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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**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board is pleased to announce that on 26 November 2020 (after trading hours), the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the 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 may constitute a major disposal or a very substantial disposal for the Company under the Listing Rules. Further announcement(s) in respect of the Proposed Disposal 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 and potential investors are reminded to exercise caution when dealing in the Shares of the Company.**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

**LETTER OF INTENT**

The Board is pleased to announce that on 26 November 2020 (after trading hours), the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Letter of Intent with the Purchaser in relation to the Proposed Disposal of the Property. The Purchaser will be identified in the announcement to be published upon definitive agreement in respect of the Proposed Disposal being entered into.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquires, the Purchaser and its ultimate beneficial owners are Independent Third Parties.

### **Property to be disposed of**

The Property is located at No. 39, Lane 141, Xing'ai Road, Neihu District, Taipei City 114, Taiwan, which have been used by the Group for its business operation in Taiwan. Portions of the Property are currently being leased out and vacant possession of the Property shall be delivered at completion on an "as is" basis subject to the existing tenancy. Further information regarding the Property and the conditions to the Proposed Disposal will be disclosed in a further announcement upon definitive agreement regarding the Proposed Disposal (i.e. the Sale and Purchase Agreement) having been entered into.

### **Consideration**

Based on the latest indications set out in the Letter of Intent and subject to the parties' final determination in the Sale and Purchase Agreement, the aggregate amount of the Consideration is NT\$1,750.0 million\* (equivalent to approximately HK\$471.2 million\*), inclusive of business tax.

### **Sale and Purchase Agreement**

The parties to the Letter of Intent will negotiate in good faith with a view to entering into the Sale and Purchase Agreement on or before 11 December 2020. Further details on the terms and conditions of the Proposed Disposal will be set out in a further announcement upon definitive agreement regarding the Proposed Disposal (i.e. the Sale and Purchase Agreement) having been entered into.

### **REASONS FOR THE PROPOSED DISPOSAL**

The Directors considered that the Proposed Disposal enables the Company to realize cash and unlock the value in its investment in the Property at fair market value. The net proceeds to be received by the Vendor from the Proposed Disposal will strengthen the cashflow of the Company and enhance working capital condition of the Company to allow for reallocation of its resources for future development.

### **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 Sale and Purchase 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, the transaction may constitute a major disposal or very substantial disposal for the Company under 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 and potential investors are reminded to exercise caution when dealing in the Shares of the Company.**

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:-

“Board”	the board of Directors
“Company”	Next Digital Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Stock Exchange
“Consideration”	the total consideration for the sale and purchase of the Property as indicated in the Letter of Intent
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	individual(s) or company(ies) which is/are independent of and not connected with (within the meaning of the Listing Rules) any member of the Group, the Directors, chief executive and substantial shareholders of the Company and its subsidiaries and their respective associates
“Letter of Intent”	the letter of intent dated 26 November 2020 entered into among the Purchaser and the Vendor in relation to the Proposed Disposal
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Property”	all that parcel of land with a total area of approximately 3,022.25 square metres located at Nos. 24-1, 24-2, 24-3 24-9, Jiuzong Section, Neihu District, Taipei City 114, Taiwan and one block of office building with the total area of approximately 15,323.48 square metres constructed on No. 39, Lane 141, Xing’ai Road, Neihu District, Taipei City 114, Taiwan
“Proposed Disposal”	the proposed disposal by the Vendor to the Purchaser of the Property as contemplated under the Letter of Intent subject to the entering into of the Sale and Purchase Agreement
“Purchaser”	the purchaser of the Property under the Proposed Disposal, the identity of whom will be disclosed in a further announcement to be made by the Company in respect of the Proposed Disposal upon entering into of the Sale and Purchase Agreement
“Sale and Purchase Agreement”	a formal sale and purchase agreement to be entered into between the Vendor and the Purchaser in relation to the Proposed Disposal
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Next Media Broadcasting Limited, an indirect wholly-owned subsidiary of the Company

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

Hong Kong, 26 November 2020

\* *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\$3.714 is used for the purpose of this announcement for reference only.*

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

*Executive Directors:*  
Mr. Lai Chee Ying (*Chairman*)  
Mr. Cheung Kim Hung  
Mr. Chow Tat Kuen, Royston  
Mr. Chang Yue Shing

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

*Non-executive Director:*  
Mr. Ip Yut Kin