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**CLARIFICATION OF PRESS ARTICLES,
UPDATE ON STATUS OF DISCUSSION OF POSSIBLE DISPOSAL
OF THE GROUP'S OPERATIONS IN TAIWAN
AND
SUSPENSION OF TRADING**

CLARIFICATION OF PRESS ARTICLES

The board of directors (“Board”) of Next Digital Limited (the “Company” and together with its subsidiaries, the “Group”) notes that certain press articles have recently reported that three senior executives of the Company have resigned with effect from the end of August 2021. The Company clarifies and confirms as follows:-

- (a) the three persons named in these press articles (“Consultants”) are consultants and not senior executives of the Company; and
- (b) the Consultants have informed the Company that they have resigned as consultants and their last day of service will be on 31 August 2021.

The Board has also noted that certain press articles have recently reported that the remaining three non-executive directors of the Group’s branch office in Taiwan have objected to the possible disposal of the Group’s operations in Taiwan, resulting in the failure of the possible disposal. The Company confirms that there is no non-executive directorship position at the Group’s branch office in Taiwan. The Board also clarifies and confirms that it has not made any decision as to whether or not to proceed with the disposal of the Group’s operations in Taiwan and takes this opportunity to provide an update of the matter below.

UPDATE ON STATUS OF DISCUSSION OF POSSIBLE DISPOSAL OF THE GROUP'S OPERATIONS IN TAIWAN

Reference is made to the announcements of the Company dated 29 June 2021 and 22 July 2021 (“Announcements”) regarding, among other matters, the Company’s discussion with a potential purchaser of a possible disposal of the Group’s operations in Taiwan.

As disclosed in the Announcements, the Company received a proposal from a potential purchaser (“Potential Purchaser”) made under a letter of intent regarding the possible disposal of the entire issued share capital of Amazing Sino International Limited (“Amazing Sino”) which operates a media business providing news and entertainment contents in Taiwan. Amazing Sino and its

subsidiaries publish the online edition of *Taiwan Apple Daily*. The Company confirms that no definitive transaction agreement has been entered into as at the date of this announcement. The Company is assessing the purchase price and other terms and conditions proposed by the Potential Purchaser. There is no timeline that has been agreed by the Company and the Potential Purchaser as to whether any definitive transaction agreement would be entered into or that such disposal would proceed at all. For purpose of full disclosure, in addition to the Potential Purchaser, the Company has also received expression of interests from and are in discussions with, other potential purchasers in relation to a possible disposal of the Group's operations in Taiwan but no definitive transaction agreement has been entered into as at the date of this announcement.

As disclosed in the announcement of the Company dated 22 July 2021, The Stock Exchange of Hong Kong Limited ("Stock Exchange") has requested the Company to provide detailed assessment on whether the Company still maintains a sufficient level of operations and assets to warrant its continued listing status under Rule 13.24 of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules"). The Company has yet to make a submission in this regard and if the Company cannot satisfy the requirements under Rule 13.24 of the Listing Rules, its listing status may be affected.

SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been halted with effect from 9:00 a.m. on Thursday, 17 June 2021 and will continue to be suspended until further notice.

By Order of the Board
Ip Yut Kin
Chairman

Hong Kong, 26 August 2021

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

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

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