

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



Digital Video Networks

## **DVN (HOLDINGS) LIMITED**

*(incorporated in Bermuda with limited liability)*

**(stock code: 500)**

### **APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

The Board wishes to announce that Somerley Limited has been appointed as the independent financial adviser to advise the independent board committee of the Company in respect of the terms of the Subscription Agreement, the Whitewash Waiver, the Purchases and the Transactions to be made in each of the years ending 31 December 2004, 2005 and 2006, the Purchase Caps and the Transactions Caps.

The Board refers to the Company's announcement dated 18 May 2004 (the "Announcement") regarding, amongst other things, the Subscription Agreement, the Whitewash Waiver and the possible continuing connected transactions of the Company. Capitalised terms used herein shall have the same meanings as defined in the Announcement unless the context otherwise requires.

The Board wishes to announce that Somerley Limited has been appointed as the independent financial adviser to advise the independent board committee of the Company in respect of the Subscription Agreement, the Whitewash Waiver, the Purchases and the Transactions to be made in each of the years ending 31 December 2004, 2005 and 2006, the Purchase Caps and the Transactions Caps.

As at the date of this announcement, the Board comprises two executive Directors, Mr. Ko Chun Shun, Johnson (Chairman) and Mr. Lui Pan, Terry, four non-executive Directors, Ms. Cheung Sum Yu, Fiona, Mr. Shaw Sun Kan, Gordon, Mr. Jerry Sze, and Mr. Itzhak Shenberg, and two independent non-executive Directors, Mr. Chu Hon Pong and Mr. Liu Tsun Kie.

**Shareholders and potential investors should note that completion of the Subscription is subject to a number of conditions. The release of this announcement does not in any way imply that any of the First Tranche Completion, Second Tranche Completion, Third Tranche Completion or Fourth Tranche Completion will occur. Shareholders and investors should exercise caution when dealing in the Shares.**

By order of the Board  
**DVN (Holdings) Limited**  
**Johnson Ko Chun Shun**  
*Chairman*

Hong Kong, 1 June 2004

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

Please also refer to the published version of this announcement in the China Daily.