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This joint announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of Highlight China IoT International Limited.

ROSY LANE INTERNATIONAL LIMITED
盛途國際有限公司
(incorporated in British Virgin Islands with limited liability)

HIGHLIGHT CHINA IOT INTERNATIONAL LIMITED
高鋭中國物聯網國際有限公司
(incorporated in Bermuda with limited liability)
(Stock Code: 1682)

JOINT ANNOUNCEMENT

DESPATCH OF THE COMPOSITE OFFER AND RESPONSE DOCUMENT RELATING TO THE UNCONDITIONAL MANDATORY CASH OFFER BY

KINGSTON SECURITIES

FOR AND ON BEHALF OF THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES OF THE COMPANY (OTHER THAN THOSE SHARES ALREADY OWNED OR TO BE ACQUIRED BY THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT)

Financial adviser to the Offeror

KINGSTON CORPORATE FINANCE

Independent Financial Adviser to the Independent Board Committee

AmCap
Ample Capital Limited
豐盛融資有限公司
Ample Capital Limited

The Composite Document, together with the Form of Acceptance, have been despatched to the Independent Shareholders on 22 August 2017 in accordance with the Takeovers Code. An expected timetable is set out below in this joint announcement.

Independent Shareholders are encouraged to read the Composite Document and the Form of Acceptance carefully, including the recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Offer and the advice and recommendation from the Independent Financial Adviser to the Independent Board Committee in respect of the Offer, before deciding whether or not to accept the Offer.

References are made to the joint announcement issued by Rosy Lane International Limited (the "**Offeror**") and Highlight China IoT International Limited (the "**Company**") dated 19 July 2017 (the "**Joint Announcement**") and the composite offer and response document dated 22 August 2017 jointly issued by the Offeror and the Company (the "**Composite Document**") in relation to, among other things, the Offer. Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Composite Document.

DESPATCH OF THE COMPOSITE DOCUMENT

The Composite Document setting out, among other things, (i) the detailed terms and conditions of the Offer and procedures for acceptance the Offer; (ii) the expected timetable in respect of the Offer; (iii) a letter from Kingston Securities; (iv) a letter from the Board; (v) a letter from the Independent Board Committee containing its recommendation to the Independent Shareholders in respect of the Offer; and (vi) a letter from the Independent Financial Adviser containing its advice and recommendation to the Independent Board Committee in respect of the Offer, together with the Form of Acceptance, have been despatched to the Independent Shareholders on Tuesday, 22 August 2017 in accordance with the Takeovers Code.

EXPECTED TIMETABLE OF THE OFFER

The Offer have commenced on Tuesday, 22 August 2017 and the latest time and date for acceptance of the Offer is 4:00 p.m. on Tuesday, 12 September 2017 unless the Offeror revises or extends the Offer in accordance with the Takeovers Code, in which case, an announcement will be made as and when appropriate.

The timetable set out below is indicative and is subject to change. Any changes to the timetable will be jointly announced by the Offeror and the Company.

Despatch date of the Composite Document and the accompanying Form of Acceptance and commencement of the Offer *(Note 1)*	Tuesday, 22 August 2017
Latest time and date for acceptance of the Offer *(Note 2 and Note 4)*	4:00 p.m. on Tuesday, 12 September 2017
Closing Date *(Note 2)*	Tuesday, 12 September 2017
Announcement of the results of the Offer on the website of the Stock Exchange *(Note 2)*	by 7:00 p.m. on Tuesday, 12 September 2017
Latest date of posting of remittances in respect of valid acceptances received under the Offer *(Note 3)*	Thursday, 21 September 2017

Notes:

(1) The Offer, which is unconditional in all respects, is made on 22 August 2017, the date of the Composite Document, and is capable of acceptance on and from that date until the Closing Date.

(2) In accordance with the Takeovers Code, the Offer must remain open for acceptance for at least 21 days following the date on which the Composite Document is posted. The Offer will be closed at 4:00 p.m. on the Closing Date unless the Offeror revises or extends the Offer in accordance with the Takeovers Code. An announcement will be jointly issued by the Company and the Offeror through the website of the Stock Exchange by 7:00 p.m. on the Closing Date stating the results of the Offer and whether the Offer has been revised or extended or have expired. In the event that the Offeror decides that the Offer will remain open, the announcement will state the next closing date of the Offer or that the Offer will remain open until further notice. In the latter case, at least 14 days' notice in writing will be given, before the Offer is closed, to those Shareholders who have not accepted the Offer. If there is a tropical cyclone warning signal number 8 or above

or a “black” rainstorm warning signal in force on the Closing Date and (i) not cancelled in time for trading on the Stock Exchange to resume in the afternoon, the time and date of the close of the Offer will be postponed to 4:00 p.m. on the next Business Day which does not have either of those warnings in force in Hong Kong or such other day as the Executive may approve; or (ii) cancelled in time for trading on the Stock Exchange to resume in the afternoon, the time and date of the close of the Offer will be the same day, i.e. 4:00 p.m. on the Closing Date.

(3) Remittances in respect of acceptance of the Offer (after deducting the seller's ad valorem stamp duty) will be made as soon as possible but in any event within seven (7) Business Days following the date on which the duly completed acceptance of the Offer and the relevant documents of title of the Shares in respect of such acceptance are received by or for the Offeror to render each such acceptance of the Offer complete and valid. Remittances in respect of acceptance of the Offer will be despatched to the accepting Shareholders by ordinary post at their own risk. No fractions of a cent will be payable and the amount of the consideration payable to the Shareholders who accept the Offer will be rounded up to the nearest cent.

(4) Acceptance of the Offer shall be irrevocable and not capable of being withdrawn except in the circumstances set out in the section headed “6. RIGHT OF WITHDRAWAL” in Appendix I to the Composite Document.

(5) Save as mentioned above, if the latest time for acceptance of the Offer and the posting of remittances do not take effect on the date and time as stated above, the other dates mentioned above may be affected. The Offeror and the Company will notify the Shareholders any change to the expected timetable as soon as practicable by way of announcement(s).

Independent Shareholders are encouraged to read the Composite Document and the Form of Acceptance carefully, including the recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Offer and the advice and recommendation from the Independent Financial Adviser to the Independent Board Committee in respect of the Offer, before deciding whether or not to accept the Offer.

By order of the board of director
Rosy Lane International Limited
Zhi Hua
Director

By order of the Board
Highlight China IoT International Limited
Gao Zhiyin
Chairman

Hong Kong, 22 August 2017

As at the date of this joint announcement, the Board comprises Mr. Gao Zhiyin, Mr. Gao Zhiping, Mr. Feng Chen and Mr. Lam Kai Yeung as executive Directors, Mr. Lau Chi Kit, Mr. Ma Ming and Mr. Li Hui as independent non-executive Directors; and Mr. Chan Kin as non-executive Director.

All the Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror, its associates and parties acting in concert with it) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Offeror, its associates and parties acting in concert with it) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the sole director of the Offeror is Mr. Zhi Hua.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group, their respective associates and parties acting in concert with any of them) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Group, their respective associates and parties acting in concert with any of them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.