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HIGHLIGHT CHINA IOT INTERNATIONAL LIMITED
高銳中國物聯網國際有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1682)

COMPLETION OF SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcements of Highlight China IoT International Limited (the "**Company**") dated 30 November 2017 and 21 December 2017 (the "**Announcements**") in relation to the Subscription. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

COMPLETION OF SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that all conditions of the Subscription Agreement have been fulfilled and the completion of Subscription took place on 29 December 2017 in accordance with the terms and conditions of the Subscription Agreement. A total of 103,950,000 Subscription Shares have been successfully issued and allotted to the Subscriber at the Subscription Price of HK$0.7 per Subscription Share pursuant to the terms and conditions of the Subscription Agreement.

The gross proceeds from the Subscription will be approximately HK$72.77 million. The net proceeds, after deduction of all relevant expenses (including but not limited to legal expenses and disbursements) incidental to the Subscription of approximately HK$0.25 million, are estimated to be approximately HK$72.52 million. The Company intends to apply the net proceeds from the Subscription as general working capital.

CHANGES IN SHAREHOLDING STRUCTURE

The Subscription Shares represent approximately (i) 18.83% of the share capital of the Company immediately before the completion of the Subscription; and (ii) approximately 15.85% of the issued share capital of the Company as enlarged by the allotment and issue of 103,950,000 Subscription Shares.

	Immediately before completion of the Subscription		Immediately after completion of the Subscription	
	Number of Shares	*Approximate %*	*Number of Shares*	*Approximate %*
Substantial Shareholder				
Rosy Lane International Limited *(Note 1)*	322,409,404	58.41	322,409,404	49.15
Ng Tsze Lun *(Note 2)*	50,173,000	9.09	50,173,000	7.65
The Subscriber	–	–	103,950,000	15.85
Other Shareholders				
Other Shareholders	179,394,596	32.50	179,394,596	27.35
Total	**551,977,000**	**100**	**655,927,000**	**100**

Notes:

1. As at the date of this announcement, Rosy Lane International Limited is wholly and ultimately and beneficially owned by Mr. Zhi Hua, being a Director.

2. Ms. Yau Yuk Chun Carole is the wife of Mr. Ng Tsze Lun. Under the SFO, Ms. Yau Yuk Chun Carole is deemed to be interested in the 50,173,000 Shares held by Mr. Ng Tsze Lun.

By Order of the Board
Highlight China IoT International Limited
Zhi Hua
Chairman

Hong Kong, 29 December 2017

As at the date of this announcement, the Board comprises Mr. Zhi Hua, Mr. Lam Kai Yeung and Mr. Ma Jun as executive directors, Mr. Li Hui, Mr. Chau On Ta Yuen and Dr. Lam Lee G as independent non-executive directors; and Mr. Chan Kin as non-executive director.