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**DVN (HOLDINGS) LIMITED**  
**天地數碼(控股)有限公司\***

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 00500)**

- (1) APPOINTMENT OF EXECUTIVE DIRECTOR AND CHAIRMAN**
- (2) REDESIGNATION OF CHAIRMAN**
- (3) APPOINTMENT OF DEPUTY CHAIRMAN**
- (4) RESIGNATION OF EXECUTIVE DIRECTOR**
- (5) CHANGES IN NOMINATION COMMITTEE AND REMUNERATION COMMITTEE**
- (6) GRANT OF SHARE OPTIONS**
- (7) PROPOSED CHANGE OF COMPANY NAME**

The Board announces that:

- (i) Mr. Erik D. Prince has been appointed as an executive Director and the Chairman, the chairman of the Nomination Committee and a member of the Remuneration Committee with effect from 10 January 2014;
- (ii) Mr. Ko has been redesignated from Chairman to Deputy Chairman and has ceased to be the chairman of the Nomination Committee with effect from 10 January 2014, but he remains a member of the Nomination Committee;
- (iii) Mr. Luo has been appointed as Deputy Chairman with effect from 10 January 2014;
- (iv) Mr. Jin Wei has resigned as an executive Director with effect from 10 January 2014; and
- (v) on 10 January 2014, the Board has resolved to grant to Mr. Erik D. Prince the Share Options to subscribe for 102,557,828 new Shares at an exercise price of HK\$1.50 per Share pursuant to the Share Option Scheme.

\* *For identification purposes only*

Since the number of new Shares which may fall to be issued to Mr. Erik D. Prince upon exercise of the Share Options in full exceeds 1% of all Shares in issue as at the Grant Date and the Available Scheme Mandate Limit, the grant of the Share Options is conditional upon the approval of the Shareholders at the SGM as required under the Note to Rule 17.03(4) of the Listing Rules, the Note (1) to Rule 17.03(3) of the Listing Rules and the terms of the Share Option Scheme.

The Board also purposes to change the English name of the Company from “DVN (Holdings) Limited” to “Frontier Services Group Limited, and adopt “先豐服務集團有限公司” to replace “天地數碼(控股)有限公司” as Chinese name of the Company for identification purpose only. The Name Change is subject to the approval by the Shareholders at the SGM by way of a special resolution and the approval by the Registrar of Companies in Bermuda.

The SGM will be convened for the purpose of allowing Shareholders to consider and, if thought fit, approve the grant of the Share Options and Name Change.

A circular containing information relating to the grant of the Share Options and the Name Change, and notice of the SGM is expected to be despatched to Shareholders on or before 4 February 2014.

#### **APPOINTMENT OF EXECUTIVE DIRECTOR, CHAIRMAN, CHAIRMAN OF NOMINATION COMMITTEE AND MEMBER OF REMUNERATION COMMITTEE**

The Board is pleased to announce that Mr. Erik D. Prince has been appointed as an executive Director and the Chairman, the chairman of the Nomination Committee and a member of the Remuneration Committee with the effect from 10 January 2014.

Mr. Erik D. Prince, aged 44, is a US-born entrepreneur, philanthropist, military veteran and private equity investor with business interests in Africa, the Middle East and North America in the fields of logistics, aviation services, manufacturing, natural resource development and energy. He is the founder and chairman of Frontier Resource Group, a private equity firm active across the African continent in areas such as aviation, exploration, mining and logistics.

Mr. Erik D. Prince is the founder of Blackwater, the leading global private security company, which he sold in 2010 after successfully growing the company over the course of more than a decade into the premier provider of global security and logistics solutions to the US Government and others. In addition, Mr. Prince purchased Presidential Airways in 2003 and grew it from a one-plane operation into a global logistics and aviation business with over 70 fixed and rotary wing aircraft operating in Africa, the Middle East and North America; he sold the company in 2009.

Mr. Erik D. Prince was educated at Hillsdale College. Upon graduation, he enlisted in the US Navy, where he served as a Navy SEAL officer until 1996. He is the father of seven children.

As at the date of this announcement, Mr. Erik D. Prince holds an option which entitles him to subscribe for up to 205,115,657 new Shares (representing 18.00% of all Shares in issue as at the date of this announcement) at a price of HK\$0.73 per Share before 3 December 2018. On 10 January 2014, the Board also resolved to grant the Share Options (as described below) to Mr. Erik D. Prince. Save as the above, Mr. Erik D. Prince does not have, and is not deemed to have any interests or short positions in any Shares within the meaning of Part XV of the SFO.

Mr. Erik D. Prince has entered into a service agreement with the Company. Mr. Erik D. Prince is not appointed for a specific term and he will hold office until the next annual general meeting of the Company and will be subject to re-election at the next annual general meeting of the Company in accordance with the bye-laws of the Company. Mr. Erik D. Prince is entitled to receive remuneration which is recommended by the Remuneration Committee of the Company and determined by the Board with reference to the prevailing market rate and Mr. Erik D. Prince's duties and responsibilities in the Company. Mr. Erik D. Prince's remuneration is subject to review by the Board and the Remuneration Committee of the Company from time to time. It is proposed that Mr. Erik D. Prince will receive a basic salary and guarantee bonus in aggregate of US\$700,000 in the first year of his service.

Save as disclosed above, (i) Mr. Erik D. Prince does not hold any directorship in other listed companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (ii) Mr. Erik D. Prince does not hold any other positions with the Company or other members of the Group; (iii) Mr. Erik D. Prince does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; and (iv) there is no information that should be disclosed pursuant to sub-paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules nor any other matters that need to be brought to the attention of the Shareholders in relation to Mr. Erik D. Prince's appointment.

The Board would like to take this opportunity to express its warmest welcome to Mr. Erik D. Prince in joining the Company.

#### **REDESIGNATION OF MR. KO FROM CHAIRMAN TO DEPUTY CHAIRMAN AND CHANGE IN HIS ROLE IN NOMINATION COMMITTEE**

The Board announces that Mr. Ko has been redesignated from Chairman to Deputy Chairman and has ceased to be the chairman of the Nomination Committee with effect from 10 January 2014, but he remains a member of the Nomination Committee.

Mr. Ko, aged 62, was the Chairman from 1998 to the date of this redesignation. He remains a director of various subsidiaries of the Company, a member of the Remuneration Committee, and a member of the Nomination Committee of the Company. He is also the chairman of Varitronix International Limited and Reorient Group Limited and the vice-chairman of China WindPower Group Limited, which are listed on the main board of the Stock Exchange. He has extensive experience in direct investment, merger and acquisition, TMT (Telecommunications, Media and Technology), advertising, electronic manufacturing service, financial service and property investment.

As at the date of this announcement, Mr. Ko and his Associates are interested in 305,584,734 Shares within the meaning of Part XV of the SFO, including 56,976,571 new Shares to be issued to Reorient Group Limited under a share swap agreement and 22,790,628 new Shares which may fall to be issued to REORIENT Financial Markets Limited upon the exercise of an option agreed to be granted by the Company. Save for the above, Mr. Ko does not have, and is not deemed to have any interests or short positions in any Shares within the meaning of Part XV of the SFO.

Mr. Ko does not have a service agreement with the Group. Mr. Ko is not appointed for a specific term and shall be subject to retirement by rotation and re-election at the Company's annual general meetings in accordance with the bye-laws of the Company. He currently receives a remuneration of HK\$120,000 a year from the Company, which will remain unchanged, subject to the recommendation of the Remuneration Committee of the Company from time to time and review by the Board with reference to the prevailing market rate and Mr. Ko's duties and responsibilities in the Company.

Save as disclosed above, (i) Mr. Ko does not hold any directorship in other listed companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (ii) Mr. Ko does not hold any other positions with the Company or other members of the Group; (iii) Mr. Ko does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; and (iv) there is no information that should be disclosed pursuant to sub-paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules nor any other matters that need to be brought to the attention of the Shareholders in relation to Mr. Ko's redesignation.

#### **APPOINTMENT OF MR. LUO AS DEPUTY CHAIRMAN**

The Board is pleased to announce that Mr. Luo has been appointed as the Deputy Chairman with effect from 10 January 2014.

Mr. Luo, aged 54, has been an executive Director of the Company since October 2006. He is currently a director of CITIC Group Corporation, which is a substantial shareholder of the Company, an assistant president of CITIC Limited, a vice-chairman of CITIC Guoan Group and the chairman of CITIC Networks Co., Ltd. He is also a director of CITIC Guoan Information Industry Company Limited, a public company listed on the Shenzhen Stock Exchange in the PRC. He is also an executive director of CITIC 21CN Company Limited and a non-executive director of Asia Satellite Telecommunications Holdings Limited, which are listed on the Main Board of the Stock Exchange. He also holds directorships in several other subsidiaries of CITIC Group Corporation. Mr. Luo has extensive experience in telecommunication business and graduated from The Wuhan People's Liberation Army Institute of Communication Command in the PRC.

Mr. Luo does not have a service agreement with the Group. Mr. Luo is not appointed for a specific term and shall be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the bye-laws of the Company. He currently does not receive any remuneration from the Company subject to the recommendation of the Remuneration Committee of the Company from time to time and review by the Board.

Save as disclosed above, (i) Mr. Luo does not hold any directorship in other listed companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (ii) Mr. Luo does not hold any other positions with the Company or other members of the Group; (iii) Mr. Luo does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; and (iv) there is no information that should be disclosed pursuant to sub-paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules nor any other matters that need to be brought to the attention of the Shareholders in relation to Mr. Luo's appointment as Deputy Chairman.

## **RESIGNATION OF MR. JIN WEI AS EXECUTIVE DIRECTOR**

The Board announces that Mr. Jin Wei has resigned as executive Director with effect from 10 January 2014.

Mr. Jin Wei has confirmed that his resignation is due to other business engagements which require more of his dedication. Mr. Jin Wei has also confirmed that he has no disagreement with the Board and there is no matter relating to his resignation that needs to be brought to the attention of the Shareholders. The Board would like to take this opportunity to express its gratitude to Mr. Jin Wei for his valuable contributions during his tenure of service.

## **GRANT OF SHARE OPTIONS**

On 10 January 2014, the Board resolved to grant to Mr. Erik D. Prince the Share Options to subscribe for 102,557,828 new Shares at an exercise price of HK\$1.50 per Share pursuant to the Share Option Scheme. As Mr. Erik D. Prince is just appointed as an executive Director and the Chairman, the grant of the Share Options was approved by the INEDs on 10 January 2014.

### **Condition**

The maximum number of new Shares which may fall to be issued upon the exercise of the Share Options in full represents 9.00% of all Shares in issue as at the Grant Date. Since the number of new Shares which may fall to be issued to Mr. Erik D. Prince upon exercise of the Share Options in full exceeds 1% of all Shares in issue as at the Grant Date and the Available Scheme Mandate Limit, the grant of the Share Options is conditional upon the approval of the Shareholders at the SGM as required under the Note to Rule 17.03(4) of the Listing Rules, Note (1) to Rule 17.03(3) of the Listing Rules and the terms of the Share Option Scheme.

## Summary of the principal terms of the Share Options

A summary of the principal terms of the Share Options is set out below:

Grant Date	10 January 2014
Maximum number of new Shares which may fall to be issued upon the exercise of the Share Options in full	102,557,828 Shares, representing 9.00% of all Shares in issue as at the date of this announcement
Exercise Price	HK\$1.50 per Share, which is the higher of (i) HK\$1.50, the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the Grant Date; (ii) HK\$1.37, the average closing price of the Shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the Grant Date; and (iii) HK\$0.10, the nominal value per Share
Exercise Period	(i) the first 34,185,942 Share Options: from 10 January 2015 to 9 January 2018; (ii) another 34,185,943 Share Options: from 10 January 2016 to 9 January 2018; and (iii) the remaining 34,185,943 Share Options: from 10 January 2017 to 9 January 2018

## Reason for the grant of Share Options

The purpose of the Share Option Scheme is to allow the Board to attract and retain, and provide additional incentive to, among others, the Directors and employees to work and promote the interests of the Company and the Group.

The Group is developing a logistics, aviation and risk management business. It is also the plan of the Group to diversify and develop its logistics business into ground transportation, maritime services, security services and exploration support services. The Board invited Mr. Erik D. Prince to be an executive Director and Chairman in view of his extensive business and commercial knowledge and network in the aviation and secured logistics industry. Mr. Erik D. Prince, as a key member of the executive management of the Company, holds the overall responsibility for the strategic planning and corporate development of the Group and for driving the efforts of the Group. He shall lead the Group's expansion strategy, help improve the financial performance of the Group and return to Shareholders, and enhance shareholder value. The Share Options serve to provide an appropriate incentive to Mr. Erik D. Prince and align his interests to the financial performance of the Company and thereby the interests of the Company and Shareholders as a whole.

## **PROPOSED CHANGE OF COMPANY NAME**

The Board purposes to change the English name of the Company from “DVN (Holdings) Limited” to “Frontier Services Group Limited, and adopt “先豐服務集團有限公司” to replace “天地數碼(控股)有限公司” as Chinese name of the Company for identification purpose only.

### **Conditions for the Name Change**

The Name Change is subject to the following conditions:

1. the passing of a special resolution by the Shareholders to approve Name Change at the SGM; and
2. the Registrar of Companies in Bermuda approving the Name Change and issuing a certificate of incorporation on Name Change in respect thereof.

Subject to the satisfaction of the conditions set out above, the Name Change will take effect from the date of entry of the new English name of the Company on the register maintained by the Registrar of Companies in Bermuda. Upon the Name Change becoming effective, the Company will comply with the necessary filing procedures in Hong Kong.

### **Reasons for the Name Change**

The Group has actively been exploring and developing its African aviation and logistics services business, which is being carried out by its wholly-owned subsidiary, Frontier Services Limited. The Name Change will give the Shareholders, the Group’s business partners and the public a better image and identity of the Group which in turn will benefit the business development and marketing of the Group.

The Board considers that the Name Change is in the interests of the Company and the Shareholders as a whole.

### **Effects on the Name Change**

The Name Change will not affect any rights of the Shareholders. Once the Name Change becomes effective, share certificates of the Company will be issued in the new name of the Company. However, all existing share certificates of the Company in issue bearing the existing name of the Company will, after the Name Change has become effective, continue to be effective and as documents of title to the shares of the Company and will continue to be valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for free exchange of the existing share certificates for new share certificates bearing the new name of the Company.

## SGM

The SGM will be convened for the purpose of allowing Shareholders to consider and, if thought fit, approve the grant of the Share Options and Name Change.

As Mr. Erik D. Prince has a material interest in the grant of the Share Options, he and his Associates, to the extent they hold any Shares, are required to abstain from voting in respect of the resolution to approve the grant of the Share Options at the SGM. As at the date of this announcement, save for Mr. Erik D. Prince's interest in the Share Options and another option disclosed above, Mr. Erik D. Prince and his Associates do not have a notifiable interest in the Shares within the meaning of Part XV of the SFO.

A circular containing information relating to the grant of the Share Options and the Name Change, and notice of the SGM is expected to be despatched to Shareholders on or before 4 February 2014.

## DEFINITIONS

Unless otherwise stated, the following terms shall have the following meanings in this announcement:

“Associate(s)”	has the meaning as ascribed to it in the Listing Rules
“Available Scheme Mandate Limit”	80,958,143 Shares, being the maximum number of Shares that can be issued in respect of share options to be granted under Share Option Scheme as at the Grant Date, excluding the number of Shares that may fall to be issued upon exercise of the options that have already been granted under the existing mandate limit in respect of the Share Option Scheme
“Board”	the board of Directors
“Chairman”	the chairman of the Company
“Company”	DVN (Holdings) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Deputy Chairman”	the deputy chairman of the Company
“Director(s)”	the director(s) of the Company
“Grant Date”	10 January 2014, the date the Board has resolved to grant the Share Options
“Group”	the Company and its subsidiaries



“HK\$”	Hong Kong dollars, the lawful current of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“INED(s)”	the independent non-executive Director(s)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Erik D. Prince”	Mr. Erik D. Prince, an executive Director and Chairman
“Mr. Ko”	Mr. Ko Chun Shun, Johnson, an executive Director and Deputy Chairman
“Mr. Luo”	Mr. Luo Ning, an executive Director and Deputy Chairman
“Name Change”	the change the English name of the Company from “DVN (Holdings) Limited” to “Frontier Services Group Limited, and the adoption of “先豐服務集團有限公司” to replace “天地數碼(控股)有限公司” as Chinese name of the Company for identification purpose
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Options”	the share options conditionally granted to Mr. Erik D. Prince to subscribe for up to 102,557,828 Shares pursuant to the Share Option Scheme, the principal terms of which are set out in the paragraph headed “Summary of the principal terms of the Share Options” in this announcement
“Share Option Scheme”	the share option scheme adopted by the Company on 28 March 2012
“Shareholder(s)”	holder(s) of the issued Shares
“SGM”	the special general meeting of Shareholders to be convened for the purpose of allowing Shareholders to consider and, if thought fit, approve the grant of the Share Options and the Name Change
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“US\$”

United States dollar, the lawful currency of the United States of America

By Order of the Board  
**DVN (Holdings) Limited**  
**Chan Kam Kwan, Jason**  
*Company Secretary*

Hong Kong, 10 January 2014

*As at the date of this announcement, the executive Directors are Mr. Erik D. Prince (Chairman), Mr. Ko Chun Shun, Johnson (Deputy Chairman), Mr. Luo Ning (Deputy Chairman), Mr. Gregg H. Smith (Chief Executive Officer), Mr. Xu Qiang (Chief Operating Officer) and Mr. Hu Qinggang (Chief Financial Officer); and the independent non-executive Directors are Mr. Chu Hon Pong, Mr. Liu Tsun Kie and Mr. Yap Fat Suan, Henry.*