THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your securities in DVN (Holdings) Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Digital Video Networks

DVN (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 500)

PROPOSAL TO REFRESH THE 10% GENERAL LIMIT ON GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME, GENERAL MANDATES TO ISSUE NEW SHARES, PROPOSED AMENDMENTS TO THE BYE-LAWS AND NOTICE OF ANNUAL GENERAL MEETING

A notice of the Annual General Meeting to be held at Room 1304-05, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on 30th June, 2004 at 11:30 a.m. is set out on pages 10 to 16 of this circular. A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed. If you intend to attend the Annual General Meeting in person, please complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the share registrars of the Company, Tengis Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you so wish.

8th June, 2004

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RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement contained herein misleading.

In this circular, the following expressions shall have the following meanings unless the context indicates otherwise:

"Annual General Meeting"	the annual general meeting of the Company to be held at Room 1304-05, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on 30th June, 2004 at 11:30 a.m., or any adjournment thereof (or as the case may be)
"associate(s)"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Bye-law(s)"	the bye-law(s) of the Company
"Company"	DVN (Holdings) Limited, a company incorporated in Bermuda with limited liability, and the shares of which are listed on the main board of the Stock Exchange
"connected person(s)"	has the same meaning ascribed to it under the Listing Rules
"Directors"	the directors of the Company
"General Mandate"	a general mandate to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof
"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
"Latest Practicable Date"	4th June, 2004 being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

"Refreshment"	the proposed refreshment of the 10% general limit on grant of options under the Share Option Scheme and all other share option scheme(s) of the Company
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
"Share(s)"	the ordinary share(s) of HK$0.10 each in the share capital of the Company
"Share Option Scheme"	the share option scheme adopted by the Company at an extraordinary general meeting dated 26th June, 2002
"Shareholder(s)"	the holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent.
"2003 Annual Report"	the annual report of the Company for the year ended 31st December, 2003

Digital Video Networks

DVN (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 500)

Executive Directors:
Mr. Ko Chun Shun, Johnson
Mr. Lui Pan, Terry

Non-executive Directors:
Ms. Cheung Sum Yu, Fiona
Mr. Shaw Sun Kan, Gordon
Mr. Jerry Sze
Mr. Itzhak Shenberg

Independent Non-executive Directors:
Mr. Chu Hon Pong
Mr. Liu Tsun Kie

Registered and principal office:
Room 1304-05
13th Floor
China Resources Building
26 Harbour Road
Wanchai
Hong Kong

8th June, 2004

To the Shareholders

Dear Sir/Madam,

PROPOSAL TO REFRESH THE 10% GENERAL LIMIT ON GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME, GENERAL MANDATES TO ISSUE NEW SHARES, PROPOSED AMENDMENTS TO THE BYE-LAWS AND NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with information regarding certain ordinary and special resolutions to be proposed at the Annual General Meeting to enable you to make an informed decision on whether to vote for or against those resolutions.

At the Annual General Meeting, resolutions, amongst others, will be proposed for the Company to approve (i) the Refreshment; (ii) the proposed granting of the General Mandate to the Directors; and (iii) the amendments to the Bye-laws to align with the amended Listing Rules which have become effective on 31st March, 2004 and the SFO which have become effective on 1st April, 2003.

REFRESHMENT OF THE 10% GENERAL LIMIT ON GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME

On 26th June, 2002, the Company adopted the Share Option Scheme in compliance with the Listing Rules in respect of the share option schemes of a listed company.

As at 26th June, 2002, being the date on which the Shares were listed on the Stock Exchange and the Share Option Scheme became unconditional, the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and all the other share option scheme(s) of the Company is 37,673,482 Shares, being 10% of the Shares in issue on such date.

In last year's annual general meeting held on 26th June, 2002, the Shareholders had approved a refreshment of the 10% limit once, which enable the Company to grant up to 37,673,482 new options under the Share Option Scheme. Since the date of that meeting, the Company has granted 37,480,000 share options to the qualified persons.

As at the Latest Practicable Date, out of the total of 52,055,000 options granted under the Share Option Scheme (including exercised, outstanding, cancelled or lapsed), 47,142,336 options were outstanding.

Unless the 10% general limit on grant of options under the Share Option Scheme and other share option scheme(s) of the Company is "refreshed", only up to 193,482 Shares may be issued pursuant to the grant of further options under the Share Option Scheme.

The Refreshment will enable the Company to grant further options to qualified persons, being any employee, executive or officer of the Group (including executive and non-executive directors of the Group) and any supplier, consultant, agent, adviser, shareholder, customer, partner, business associate who, at the sole discretion of the Board, will contribute or has contributed to the Group as incentives or rewards.

Proposal

It is therefore proposed that subject to the approval of the Shareholders at the Annual General Meeting and such other requirements prescribed under the Listing Rules, the general limit on grant of options under the Share Option Scheme and all other share option scheme(s) of the Company will be refreshed to 10% of the Shares in issue as at the date of the approval by the Shareholders at the Annual General Meeting and options previously granted under the Share Option Scheme and any other share option scheme(s) of the Company (including those outstanding, cancelled, lapsed in accordance with such scheme(s) or exercised options) will not be counted for the purpose of calculating the limit as refreshed.

Pursuant to the Listing Rules, the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company at any time will not exceed 30% of the Shares in issue from time to time. No options shall be granted under any scheme(s) of the Company or any of its subsidiaries if this will result in the 30% limit being exceeded.

As at the Latest Practicable Date, there were 456,647,490 Shares in issue. Assuming that no further Shares will be issued prior to the date of approving the refreshed general limit by the Shareholders, the maximum number of options that can be granted by the Company under the refreshed limit would be 45,664,749 Shares.

Conditions

As required by the Share Option Scheme and the Listing Rules, an ordinary resolution will be proposed at the Annual General Meeting to approve the "refreshed" general limit of the Share Option Scheme and all other share option scheme(s) of the Company such that the total number of Shares which may be issued upon exercise of all options to be granted under the refreshed general limit must not exceed 10% of the total number of Shares in issue as at the date of approving of the refreshed general limit.

The adoption of the refreshed general limit of the Share Option Scheme and other share option scheme(s) of the Company is conditional upon:

(a) the Shareholders passing an ordinary resolution to approve the refreshment of the 10% general limit on grant of options under the Share Option Scheme and all other share option scheme(s) of the Company at the Annual General Meeting; and

(b) the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any options granted under the refreshed general limit of the Share Option Scheme and all other share option scheme(s) of the Company.

Application for Listing

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be issued upon the exercise of any options that may be granted under the Refreshment.

GENERAL MANDATES TO ISSUE NEW SHARES

General mandate to issue new Shares

At the Annual General Meeting, ordinary resolution no. 5 will also be proposed that the Directors be given the General Mandate in order to ensure flexibility and discretion to the Directors to issue new Shares.

Amendments to the Bye-laws

The Stock Exchange has revised the Listing Rules and the new Listing Rules have become effective on 31st March, 2004. In addition, the SFO have recently become effective on 1st April, 2003.

The Board therefore proposes to make certain amendments to the Bye-laws in compliance with the revised Listing Rules and at the same time bring the Bye-laws up to date with the SFO.

The corporate governance issues including, among other things, disclosure of information on proposed directors before election at general meeting and notices to be given in relation thereto, and voting of members at general meeting and of directors at board meeting on any matter in which the directors and/or his associates have a material interest as required under Appendix 3 to the revised Listing Rules will also be incorporated in the proposed amendments to the Bye-laws.

Set out in the special resolution no. 6 of the notice of Annual General Meeting on pages 10 to 16 of this circular are amendments to the Bye-laws that are proposed. A summary of the proposed amendments are also set out in the Appendix of this circular.

ANNUAL GENERAL MEETING

A notice of the Annual General Meeting is set out on pages 10 to 16 of this circular. At the Annual General Meeting, in addition to the ordinary business of the meeting, resolutions will be proposed to approve the Refreshment, the General Mandate and the amendments to the Bye-laws respectively.

A resolution will also be proposed to re-elect the retiring directors, Mr. Chu Hon Pong, Mr. Liu Tsun Kie and Mr. Itzhak Shenberg.

Mr. Chu Hon Pong, aged 54, has been the independent non-executive director of the Company for 4 years. Mr. Chu is currently the chairman of American Dream Park & Entertainment Group and was formerly the chairman and chief executive officer of Symphony Holdings Limited, a company listed in Hong Kong.

Mr. Liu Tsun Kie, aged 53, has been the independent non-executive director of the Company for 4 years. Mr. Liu has over 28 years of experience in electronic engineering, telecommunications, corporate finance and general administration. During the last 3 years, Mr. Liu was a Board Member of the Singapore Broadcasting Authority before its transition into the Media Development Authority of Singapore and is currently the Deputy Chairman of Roly International Holdings, a Singapore Mainboard listed company as well as its Chairman of the Audit and Remuneration Committees.

Mr. Itzhak Shenberg, aged 54, was appointed as non-executive director on 18th January, 2004. Mr. Shenberg is an executive officer and Senior Vice President of Zoran Corporation, a NASDAQ traded company. Mr. Shenberg has extensive experience in technology and business development.

The length of service periods of Mr. Chu, Mr. Liu and Mr. Shenberg is not specified and are subject to the rotation provision of the Bye-laws. The director's emoluments of Mr. Chu, Mr. Liu and Mr. Shenberg are determined by the Board from time to time by reference their respective contribution to the Company and the salary policy of the Company and are not specified in any service contracts. Mr. Chu, Mr. Liu and Mr. Shenberg do not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. Their interests in the Shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance are stated below:

Share Options with exercise price of HK$0.824 and exercise period from 1st January, 2004 to 31st December, 2006:

	Number of options
Mr. Chu Hon Pong	450,000
Mr. Liu Tsun Kie	450,000

A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the share registrars of the Company, Tengis Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, as soon as practicable but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting should you so wish.

Pursuant to Bye-law 65, every resolution submitted to a general meeting shall be determined on a show of hands in the first instance by the Shareholders present in person, but a poll may be demanded (before or upon the declaration of the result of the show of hands) by the Chairman or by:

(a) not less than 3 Shareholders present in person or by proxy having the right at the meeting; or

(b) any Shareholder or Shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or

(c) any Shareholder or Shareholders present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

RECOMMENDATION

The Directors consider that all the proposed resolutions in the Annual General Meeting are in the best interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of the ordinary and special resolutions nos. 1 to 6 to be proposed at the Annual General Meeting in respect thereof.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company during the normal business hours from the date of this circular up to and including the date of the Annual General Meeting:

(i) the Bye-laws of the Company; and

(ii) the Share Option Scheme.

Yours faithfully,
For and on behalf of
DVN (Holdings) Limited
Lui Pan
Chief Executive Officer

This appendix summarizes the proposed amendments to the Bye-laws to reflect the legislative changes to the SFO which have become effective on 1st April, 2003 and to incorporate the changes that are required under the revised Listing Rules which have become effective on 31st March, 2004.

BYE-LAW 76 — VOTING RESTRICTIONS UNDER LISTING RULES

Article 76(2) will be added pursuant to the revised Listing Rules so that where any shareholder is subject to voting restrictions under the Listing Rules, any votes cast by or on behalf of such shareholder in contravention of such restriction shall not be counted.

BYE-LAW 93 — DIRECTOR'S INTERESTS

Bye-law 93 will be amended to provide that Directors shall not vote for transactions in which they or their associates have a material interest. The new interpretation of "associate(s)" under the revised Listing Rules will also be adopted under Bye-law 1.

BYE LAW 101 — APPOINTMENT OF DIRECTORS

Bye-law 101 will be amended to specify the lodgment period of the nomination of directors by shareholders, which will commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.

Digital Video Networks

DVN (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 500)

NOTICE IS HEREBY GIVEN that the annual general meeting of DVN (HOLDINGS) LIMITED (the **"Company"**) will be held at the Room 1304-05, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on 30th June, 2004 at 11:30 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and consider the report of the directors, audited financial statements and auditors' report for the year ended 31st December, 2003.

2. To re-elect retiring directors and to authorise the directors to fix the remuneration of the directors.

3. To re-appoint auditors and to authorise the directors to fix the remuneration of the auditors.

AS SPECIAL BUSINESS

4. To consider and, if thought fit, pass with or without modifications, the following resolution as an ordinary resolution of the Company:

   "THAT conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) granting listing of, and permission to deal in, the shares of HK$0.10 each in the share capital of the Company (**"Shares"**) to be issued pursuant to the exercise of options which may be granted under the New Scheme Limit (as defined below), the refreshment of the scheme limit of the Company's share option scheme adopted on 26th June, 2002 and all other share option scheme(s) of the Company, up to 10 per cent. of the number of Shares in issue as at the date of passing this resolution (the **"New Scheme Limit"**) be and is hereby approved and any director of the Company be and is hereby authorised to do such act and execute such document to effect the New Scheme Limit."

5. To consider and, if thought fit, pass with or without modifications, the following resolution as an ordinary resolution of the Company:

"THAT:

(a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval granted in paragraph (a), otherwise than pursuant to (i) a Rights Issue, or (ii) the share option scheme of the Company approved by the Stock Exchange, or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

"Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Company's bye-laws to be held; or

(iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting."

"Rights Issue" means an offer of shares open for a period fixed by the directors of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange, in any territory outside Hong Kong)."

6. To consider and, if thought fit, pass the following resolution as a special resolution of the Company:

"THAT the Bye-laws of the Company (the "Bye-laws") be and are hereby amended as follows:

Bye-law 1

By inserting the following new definition of "associate" immediately after the definition of "the Act" in Bye-law 1:

""associate" the meaning attributed to it in the rules of the stock exchange in Hong Kong."

Bye-law 76

1. By re-numbering existing Bye-law 76 as Bye-law 76(1);

2. By inserting the following as new Bye-law 76(2):

"(2) Where the Company has knowledge that any member is, under the rules of the stock exchange in Hong Kong, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted."

Bye-law 93

1. By substituting the words "paragraphs (A), (B) and (C)" appearing in Bye-law 93(A) with the words "paragraphs (A) and (B)" and by deleting the existing Bye-law 93(B) in its entirety and replacing therewith the following new Bye-law 93(B):

"(B). (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving of any contract or arrangement or any other proposal in which he or any of his associate is materially interested, but this prohibition shall not apply to any of the following matters namely:

(i) any contract or arrangement for the giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associates or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;

(ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;

(iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company;

(v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder other than a company in which the Director and/or his associate(s) is/are beneficially interested in five (5) per cent or more of the issued shares or of the voting rights of any class of shares of such company (or any third company through which his interest or that of any of his associates is derived); or

(vi) any proposal or arrangement concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to directors, his associates and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director, or his associate(s), as such any privilege or advantage not accorded to the employees to which such scheme or fund relates.

(2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five (5) per cent. or more if and so long as (but only if and so long as) he and/or his associates, (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest or that of any of his associates is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorised unit trust scheme in which the Director is interested only as a unit holder.

(3) Where a company in which a Director and/or his associate(s) own(s) five (5) per cent. or more (within the meaning of Bye-law 93(B)(2)) is materially interested in a transaction, then that Director and/or his associate(s) shall also be deemed materially interested in such transaction.

(4) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director or his associate(s) (other than the chairman of the meeting) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and of his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman and of his associate(s) has not been fairly disclosed to the Board.

2. By deleting the existing Bye-laws 93(C) to (G) in their entirety.

Bye-law 101

By deleting the existing Bye-law 101 in its entirety and replacing therewith the following new Bye-law 101:

"No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that (if the notices are submitted after the dispatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting."

and **THAT** any director of the Company be and is hereby authorized to take such further action as he may, in his sole and absolute discretion thinks fit for and on behalf of the Company to implement the aforesaid amendments to the existing bye-laws of the Company.

By Order of the Board
DVN (Holdings) Limited
Ho Te Hwai, Cecil
Company Secretary

Hong Kong, 8th June, 2004

Notes:

1. Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.

2. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the share registrars of the Company, Tengis Limited at G/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting.

3. As at the date hereof, Mr. Ko Chun Shum, Johnson and Mr. Lui Pan are Chairman and executive directors of the Company respectively. Mr. Shaw Sun Kan, Gordan, Mr. Jerry Sze, Mr. Itzhak Shenberg and Ms. Cheung Sum Yu, Fiona are non-executive directors of the Company. Mr. Chu Hon Pong and Mr. Liu Tsun Kie are independent non-executive directors of the Company.