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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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that the Group's loss attributable to owners of the Company for the six months ended 30 September 2015 is expected to increase significantly as compared to that for the six months ended 30 September 2014.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Highlight China IoT International Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**").

Based on the preliminary assessment by the Group's management and the unaudited consolidated management accounts of the Group for the six months ended 30 September 2015, the board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that the Group's loss attributable to owners of the Company for the six months ended 30 September 2015 is expected to increase significantly as compared to that for the six months ended 30 September 2014. Such loss for the six months ended 30 September 2015 was mainly attributable to (i) the expected significant decline in revenue due to the modest economy recovery of the United States that still has weighed on buyers' confidence and made retailers particularly cautious in placing orders and (ii) the increase in selling and administrative expenses, including sampling expenses and rental of a new office in Wanchai.

The information contained in this announcement is only based on the preliminary assessment by the Group's management and such information is subject to the finalisation of the interim results announcement of the Group for the six months ended 30 September 2015, which is expected to be published before the end of November 2015.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
Highlight China IoT International Limited
Gao Zhiyin
Chairman

Hong Kong, 12 November 2015

As at the date of this announcement, the Board comprises Mr. Gao Zhiyin, Mr. Gao Zhiping and Mr. Shi Jiguo as executive Directors; and Mr. Lau Chi Kit, Mr. Lam Kai Yeung and Mr. Ma Ming as independent non-executive Directors.