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

BUSINESS UPDATE
LITIGATION

Reference is made to the announcements of Next Digital Limited (the “Company”) dated 25 August 2017, 14 September 2017, 27 September 2017, 6 November 2017, 21 November 2017, 8 December 2017, 3 January 2018, 22 January 2018 and 2 February 2018, and the circular dated 29 September 2017 (the “Circular”) in relation to the proposed but terminated disposal of certain magazine businesses of the Company. Unless the context requires otherwise, capitalized terms used in this announcement shall have the same meanings as those defined in the Circular.

On 5 February 2018, the Company and the Sellers received a writ of summons issued in the Court of First Instance of the High Court of Hong Kong (the “Writ”). The plaintiff named in the Writ is the Buyer, and the defendants named are Seller A, Seller B and the Company (together the “Defendants”). The Buyer claims against the Defendants for, among others, declarations, damages, specific performance and/or restitution, in respect of the Defendants’ alleged breaches of contract and unjust enrichment arising out of or in connection with the SPA.

The Company and the Sellers are seeking legal advice in relation to the Writ and are of the view that the claims made under the Writ are groundless and therefore will defend vigorously against them. The Company will keep its shareholders and potential investors informed of any further significant development when appropriate.

Shareholders and potential investors of the Company should accordingly exercise caution when dealing in the securities of the Company.

By Order of the Board
Chow Tat Kuen, Royston
Executive Director

Hong Kong, 6 February 2018

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

Non-executive Directors:

Mr. Lai Chee Ying (*Non-executive Chairman*)
Mr. Ip Yut Kin

Independent Non-executive Directors:

Mr. Wong Chi Hong, Frank
Dr. Lee Ka Yam, Danny
Dr. Bradley Jay Hamm

Executive Directors:

Mr. Cheung Kim Hung
Mr. Chow Tat Kuen, Royston