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**NEXT DIGITAL**  
**NEXT DIGITAL LIMITED**  
*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 00282)**

**INSIDE INFORMATION**  
**LETTER OF INTENT IN RELATION TO**  
**THE PROPOSED DISPOSAL OF THE PROPERTY**

Proposed Disposal

The Board hereby announces that on 30 June 2021, the Vendor, an indirect non wholly-owned subsidiary of the Company, entered into a non-legally binding Letter of Intent with the Purchaser, an independent third party, in relation to the Proposed Disposal of the Property.

The Board wishes to emphasize that no legally-binding agreement in relation to the Proposed Disposal has been entered into as at the date of this announcement. If the Proposed Disposal materializes, the transaction will constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. Further announcement(s) will be made by the Company in accordance with applicable requirements of the Listing Rules as and when appropriate.

**As no legally-binding agreement with respect to the Proposed Disposal has been entered into, the Proposed Disposal may or may not proceed. Shareholders of the Company and potential investors are reminded to exercise caution when dealing in the shares of the Company.**

Suspension of trading

Trading in the shares of the Company has been halted with effect from 9:00 a.m. on Thursday, 17 June 2021 pending the release of an announcement containing inside information in relation to recent developments of the Company. Trading in the shares of the Company on the Stock Exchange will continue to be suspended until further notice.

This announcement is made by Next Digital Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

## LETTER OF INTENT

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby announces that on 30 June 2021, Apple Daily Publication Development Limited, an indirect non wholly-owned subsidiary of the Company (the “**Vendor**”), entered into a non-legally binding letter of intent (the “**Letter of Intent**”) with a potential purchaser (the “**Purchaser**”). Pursuant to the Letter of Intent, the Purchaser intends to acquire and the Vendor intends to dispose of, certain parcels of land located in Taoyuan, Taiwan and the buildings thereon (the “**Proposed Disposal**”). The Purchaser will be identified in the announcement to be published upon definitive agreement in respect of the Proposed Disposal being entered into.

Set out below is a summary of certain principal terms of the Letter of Intent.

### **Date**

30 June 2021

### **Parties**

- (i) The Purchaser; and
- (ii) the Vendor.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

### **Subject matter**

Fifteen (15) parcels of land with an aggregate area of approximately 19,734 square feet located in Taoyuan, Taiwan and the five (5) buildings thereon with an aggregate area of approximately 17,382 square feet (the “**Property**”).

### **Consideration**

Not exceeding NT\$500.0 million\* (equivalent to approximately HK\$139.2 million\*), inclusive of taxes.

### **Exclusivity**

During the effective period of the Letter of Intent, the Vendor agreed not to contact with any third party to initiate or solicit the making of any offer or engage in any negotiation in relation to the Proposed Disposal.

### **Duration**

The Letter of Intent shall be effective on the date of execution until 8 July 2021.

### **Binding effect**

The parties understand and agree that the Letter of Intent only serves as the basis for negotiation on the terms and conditions of the Proposed Disposal. Save for the provisions relation to consideration, confidentiality and exclusivity, the Letter of Intent does not constitute a legally binding agreement between the parties to the Letter of Intent.

## REASONS FOR AND BENEFIT OF THE PROPOSED DISPOSAL

Reference is made to the announcement of the Company dated 14 May 2021 in relation to the strategic plan of the Group to cease publication in print form of the Group's newspaper in Taiwan, namely *Taiwan Apple Daily*, with effect from 18 May 2021. The Property was used for the print media business of the Group in Taiwan and as staff quarters. As the Group is no longer engaged in the print media business in Taiwan, the Property has not been fully utilised. The Proposed Disposal is expected to enable the Group to realize cash and unlock the value in its investment in the Property at fair market value.

## GENERAL

The Board wishes to emphasize that no legally-binding agreement in relation to the Proposed Disposal has been entered into as at the date of this announcement. The final terms of the definitive agreement are subject to further negotiations between the parties and have yet to be finalized, and may therefore deviate from those set out in the Letter of Intent.

If the Proposed Disposal materializes and based on the maximum amount of indicative consideration under the Letter of Intent, the transaction will constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Further announcement(s) will be made by the Company in accordance with applicable requirements of the Listing Rules as and when appropriate.

## SUSPENSION OF TRADING

Trading in the shares of the Company has been halted with effect from 9:00 a.m. on Thursday, 17 June 2021 pending the release of an announcement containing inside information in relation to recent developments of the Company. Trading in the shares of the Company on the Stock Exchange will continue to be suspended until further notice.

**As no legally-binding agreement with respect to the Proposed Disposal has been entered into, the Proposed Disposal may or may not proceed. Shareholders of the Company and potential investors are reminded to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Ip Yut Kin**  
Chairman

Hong Kong, 30 June 2021

\* *This figure has been rounded to the nearest tenth of a million and, where applicable and unless otherwise specified, the exchange rate of HK\$1.0 = NT\$3.593 is used for the purpose of this announcement for reference only*

As at the date of this announcement, the Board comprises:

*Non-executive Director:*  
Mr. Ip Yut Kin (*Chairman*)

*Executive Directors:*  
Mr. Cheung Kim Hung  
Mr. Chow Tat Kuen, Royston

*Independent Non-executive Directors:*  
Mr. Louis Gordon Crovitz  
Dr. Mark Lambert Clifford  
Mr. Lam Chung Yan, Elic