the contractual cash flows are expected to be collected in full.

The goodwill arising on the acquisition of Copious Link Group is attributable to the anticipated profitability of utilising of the Group's experience in smart electronic card application to the new robotics education business and the anticipated future operating synergies from the combination.

Copious Link Group contributed approximately HK$60,050,000 and HK$28,598,000 to the Group's revenue and profit for the year respectively between the date of acquisition and the end of the reporting period.

If the acquisition had been completed on 1 April 2016, the Group's revenue for the year and profit for the year would have been approximately HK$100,490,000 and HK$6,538,000 respectively. The proforma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2016, nor is intended to be a projection of future results.

EXTRACT FROM INDEPENDENT AUDITOR'S REPORT ON THE GROUP'S CONSOLIDATED FINANCIAL STATEMENTS

Material uncertainty relating to the going concern basis

We draw attention to note 2* to the consolidated financial statements, which indicates that, as at 31 March 2017, the Group had net current liabilities of approximately HK$227,207,000 and this condition indicates the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue and Profitability

The Group recorded a revenue of approximately HK$91,507,000 (2016: HK$34,684,000) for the year ended 31 March 2017, representing an increase of approximately 163.8% as compared with the year ended 31 March 2016 which was primarily due to the consolidation of the results of the Target Group upon completion of the Acquisition.

The Group's gross profit for the year ended 31 March 2017 amounted to approximately HK$55,540,000 as compared to approximately HK$23,664,000 for the year ended 31 March 2016. The increase was mainly attributable to the consolidation of the results of the Target Group upon completion of the Acquisition.

Selling and distribution and administrative expenses for the year ended 31 March 2017 was approximately HK$43,338,000 as compared to approximately HK$40,652,000 for the year ended 31 March 2016. The increase was mainly attributable to the consolidation of the results of the Target Group upon completion of the Acquisition.

Profit Attributable to Owners of the Company

The Group made a profit attributable to owners of approximately HK$3,846,000 for the year ended 31 March 2017 as compared to a loss of approximately HK$20,370,000 for the year ended 31 March 2016. The improvement was mainly attributable to the completion of the Acquisition.

Segment Information

An analysis of the performance of the Group by reportable segments is set out in note 5.

* *As reproduced in note 1 of this announcement*

Liquidity and Financial Resources

As at 31 March 2017, the Group had outstanding promissory note at principal amount of approximately HK$94.4 million (as at 31 March 2016: approximately HK$94.4 million) with carrying value of approximately HK$103.8 million (as at 31 March 2016: approximately HK$102.0 million). The promissory note was originally unsecured, bearing an interest at the rate of 2% per annum, and with maturity date on 10 February 2010. On 30 March 2009, China Communication Investment Limited ("CCI") agreed to vary the terms of promissory note, such that the maturity date was changed to 10 August 2010 ("New Maturity Date"). In addition, before the New Maturity Date, the Group has the right to further postpone ("Maturity Postponement Right") the maturity date to 30 June 2012 ("Extended Maturity Date") if the latest published financial information of the Group indicating that the repayment of such principal and accrued interests would cause the net current assets of the Group to fall below HK$50 million. Such Maturity Postponement Right can be exercised on 30 June of every year subsequent to the Extended Maturity Date until the ultimate maturity date of 30 June 2025. Other than the said promissory note, the Group did not have any other committed borrowing facilities as at 31 March 2017 (as at 31 March 2016: HK$Nil).

As at 31 March 2017, the Group had net current liabilities of approximately HK$227.2 million (as at 31 March 2016: net current assets of approximately HK$25.2 million). The Group's current assets mainly consisted of cash and cash equivalents of approximately HK$92.5 million (as at 31 March 2016: approximately HK$18.0 million) and prepayments, deposits and other receivables of approximately HK$32.6 million (as at 31 March 2016: approximately HK$21.8 million). The Group's current liabilities mainly include accruals and other payables of approximately HK$209.6 million (as at 31 March 2016: approximately HK$2.0 million), current tax liabilities of approximately HK$17.2 million (as at 31 March 2016: approximately HK$12.6 million, training course obligation of approximately HK$21.6 million (as at 31 March 2016: HK$Nil) and promissory note of approximately HK$103.8 million (as at 31 March 2016: classified as non-current liabilities of approximately HK$102.0 million).

At present, the Group generally finances its operations and investment activities with internal resources.

Gearing Ratio

The gearing ratio is measured by total interest-bearing borrowings as a percentage of equity. As at 31 March 2017, the gearing ratio was 113.6%. As at 31 March 2016, no gearing ratio was available as the Group was in negative equity position. The debt to asset ratio, defined as the ratio of total liabilities to total assets, was 2.86 as at 31 March 2016.

Capital Structure

On 16 May 2016, 361,000,000 new ordinary shares were issued and allotted by way of subscription (the "Subscription"). The net proceeds of the Subscription (after deducting related professional fees and related expenses) were approximately HK$179.9 million, and have been used in the following manner: (i) as to HK$30 million for settlement of the entire amount of the consideration of the Acquisition; and (ii) as to approximately HK$149.9 million for payment of a portion of the service fee (the "Service Fee") under a service agreement (the "Service Agreement") by the Target Company (being a subsidiary of the Company after the completion of the Acquisition). Given that the Service Fee under the Service Agreement is payable by the Target Company (being a subsidiary of the Company after the completion of the Acquisition) to CCI on or before 15 November 2017, the Company is considering other means of fundraising including, without limitation, by way of equity and/or debt to fund the payment of the remaining balance of the Service Fee of approximately HK$200.1 million. The Company will make further announcement(s) as and when appropriate in compliance with the GEM Listing Rules in the event that any possible fundraising activity materialises. Further details of the Subscription were set out in the announcements of the Company dated 3 May 2016 and 16 May 2016.

Save as disclosed above, there was no other change in the capital structure during the year.

Charge on Assets

The Group did not have any charge on its assets as at 31 March 2017 and 31 March 2016.

Employees, Remuneration Policies and Staff Costs

As at 31 March 2017, the Group had 100 employees (2016: 73). The staff costs for the year ended 31 March 2017 was approximately HK$20.3 million (2016: HK$10.7 million). The Group's remuneration is determined with reference to the market conditions and the performance, qualifications and experience of individual employees while year-end bonus is based on the individual performance as recognition of and reward for their contributions. Other benefits accruing its employees include share option scheme, contributions made to statutory mandatory provident fund scheme and a group medical scheme to its employees.

Material Investment Or Capital Assets

For the year ended 31 March 2017 and 31 March 2016, the Group had no significant investment. As at 31 March 2017, the Group has no plan for material investments or acquisition of capital assets. Nevertheless, the Group is constantly looking for such opportunities to enhance the shareholders' value.

Material Acquisitions Or Disposals Of Subsidiaries And Affiliated Companies

On 9 December 2015, the Company, as purchaser, and Profuse Year Limited (the “Vendor”), as vendor, entered into a sale and purchase agreement in relation the acquisition of the entire issued share capital of the Target Company for a consideration of HK$30 million. The Target Company and its subsidiaries are principally engaged in the promotion, sales and management of an electronic smart card “CRC Shentong Card” in the PRC facilitated by the provision of education and training courses relating to robotics standardised by CRC in Heilongjiang Province of the PRC as well as the organisation and hosting of CRC competition events in Heilongjiang Province of the PRC which is the key marketing tool for the provision of the above services. The Vendor is a connected person of the Company under the GEM Listing Rules by virtue of being an associate of CCI, a substantial shareholder of the Company under the GEM Listing Rules. The Acquisition constitutes a very substantial acquisition and connected transaction of the Company under the GEM Listing Rules. The relevant resolutions in relation to the Acquisition were duly passed by the independent shareholders by way of poll at the extraordinary general meeting of the Company held on 16 February 2016. The Acquisition was completed on 16 May 2016. Details of the Acquisition were set out in the announcement of the Company dated 9 December 2015, the circular of the Company dated 31 December 2015 and the announcement of the Company dated 16 May 2016.

Save as disclosed above, there were no other material acquisitions or disposals of subsidiaries during the year.

Foreign Currency Risk

The income and expenditure of the Group are mainly carried in Hong Kong dollars and Renminbi and the assets and liabilities of the Group were mainly denominated in Hong Kong dollars and Renminbi. The Group does not expect significant exposure to foreign exchange fluctuations. The Group currently does not have a foreign currency hedging policy. However, the management of the Group will monitor foreign exchange exposure and will consider hedging significant currency exposure should the need arise.

Contingent Liabilities

The Group did not have any significant contingent liabilities as at 31 March 2017 and 31 March 2016.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiary companies had purchased, sold or redeemed any of the Company’s shares on the GEM during the year ended 31 March 2017.

EVENTS AFTER THE REPORTING PERIOD

On 31 May 2017, the Group agreed with CCI to extend the maturity date of promissory note from 30 June 2017 to 30 June 2018.

CAPITAL COMMITMENTS

The non-cancellable capital commitment as at 31 March 2017 is approximately HK$3,990,000 (2016: HK$4,000).

DIRECTORS' SECURITIES TRANSACTIONS

The Board has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules throughout the year ended 31 March 2017. The Company also had made specific enquiry of all the Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE PRACTICES OF THE GEM LISTING RULES

The Company acknowledges that good and effective corporate governance could make an important contribution to corporate success and enhance values to the Group and our shareholders. Therefore, the Board is committed to maintain and ensure the standards of corporate governance within the Group and to ensure that the business activities and decision making processes are regulated in a proper and responsible manner. Save as disclosed below, the Group has adopted the practices and code provisions of the Corporate Governance Code (the "CG Code") contained in Appendix 15 of the GEM Listing Rules throughout the year ended 31 March 2017.

Under Code Provision A.6.7 of the CG Code, independent non-executive Directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of the shareholders. Ms. Han Liqun and Ms. Zhang Li, the independent non-executive Directors, were unable to attend the annual general meeting of the Company held on 5 August 2016 (the "2016 AGM") due to their other business activities and unexpected engagement.

In addition, under the Code Provision E.1.2 of the CG Code, the chairman of the Board should attend the annual general meeting of the Company and he should also invite the chairman of the audit committee, remuneration committee, nomination committee and any other committees (as appropriate) of the Company to attend. Mr. He Chenguang (chairman of the Board and chairman of the nomination committee of the Company) was unable to attend the 2016 AGM due to an unexpected engagement. Mr. Bao Yueqing (executive Director and chief executive officer of the Company) was appointed as the chairman of the 2016 AGM to answer and address questions raised by shareholders of the Company at the 2016 AGM.

Save as disclosed above, in the opinion of the Directors, the Company has complied with the code provisions set out in the CG Code. The key principles and practices of the Company are summarised below.

APPROPRIATIONS

The Directors do not recommend the payment of any dividends during the year.

AUDIT COMMITTEE

For the year ended 31 March 2017, the Audit Committee held five meetings in which the members of the Audit Committee reviewed and concluded with satisfaction in relation to the internal control system of the Group and the following reports:

— Annual report for the year ended 31 March 2016;

— Quarterly reports for the first quarter and third quarter of 2016/17;

— Interim report for the first six months of 2016/17; and

— Review of continuing connected transactions of the Group.

The financial statements of the Company and the Group for the year ended 31 March 2017 have been reviewed by the audit committee, who is of the opinion that such statements have complied with the applicable accounting standards and the requirements of the GEM Listing Rules, and that adequate disclosures have been made.

SCOPE OF WORK OF RSM HONG KONG

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2017 as set out in the preliminary announcement have been agreed by the Group's auditors, RSM Hong Kong, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by RSM Hong Kong in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by RSM Hong Kong on the preliminary announcement.

ANNUAL GENERAL MEETING

The forthcoming annual general meeting of the Company will be held at 11:00 a.m. on Thursday, 3 August 2017 at Units, 2115–2116, 21/F, China Merchants Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong. Notice of the annual general meeting of the Company will be sent to the shareholders of the Company.

By order of the Board
Shentong Robot Education Group Company Limited
He Chenguang
Chairman

Hong Kong, 16 June 2017

As at the date of this announcement, the executive Directors are Mr. He Chenguang and Mr. Bao Yueqing and the independent non-executive Directors are Mr. Yip Tai Him, Ms. Han Liqun and Ms. Zhang Li.

This announcement will remain at www.hkgem.com on the "Latest Company Announcements" page of the GEM website for at least 7 days from the date of its posting and on the website of the Group at www.srobotedu.com.