

STRAND
HANSON

26 MOUNT ROW

LONDON W1K 3SQ

TEL +44 (0)20 7409 3494

FAX +44 (0)20 7409 1761

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Offer and/or any action you should take, you are recommended to immediately seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser who is authorised under the Financial Services and Markets Act 2000 or, if you are taking advice in a territory outside the United Kingdom, from an appropriately authorised independent professional adviser.

If you sell or have sold or otherwise transferred all of your Velosi Shares (other than pursuant to the Offer), please forward this document, reply-paid envelope, and any accompanying Form of Acceptance at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. **However, such documents should not be forwarded, distributed or transmitted in, into or from a Restricted Jurisdiction or into any other jurisdiction if to do so would constitute a violation of the relevant laws of such jurisdiction.** If you sell, have sold or otherwise transferred only part of your Velosi Shares you should retain these documents and consult the stockbroker, bank manager or other agent through whom the sale or transfer was effected.

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING FORM OF ACCEPTANCE (IF YOU HOLD YOUR VELOSI SHARES IN CERTIFICATED FORM).

Execution Noble, which is authorised and regulated in the United Kingdom by the FSA, is acting as financial adviser exclusively for Azul, and for no one else, in connection with the Offer. Execution Noble will not regard any other person as its client nor be responsible to anyone other than Azul for providing the protections afforded to clients of Execution Noble, nor for providing advice in relation to the Offer and this document or any matter referred to in this document.

Robert W. Baird, which is authorised and regulated in the United Kingdom by the FSA, is acting as joint financial adviser exclusively for Velosi, and for no one else, in connection with the Offer. Robert W. Baird will not regard any other person as its client nor be responsible to anyone other than Velosi for providing the protections afforded to its clients, nor for providing advice in relation to the Offer or any matter referred to in this document.

Strand Hanson, which is authorised and regulated in the United Kingdom by the FSA, is acting as joint financial adviser exclusively for Velosi, and for no one else, in connection with the Offer. Strand Hanson will not regard any other person as its client nor be responsible to anyone other than Velosi for providing the protections afforded to its clients, nor for providing advice in relation to the Offer or any matter referred to in this document.

RECOMMENDED CASH OFFER

by

Azul Holding 2 S.à r.l.

to acquire the entire issued and to be issued ordinary share capital of

Velosi Limited

Your attention is drawn to the letter from the Chairman of Velosi set out in Part I of this document which contains a recommendation from the Independent Directors to Velosi Shareholders to accept the Offer.

Capitalised words and phrases used in this document shall have the meanings given to them in Appendix III.

The procedure for accepting the Offer is set out in paragraph 13 of Part II of this document and (in the case of certificated Velosi Shares) in the accompanying Form of Acceptance. To accept the Offer, if you hold Velosi Shares in certificated form (that is, not in CREST), you should complete the enclosed Form of Acceptance in accordance with the instructions printed thereon. The completed Form of Acceptance, together with your share certificate(s) and other documents of title, should be returned as soon as possible by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, United Kingdom or (during normal business hours) by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, in each case to be received no later than 3.00 p.m. on 30 December 2010.

Acceptances in respect of uncertificated Velosi Shares should be made electronically through CREST so that the TTE Instruction settles no later than 3.00 p.m. on 30 December 2010 by following the procedure set out in paragraph 13 of Part II to this document.

IMPORTANT NOTICE

The availability of the Offer to persons not resident in the UK or Jersey may be affected by the laws of the relevant jurisdiction in which they are located or of which they are citizens. Persons who are not resident in the UK or Jersey should obtain advice and observe any applicable requirements of these jurisdictions. The Offer is not being made, directly or indirectly, in or into, or by use of the mails, or by any means or instrumentality (including, without limitation, facsimile transmission, electronic mail, telex or telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of a Restricted Jurisdiction, and the Offer will not be capable of acceptance by any such means, instrumentality or facility from within a Restricted Jurisdiction. Accordingly, copies of this document and the Form of Acceptance and any other documents related to the Offer are not being, and must not be, mailed or otherwise distributed, or sent, in or into a Restricted Jurisdiction. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not distribute or send them in, into or from these jurisdictions as doing so will make invalid any purported acceptance of the Offer by persons in any such jurisdiction and may be unlawful. Further information for Overseas Shareholders is set out in paragraph 6 of Part B of Appendix I to this document. **All Velosi Shareholders (including, without limitation, any nominee, trustee or custodian) who would, or otherwise intend to, or who may have a contractual or legal obligation to, forward this document and/or the accompanying Form of Acceptance (if applicable) to any jurisdiction outside the UK and Jersey should read the paragraph referred to above before taking any action.**

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document contains “forward-looking statements” concerning the Applus Group and the Velosi Group. Often but not always, forward-looking information statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes”, or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “should”, “would”, “might”, “will” or “continue to” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Velosi, Applus and/or their respective subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that would cause actual results to differ materially from those described in this document include: costs and terms related to the acquisition of Velosi; the economic environment of the industries in which the Applus Group and the Velosi Group operate; failure to retain management; and regulatory change in the industry and/or the general economic environment.

This list is not exhaustive of the factors that may affect the forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. Although Azul and the Velosi Group have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Any forward-looking statements made in this document in respect of the Applus Group and/or the Velosi Group are made as of the date of this document and are based on the opinions and estimates of the respective management teams. Subject to requirements to update under any applicable regulation or law, Azul and Velosi disclaim any obligation to update any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results or otherwise.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

THE CITY CODE

Although Velosi is incorporated in Jersey, the place of central management of the Company is currently located outside of the UK, the Channel Islands and the Isle of Man. Velosi’s operations are worldwide and

its executive directors are based in Malaysia. Accordingly, as the Company is not one to which paragraph 3(a)(ii) of the Takeover Code applies, the Panel has confirmed that the Company is not subject to the Takeover Code and Velosi Shareholders will not be afforded any protection under the Code. If circumstances change, which could result in the Company being subject to the Takeover Code, the Company will consult with the Panel. If the Panel determines that, as a result of such changes, the Takeover Code becomes applicable to the Company, an announcement will be made.

PUBLICATION ON WEBSITES

A copy of this document is and will be available free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on Velosi’s website at www.velosi.com for the duration of the Offer.

ACTION TO BE TAKEN

If you hold your Velosi Shares, or any of them, in certificated form (that is, not in CREST), to accept the Offer in respect of those Velosi Shares you should complete, sign and return the Form of Acceptance, accompanied by your share certificate(s) and/or other document(s) of title, as soon as possible by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, United Kingdom or (during normal business hours only) by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, in each case to be received **no later than 3.00 p.m. on 30 December 2010**. Further details on the procedures for acceptance of the Offer if you hold any of your Velosi Shares in certificated form are set out in paragraph 13 of Part II to this document and in the accompanying Form of Acceptance. A reply-paid envelope for use in the United Kingdom only is enclosed for your convenience and may be used by holders of Velosi Shares in certificated form in the United Kingdom for returning their Forms of Acceptance.

If you hold your Velosi Shares, or any of them, in uncertificated form (that is, in CREST), to accept the Offer in respect of those Velosi Shares you should follow the procedure for Electronic Acceptance through CREST so that the TTE Instruction settles as soon as possible and, in any event, **no later than 3.00 p.m. on 30 December 2010**. Further details on the procedures for acceptance if you hold any of your Velosi Shares in uncertificated form are set out in paragraph 13 of Part II to this document. If you hold your Velosi Shares as a CREST sponsored member, you should refer to your CREST sponsor as only your CREST sponsor will be able to send the necessary TTE Instruction to Euroclear.

Acceptances of the Offer must be received by 3.00 p.m. (London time) on 30 December 2010.

You are advised to read this document carefully.

If you have any questions relating to this document or the completion and return of the Form of Acceptance, please call Computershare on 0870 707 4028 (or, from outside the United Kingdom, on +44 870 707 4028) between 9.00 a.m. and 5.00 p.m. (London time) Monday to Friday (excluding UK public holidays).

Please note that, for legal reasons, Computershare will only be able to provide you with the information contained in this document and will be unable to give advice on the merits of the Offer or to provide legal, financial or taxation advice on the contents of this document.

CONTENTS

	<i>Page</i>
Part I Letter from the Chairman of Velosi Limited	5
1. Introduction	5
2. Summary of the Offer	6
3. Background to and reasons for recommending the Offer	6
4. Irrevocable undertakings and letters of intent to accept the Offer	6
5. Current trading and outlook	7
6. Velosi's directors, management and employees	8
7. Incentive Arrangements	8
8. Offer to option holders	8
9. Amendments to be made to the Velosi Option Schemes	8
10. United Kingdom taxation	9
11. Compulsory acquisition and cancellation of trading in Velosi Shares on AIM	9
12. Overseas Shareholders	9
13. Action to be taken	9
14. Further information	9
15. Recommendation	9
Part II Letter from the directors of Azul Holding 2 S.à r.l.	10
1. Introduction	10
2. The terms of the Offer	11
3. Irrevocable undertakings and letters of intent to accept the Offer	11
4. Background to and reasons for the Offer	12
5. Information relating to Azul, The Carlyle Group and the Applus Group	13
6. Information on Velosi	13
7. Financing the Offer	14
8. Velosi management and employees	14
9. Offer to option holders	14
10. Amendments to be made to the Velosi Option Schemes	14
11. Compulsory acquisition and cancellation of trading in Velosi Shares on AIM	15
12. United Kingdom taxation	15
13. Procedure for acceptance of the Offer	16
14. Settlement	20
15. Further information	20
16. Action to be taken	21
Appendix I Certain further terms of the Offer	22
Part A: Conditions to the Offer	22
Part B: Further terms of the Offer	25
Part C: Form of Acceptance	36
Part D: Electronic Acceptance	39
Appendix II Additional information	42
Appendix III Definitions	50

Part I

Letter from the Chairman of Velosi Limited

*(Incorporated and registered in Jersey under the Companies (Jersey) Law 1991, as amended,
with registered number 92978)*

Velosi Directors:

John Anthony Hogan (*Non-executive Chairman*)*
Dr Nabil Abdul Jalil (*Chief Executive Officer*)
Joseph Thomas Vincent (*Group Commercial Director*)
Dan Ooi Soon Teik (*Group Finance Director*)
Marcus John Gregory Stanton (*Non-executive Director*)*

** Independent Directors*

Registered Office:

Walker House
PO Box 72
28-34 Hill Street
St. Helier
Jersey JE4 5TF
Channel Islands

9 December 2010

To Velosi Shareholders, and for information purposes only, to participants in the Velosi Option Schemes

Dear Velosi Shareholder

Recommended Cash Offer by Azul Holding 2 S.à r.l. for Velosi Limited

1. Introduction

It was announced today that the Velosi Directors and the directors of Azul have reached agreement on the terms of a recommended cash offer to be made by Azul, to acquire the entire issued and to be issued ordinary share capital of Velosi.

Azul is a newly-incorporated company, formed specifically for the purpose of implementing the Offer. Azul's sole shareholder is Azul Holding. Azul Holding is also the sole shareholder of Applus. These companies, together with their subsidiaries, form the Applus Group. Further details of these companies are set out in paragraph 5 of Part II of this document.

The purpose of this letter is to set out the background to, and the terms of, the Offer, and the reasons why the Independent Directors consider the terms of the Offer to be fair and reasonable to Velosi Shareholders as a whole and why they unanimously recommend Velosi Shareholders accept the Offer, as they intend to do in respect of their own beneficial holdings of Velosi Shares, which amount in aggregate, to 88,888 Velosi Shares representing approximately 0.2 per cent. of the existing issued ordinary share capital of Velosi.

The three executive directors comprising the Management Team have entered into irrevocable undertakings to accept, or procure the acceptance of, the Offer in respect of their own (and certain family members, related trusts and connected persons, as applicable) beneficial interests in Velosi Shares amounting, in aggregate, to 7,367,626 Velosi Shares, representing approximately 15.2 per cent. of the existing issued ordinary share capital of Velosi.

Furthermore, certain other Velosi Shareholders have entered into irrevocable undertakings to accept, or procure the acceptance of, the Offer in respect of their beneficial interests in Velosi Shares amounting, in aggregate, to 18,304,282 Velosi Shares, representing approximately 37.8 per cent. of the existing issued ordinary share capital of Velosi.

Accordingly, irrevocable undertakings to accept, or procure the acceptance of, the Offer have been received in respect of, in aggregate, 25,671,908 Velosi Shares, representing approximately 53.1 per cent. of the existing issued ordinary share capital of Velosi.

Further details of these irrevocable undertakings are contained in paragraph 4 of this Part I.

2. Summary of the Offer

The formal offer is contained in the letter from the directors of Azul, which is set out in Part II of this document, and is subject to the conditions and certain further terms set out in Appendix I of this document and (in respect of certificated Velosi Shares only) the accompanying Form of Acceptance. The Offer is being made on the following basis:

165 pence in cash for each Velosi Share

The Offer values the existing issued and to be issued ordinary share capital of Velosi at approximately £87.8 million.

The Offer Price represents a premium of approximately:

- 61.4 per cent. to the Closing Price of 102.25 pence per Velosi Share on 8 December 2010, being the latest practicable Business Day prior to the date of this document;
- 60.3 per cent. to the average Closing Price of 102.91 pence per Velosi Share for the month prior to and including 8 December 2010, being the latest practicable Business Day prior to the date of this document; and
- 56.5 per cent. to the average Closing Price of 105.45 pence per Velosi Share for the three months prior to and including 8 December 2010, being the latest practicable Business Day prior to the date of this document.

The Offer Price has been determined on the basis that no dividend in respect of the ordinary share capital of Velosi will be declared or paid by Velosi after the date of this document.

3. Background to and reasons for recommending the Offer

Velosi was admitted to AIM on 21 August 2006, with a market capitalisation of £34.3 million at the placing price of 90 pence per Ordinary Share. Velosi has since achieved significant growth in revenue and profitability through a combination of organic growth and strategic acquisitions, enabling Velosi to expand its service offering and geographical reach to 39 countries across five continents. Velosi's revenue and profit after tax and minority interest have grown from \$70.2 million and \$6.0 million respectively for the year ended 31 December 2006 to \$183.6 million and \$10.4 million respectively for the year ended 31 December 2009. The Company's annual report for the financial year ended 31 December 2009 and its interim results for the six months ended 30 June 2010 are available at the Company's website (www.velosi.com).

Velosi continues to gain market share and has good visibility of future revenues, although a cautious outlook on investment in new oil and gas projects by multinational and state-owned companies has put pressure on Velosi's margins and its ability to grow. The Velosi Directors believe that being part of the Enlarged Group, with greater resources and cross-selling opportunities, will enable Velosi to expand its product portfolio and geographic presence and enhance its brand and competitive position.

Furthermore, the Velosi Directors believe that the Offer represents an immediate and certain exit for Velosi Shareholders at an attractive premium of 61.4 per cent. to the Closing Price of 102.25 pence on 8 December 2010, the latest practicable Business Day prior to the date of this document.

Azul has also received irrevocable undertakings and letters of intent to accept, or procure the acceptance of, the Offer from Velosi Shareholders, including the Velosi Directors, holding in aggregate 25,760,796 Velosi Shares representing approximately 53.2 per cent. of the existing issued ordinary share capital of Velosi.

Taking into account the factors set out above, the Independent Directors believe that all Velosi Shareholders should have the opportunity to consider the Offer and have therefore unanimously agreed to recommend it.

4. Irrevocable undertakings and letters of intent to accept the Offer

The executive Velosi Directors (and certain family members, related trusts and connected persons) have entered into irrevocable undertakings to accept, or procure the acceptance of, the Offer in respect of their beneficial interests in Velosi Shares amounting, in aggregate, to 7,367,626 Velosi Shares, representing (as at

the date of this document) approximately 15.2 per cent. of the existing issued ordinary share capital of Velosi. The executive Velosi Directors (and certain family members, related trusts and connected persons, as applicable) have also undertaken to accept the Offer in respect of any Ordinary Shares issued to them pursuant to the exercise of any share options granted to them by the Company, amounting to up to 2,495,596 Ordinary Shares. This represents, in aggregate, approximately 18.5 per cent. of the Velosi Fully Diluted Share Capital. As an alternative, such Velosi Directors may accept the proposals to be made by Azul in relation to share options or may allow their options to lapse.

In addition, certain other Velosi Shareholders have entered into irrevocable undertakings to accept, or procure the acceptance of, the Offer in respect of their beneficial interests in Velosi Shares amounting, in aggregate, to 18,304,282 Velosi Shares, representing approximately 37.8 per cent. of the existing issued ordinary share capital of Velosi. These Velosi Shareholders have also undertaken to accept the Offer in respect of any Ordinary Shares issued to them pursuant to the exercise of any share options granted to them by the Company, amounting to up to 60,000 Ordinary Shares. This represents, in aggregate, approximately 34.5 per cent. of the Velosi Fully Diluted Share Capital. As an alternative, such Velosi Shareholders may accept the proposals to be made by Azul in relation to share options or may allow their options to lapse.

In addition, the Independent Directors have provided letters of intent indicating their intention to procure the acceptance of the Offer in respect of their beneficial interests in Velosi Shares amounting, in aggregate, to 88,888 Velosi Shares representing (as at the date of this document) approximately 0.2 per cent. of the existing issued ordinary share capital of Velosi. The Independent Directors have also indicated their intention to accept the Offer in respect of any Ordinary Shares issued to them pursuant to the exercise of any share options granted to them by the Company, amounting to up to 196,112 Ordinary Shares. This represents, in aggregate, approximately 0.5 per cent. of the Velosi Fully Diluted Share Capital. As an alternative, such Independent Directors may accept the proposals to be made by Azul in relation to share options or allow their options to lapse.

Accordingly, irrevocable undertakings and letters of intent to accept, or procure the acceptance of, the Offer have been received in respect of, in aggregate, 25,760,796 Velosi Shares (and 28,512,504 Ordinary Shares on a fully diluted basis), representing approximately 53.2 per cent. of the existing issued ordinary share capital of Velosi (and 53.6 per cent. of the Velosi Fully Diluted Share Capital).

These undertakings will cease to be binding in the event that the Offer is not declared wholly unconditional in all respects by Azul by 9 April 2011 or in the event that the Offer lapses or is withdrawn by Azul in accordance with its terms without having become wholly unconditional. These undertakings remain binding even if a higher offer is made by a third party.

Further details of these irrevocable undertakings and letters of intent are set out in paragraph 4 of Appendix II of this document.

5. Current trading and outlook

As announced by Velosi in its interim results on 21 September 2010 (available on the Company's website at www.velosi.com), the Company increased revenues by approximately 6.0 per cent. in the first half of 2010 to \$94.5 million (2009: \$89.2 million). Profit before tax decreased to \$7.4 million (2009: \$7.9 million), reflecting increased investment in new offices and personnel and changes in the business mix of the Velosi Group, including less higher-margin work. Velosi continued to focus on maintaining a strong cash position to enable investment with a view to driving future revenue growth through new office openings and expansion of its service offering, and as at 30 June 2010 Velosi had a net cash position of \$18.4 million.

In the first half of the current financial year, Velosi continued to gain market share by winning new contracts and it also continued its track record of retaining existing contracts. Since the half-year end, trading has continued to be positive, with stable demand for Velosi's services, new contract wins and further retention of existing contracts. However, a cautious outlook on investment in new oil and gas projects by multinational and state-owned companies has put pressure on Velosi's growth and margins.

6. Velosi's directors, management and employees

Azul has given assurances to the Velosi Directors that, if the Offer becomes or is declared unconditional in all respects, the existing employment rights, including pension rights, of all of Velosi's employees will be fully safeguarded in accordance with statutory and contractual requirements.

Following the Offer becoming or being declared unconditional in all respects, each member of the Management Team will enter into a new service contract.

7. Incentive Arrangements

Upon the Offer being or becoming declared unconditional in all respects, Azul has agreed that Velosi will put in place an incentive bonus plan ("Plan") for senior Velosi managers which will reward them by reference to the future financial performance of the Velosi Group. Senior managers will receive awards ("Awards") under the Plan entitling them, subject to the satisfaction of various performance and other conditions, to participate in a proportion of the payments under the Plan. The Management Team will be recipients of substantial Awards under the Plan if the performance targets are met or exceeded. Payments under the Plan could be substantially higher than historic bonus payments paid to senior managers of the Company, but would only be paid if challenging targets are met.

The Plan will operate as a pooled arrangement to be shared amongst the senior Velosi managers. The amounts payable will be calculated prima facie by reference to the excess adjusted EBITDA ("Adjusted EBITDA") of the Velosi Group generated over a hurdle amount in respect of either of the two financial years ending 31 December 2012 and 2013, such hurdle amount being \$23 million of Adjusted EBITDA. The aggregate amount of all the payments under the Plan will be subject to a cap ("Cap"). Subject to the satisfaction of the various conditions, some of which are outlined below, and the Cap, the effect of such calculation will be that an aggregate amount of up to approximately one third of such Adjusted EBITDA generated in either of the relevant financial years could be paid out to senior managers under the Plan. Adjusted EBITDA for these purposes means the consolidated EBITDA for the Velosi Group calculated by reference to the consolidated accounts of the Company together with its share of profits from certain associate companies.

Payments will be made to senior managers provided that certain conditions are met relating, inter alia, to minimum levels of cash flow generation by the Velosi Group during the life of the Plan, and in the case of the entitlements of individual senior managers, continued employment of the relevant senior manager (subject to customary provisions entitling senior managers to receive payments under the Plan if they are a good leaver).

8. Offer to option holders

The Offer extends to any Velosi Shares unconditionally allotted or issued pursuant to the exercise of options or awards made under the Velosi Option Schemes while the Offer remains open for acceptance. In the event that the Offer becomes or is declared unconditional in all respects, Azul will make appropriate proposals to participants in the Velosi Option Schemes to the extent that their options or awards have not been exercised. Such proposals will not extend to options which have been granted at an exercise price in excess of the Offer Price.

9. Amendments to be made to the Velosi Option Schemes

Velosi has today posted the Circular to Velosi Shareholders. The purpose of the Circular and the notice of extraordinary general meeting enclosed therewith is to set out the background to certain proposed amendments to the Velosi Option Schemes and to convene an extraordinary general meeting at which a resolution will be proposed authorising the Velosi Directors to amend the rules of the Velosi Option Schemes. The effect of these amendments would be to enable certain share options granted by Velosi, that would not otherwise be capable of exercise in connection with the Offer, to be capable of exercise in certain circumstances, including in connection with the Offer. Further details are set out in the Circular.

10. United Kingdom taxation

Your attention is drawn to paragraph 12 entitled “United Kingdom taxation” in the letter from the directors of Azul set out in Part II of this document, which contains a general guide as to the UK tax implications for Velosi Shareholders who accept the Offer. If you are in any doubt as to your own tax position, or if you are subject to taxation in any jurisdiction other than the UK, you should consult an appropriate independent financial adviser.

11. Compulsory acquisition and cancellation of trading in Velosi Shares on AIM

Your attention is drawn to paragraph 11 of the letter from the directors of Azul set out in Part II of this document in relation to Azul’s intentions regarding the compulsory acquisition of Velosi Shares and the delisting and cancellation of Velosi Shares to trading on AIM.

12. Overseas Shareholders

If you are an Overseas Shareholder your attention is drawn to paragraphs 13 (a) and 13 (b) of the letter from the directors of Azul set out in Part II of this document.

13. Action to be taken

Your attention is drawn to paragraph 13 of the letter from the directors of Azul in Part II of this document and, if you hold your Velosi Shares in certificated form, to the accompanying Form of Acceptance, which set out the procedure for acceptance of the Offer.

14. Further information

Your attention is drawn to the letter from the directors of Azul set out in Part II of this document and to the further information set out in Appendices I to III of this document.

15. Recommendation

The Independent Directors, who have been so advised by Robert W. Baird and Strand Hanson, consider the terms of the Offer to be fair and reasonable. In providing advice to the Independent Directors, Robert W. Baird and Strand Hanson have taken into account the commercial assessments of the Velosi Directors. In addition, the Independent Directors consider the terms of the Offer to be in the best interests of the Velosi Shareholders as a whole.

Accordingly, the Independent Directors unanimously recommend that Velosi Shareholders accept the Offer, as the Independent Directors intend to do in respect of their own beneficial holdings in Velosi, amounting to, in aggregate, 88,888 Velosi Shares, representing approximately 0.2 per cent. of the existing issued ordinary share capital of Velosi.

Due to the interests of the Management Team in the Incentive Arrangements, the above recommendation is made by the Independent Directors, rather than by the Board as a whole. However, the members of the Management Team are fully supportive of the Offer and, accordingly, have each irrevocably undertaken (together with certain family members, related trusts and connected persons) to accept the Offer in respect of their own beneficial holdings in Velosi Shares, amounting to, in aggregate, 7,367,626 Velosi Shares, representing approximately 15.2 per cent. of the existing issued ordinary share capital of Velosi.

Yours faithfully

John Hogan
Non-executive Chairman

Part II

Letter from the directors of Azul Holding 2 S.à r.l.

(Incorporated and registered in Luxembourg under the laws of the Grand Duchy of Luxembourg, with registered number B157045)

Directors:

CEP II Participations S.à r.l. SICAR
CEP III Participations S.à r.l. SICAR
The Carlyle Group (Luxembourg) S.à r.l.
Invercartera International S.L.U.

Registered Office:

Azul Holding 2 S.à r.l.
2, Avenue Charles de Gaulle
L-1653 Luxembourg
Grand Duchy of Luxembourg

9 December 2010

To Velosi Shareholders, and for information purposes only, to participants in the Velosi Option Schemes

Dear Velosi Shareholder

Recommended Cash Offer by Azul Holding 2 S.à r.l. for Velosi Limited

1. Introduction

It was announced today that the directors of Azul and the Velosi Directors have reached agreement on the terms of a recommended cash offer to be made by Azul, to acquire the entire issued and to be issued ordinary share capital of Velosi. The Offer values the entire issued and to be issued ordinary share capital of Velosi at approximately £87.8 million.

This letter, Appendix I of this document and, if you hold your Velosi Shares in certificated form (that is not in CREST), the accompanying Form of Acceptance contain the formal Offer and the terms and conditions of the Offer.

Your attention is drawn to the letter from the Chairman of Velosi, contained in Part I of this document, which explains why the Independent Directors, who have been so advised by Robert W. Baird and Strand Hanson, consider the terms of the Offer to be fair and reasonable (Robert W. Baird and Strand Hanson having taken into account the commercial assessments of the Velosi Directors in doing so) and why the Independent Directors unanimously recommend Velosi Shareholders to accept the Offer. The Velosi Directors have given irrevocable undertakings and letters of intent to accept, or procure the acceptance of, the Offer in respect of their own (and certain family members, related trusts and connected persons, as applicable) beneficial interests in Velosi Shares, which amount, in aggregate, to 7,456,514 Velosi Shares, representing approximately 15.4 per cent. of the existing issued ordinary share capital of Velosi.

Please read carefully paragraph 13 below, which sets out the procedures for acceptance of the Offer. Your attention is drawn, in particular, to the conditions and further terms of the Offer set out in Appendix I of this document (and, if you hold your Velosi Shares, or any of them, in certificated form (that is, not in CREST) to the Form of Acceptance which accompanies this document).

To accept the Offer:

- if you hold your Velosi Shares, or any of them, in certificated form (that is, not in CREST), you should complete the Form of Acceptance in accordance with the instructions printed thereon. The completed Form of Acceptance, together with your share certificate(s) and other document(s) of title, should be returned as soon as possible by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, United Kingdom or (during normal business hours only) by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United

Kingdom, in each case to be received no later than 3.00 p.m. on 30 December 2010. A reply paid envelope is enclosed for use in the United Kingdom; or

- if you hold your Velosi Shares in uncertificated form (that is, in CREST), you should take the action set out in paragraph 13 below and ensure that acceptances are made electronically by you or on your behalf and that settlement is no later than 3.00 p.m. on 30 December 2010.

2. The terms of the Offer

Azul hereby offers to acquire, subject to the terms and conditions in Appendix I of this document (and, in the case of Velosi Shares held in certificated form (that is, not in CREST), in the Form of Acceptance), the entire issued and to be issued ordinary share capital of Velosi, on the following basis:

165 pence in cash for each Velosi Share

The Offer values the existing issued and to be issued ordinary share capital of Velosi at approximately £87.8 million.

The Offer Price represents a premium of approximately:

- 61.4 per cent. to the Closing Price of 102.25 pence per Velosi Share on 8 December 2010, being the latest practicable Business Day prior to the date of this document;
- 60.3 per cent. to the average Closing Price of 102.91 pence per Velosi Share for the month prior to and including 8 December 2010, being the latest practicable Business Day prior to the date of this document; and
- 56.5 per cent. to the average Closing Price of 105.45 pence per Velosi Share for the three months prior to and including 8 December 2010, being the latest practicable Business Day prior to the date of this document.

Pursuant to the terms of the Offer, no dividend in respect of the ordinary share capital of Velosi will be declared or paid by Velosi after the date of this document.

The Velosi Shares will be acquired pursuant to the Offer fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights or interests whatsoever and together with all rights existing as at the date of this document or thereafter attaching thereto, including, without limitation, the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the date of this document in respect of the Velosi Shares.

Although Velosi is incorporated in Jersey, the place of central management of the Company is currently located outside of the UK, the Channel Islands and the Isle of Man. Velosi's operations are worldwide and its executive directors are based in Malaysia. Accordingly, as the Company is not one to which paragraph 3(a)(ii) of the Takeover Code applies, the Panel has confirmed that the Company is not subject to the Takeover Code and Velosi Shareholders will not be afforded any protection under the Code. If circumstances change, which could result in the Company being subject to the Takeover Code, the Company will consult with the Panel. If the Panel determines that, as a result of such changes, the Takeover Code becomes applicable to the Company, an announcement will be made.

However, Azul will conduct the Offer in accordance with a Code timetable, in accordance with the Further Terms of the Offer in Part B of Appendix I, and in accordance with the spirit of the Code.

3. Irrevocable undertakings and letters of intent to accept the Offer

The executive Velosi Directors (and certain family members, related trusts and connected persons, as applicable) have entered into irrevocable undertakings to accept, or procure the acceptance of, the Offer in respect of their beneficial interests in Velosi Shares amounting, in aggregate, to 7,367,626 Velosi Shares, representing (as at the date of this document) approximately 15.2 per cent. of the existing issued ordinary share capital of Velosi. The executive Velosi Directors (and certain family members, related trusts and connected persons) have also undertaken to accept the Offer in respect of any Ordinary Shares issued to them pursuant to the exercise of any share options granted to them by the Company, amounting to up to 2,495,596

Ordinary Shares. This represents, in aggregate, approximately 18.5 per cent. of the Velosi Fully Diluted Share Capital. As an alternative, such Velosi Directors may accept the proposals to be made by Azul in relation to share options or may allow their options to lapse.

In addition, certain other Velosi Shareholders have entered into irrevocable undertakings to accept, or procure the acceptance of, the Offer in respect of their beneficial interests in Velosi Shares amounting, in aggregate, to approximately 18,304,282 Velosi Shares, representing 37.8 per cent. of the existing issued ordinary share capital of Velosi. These Velosi Shareholders have also undertaken to accept the Offer in respect of any Ordinary Shares issued to them pursuant to the exercise of any share options granted to them by the Company, amounting to up to 60,000 Ordinary Shares. This represents, in aggregate, approximately 34.5 per cent. of the Velosi Fully Diluted Share Capital. As an alternative, such Velosi Shareholders may accept the proposals to be made by Azul in relation to share options or may allow their options to lapse.

In addition, the Independent Directors have provided letters of intent indicating their intention to accept or procure the acceptance of, the Offer in respect of their beneficial interests in Velosi Shares amounting, in aggregate, to 88,888 Velosi Shares, representing (as at the date of this document) approximately 0.2 per cent. of the existing issued ordinary share capital of Velosi. The Independent Directors have also indicated their intention to accept the Offer in respect of any Ordinary Shares issued to them pursuant to the exercise of any share options granted to them by the Company, amounting to up to 196,112 Ordinary Shares. This represents, in aggregate, approximately 0.5 per cent. of the Velosi Fully Diluted Share Capital. As an alternative, such Independent Directors may accept the proposals to be made by Azul in relation to share options or allow their options to lapse.

Accordingly, irrevocable undertakings and letters of intent to accept, or procure the acceptance of, the Offer have been received in respect of, in aggregate, 25,760,796 Velosi Shares (and 28,512,504 Ordinary Shares on a fully diluted basis), representing approximately 53.2 per cent. of the existing issued ordinary share capital of Velosi (and approximately 53.6 per cent. of the Velosi Fully Diluted Share Capital).

These undertakings will cease to be binding in the event that the Offer is not declared wholly unconditional in all respects by Azul by 9 April 2011 or in the event that the Offer lapses or is withdrawn by Azul in accordance with its terms without having become wholly unconditional. These undertakings remain binding if a higher offer is made by a third party.

Further details of these irrevocable undertakings and letters of intent are set out in paragraph 4 of Appendix II of this document.

4. Background to and reasons for the Offer

The Applus Group was formed in 2007 with the acquisition of Applus by Azul Holding on behalf of CEP II Participations S.à r.l. SICAR and CEP III Participations S.à r.l. SICAR together with their affiliates, collectively doing business as The Carlyle Group, and other institutional and private investors. Since then, the Applus Group's strategy has been to expand both its global presence and its product portfolio. The Applus Group believes that the opportunities provided by the emerging markets and Velosi's strong brand and market position across the Middle East, Asia and Africa, together with the depth and breadth of talent of Velosi's management team and employee base, make Velosi an attractive investment. However, the Applus Group is aware that oil and gas multinationals continue to adopt a cautious approach towards investment in new projects, and that continued subdued level of investment is likely to result in continued pressure on margins.

The Applus Group looks forward to supporting the growth of Velosi, both organically and inorganically, and working with its management team to overcome future challenges and expand its portfolio of services and commercial networks.

The directors of Azul believe that the Offer presents a good opportunity for Velosi Shareholders to realise their investment in Velosi for cash, and the directors of Azul further believe that Velosi Shareholders are unlikely to be in a position to realise the same value within any reasonable timescale or from a competing offer of higher or equivalent value. The Offer is at a premium of 61.4 per cent. to the Closing Price on

8 December 2010, the latest practicable Business Day prior to the date of the Announcement, and a premium of 60.3 per cent. to the average Closing Price for the month prior to and including 8 December 2010.

5. Information relating to Azul, The Carlyle Group and the Applus Group

Azul

Azul is a company incorporated in Luxembourg on 18 November 2010 specifically for the purpose of making the Offer. Since its incorporation, Azul has not traded, other than to the extent necessary to finance and make the Offer. Azul's sole shareholder is Azul Holding. Azul Holding is managed and majority controlled by The Carlyle Group, which is its majority shareholder.

The Carlyle Group

CEP II Participations S.à r.l. SICAR and CEP III Participations S.à r.l. SICAR are part of The Carlyle Group. The Carlyle Group is a global alternative asset manager with \$97.7 billion of assets under management committed to 76 funds as of 30 September 2010. The Carlyle Group invests across three asset classes – private equity, real estate and credit alternatives – in Africa, Asia, Australia, Europe, North America and South America, focusing on aerospace and defence, automotive and transportation, consumer and retail, energy and power, financial services, healthcare, industrial, infrastructure, technology and business services and telecommunications and media. Since 1987, the firm has invested \$64.7 billion of equity in over 1,000 transactions. The Carlyle Group employs more than 900 people in 19 countries. As of 30 June 2010, in aggregate, The Carlyle Group portfolio companies have more than \$84 billion in revenue and employ more than 398,000 people around the world.

For further information on The Carlyle Group, please access the website www.carlyle.com.

Applus Group

The Applus Group is a leader in testing, inspection, certification and technological services and generated revenues of €815.4 million for the year ended 31 December 2009 (2008: €819.6 million). It operates in 39 countries across five continents. The Applus Group provides services in more than 14 sectors through the following five operational divisions:

- **Inspection and Technical Assistance Division:** focuses on project quality management services, asset integrity management services and health, safety and environmental consultancy for the energy, industrial and construction sectors in Spain and Latin America;
- **Non-destructive Testing and Inspection Division:** focuses on conventional and advanced non-destructive testing and inspection for the energy and petrochemical sectors on a global basis;
- **Laboratories and Certification Division:** focuses on testing and inspection of products, product development and system and product certification, in Europe, Asia and Latin America;
- **Automobile Engineering and Testing Division:** offers top-level proving ground facilities and complete solutions for product development projects, including engineering, testing and homologation in Europe and Asia; and
- **Vehicle Inspection Division:** focuses on the assessment of vehicle safety and analysis and control of polluting gas emissions in Europe, the US and Latin America.

Since January 2008, the Applus Group has made 14 acquisitions in Asia, Europe and the United States to expand its presence globally.

For further information on the Applus Group, please access the website www.applus.com.

6. Information on Velosi

The Velosi business was founded in 1982. Velosi itself was incorporated on 28 March 2006 as a limited liability company under the Companies (Jersey) Law. The Company was admitted to trading on AIM on

21 August 2006. The principal activity of the Company is the provision of testing, inspection and certification services to the oil and gas sector. The Company has a broad range of customers including leading national and multinational oil and gas companies. The Velosi Group operates globally through five regional headquarters in the USA, UK, Malaysia, South Africa and the UAE and has 63 offices in 39 countries worldwide.

For the financial year ended 31 December 2009, Velosi reported profit on ordinary activities before taxation of \$16.8 million (2008: \$14.9 million) on revenue of \$183.6 million (2008: \$182.1 million). Net assets as at 31 December 2009 were \$76.3 million (31 December 2008: \$62.4 million).

For the six months ended 30 June 2010, Velosi reported profit on ordinary activities before taxation of \$7.4 million (2009: \$7.9 million) on revenue of \$94.5 million (2009: \$89.2 million). Net assets as at 30 June 2010 were \$84.3 million (30 June 2009: \$71.0 million).

To view these financial results in further detail please access them through the website www.velosi.com.

7. Financing the Offer

The cash consideration payable under the Offer to the Velosi Shareholders will be financed from, inter alia, funds directly or indirectly available to Azul, which have been underwritten by CEP II Fund and CEP III Fund, being entities doing business as The Carlyle Group.

Following full acceptance of the Offer and payment of the cash consideration to the Velosi Shareholders, the Applus Group will consider whether a restructuring should be undertaken, which may result in Velosi becoming a subsidiary of Applus. The terms of such restructuring are likely to require security to be given over, among other things, the share capital of entities within the Enlarged Group.

Execution Noble is satisfied that the necessary financial resources are available to Azul to enable it to satisfy in full the consideration payable to the Velosi Shareholders by Azul under the terms of the Offer.

8. Velosi management and employees

Azul intends to grow Velosi's business and attaches great importance to the skills and experience of the existing management and employees of Velosi, as they will be instrumental in achieving this growth. Azul has given assurances to the Velosi Directors that, if the Offer becomes or is declared unconditional in all respects, the existing employment rights, including pension rights, of all of Velosi's employees will be fully safeguarded in accordance with statutory and contractual requirements.

Following the Offer becoming or being declared unconditional in all respects, each member of the Management Team will enter into a new service contract.

9. Offer to option holders

The Offer extends to any Ordinary Shares unconditionally allotted or issued pursuant to the exercise of options or awards made under the Velosi Option Schemes while the Offer remains open for acceptance. In the event that the Offer becomes or is declared unconditional in all respects, Azul will make appropriate proposals to participants in the Velosi Option Schemes to the extent that their options or awards have not been exercised. Such proposals will not extend to options which have been granted at an exercise price in excess of the Offer Price.

10. Amendments to be made to the Velosi Option Schemes

Velosi has today posted the Circular to Velosi Shareholders. The purpose of the Circular and the notice of extraordinary general meeting enclosed therewith is to set out the background to certain proposed amendments to the Velosi Options Schemes and to convene an extraordinary general meeting at which a resolution will be proposed authorising the Velosi Directors to amend the rules of the Velosi Option Schemes. The effect of these amendments would be to enable certain share options granted by Velosi, that would not otherwise be capable of exercise in connection with the Offer, to be capable of exercise in certain circumstances, including in connection with the Offer. Further details are set out in the Circular.

11. Compulsory acquisition and cancellation of trading in Velosi Shares on AIM

If Azul has by virtue of the Offer acquired or contracted to acquire 90 per cent. or more in nominal value of the Velosi Shares to which the Offer relates and the Offer becomes or is declared unconditional in all respects, Azul intends to exercise its rights pursuant to the provisions of Part 18 of the Companies (Jersey) Law to acquire compulsorily any outstanding Velosi Shares not acquired or contracted to be acquired pursuant to the Offer.

If the Offer becomes or is declared unconditional in all respects and Azul receives acceptances of the Offer which result in Azul and/or any other members of the Applus Group or The Carlyle Group holding Velosi Shares carrying in aggregate 75 per cent. or more of the total number of Velosi Shares, Azul intends to procure that Velosi applies to the London Stock Exchange for the cancellation of the admission of the Velosi Shares to trading on AIM (“Cancellation”). Not less than 20 Business Days’ notice of the proposed Cancellation will be given, commencing either on the date the Offer becomes or is declared unconditional in all respects by Azul or on the first date of the issue of compulsory acquisition notices under Part 18 of the Companies (Jersey) Law.

Accordingly, Velosi Shareholders who do not accept the Offer in respect of all or part of their Velosi Shares may be left with minority holdings in an unquoted public company. Velosi Shareholders should note that Cancellation is likely to significantly reduce the liquidity and marketability of Velosi Shares with respect to which the Offer has not been accepted.

Azul also intends that, following the Offer becoming or being declared unconditional in all respects and after Cancellation, Velosi will be re-registered as a private company.

12. United Kingdom taxation

The comments below are of a general nature and are based on UK tax law and published HMRC practice at the date of this document, both of which are subject to change, possibly with retrospective effect. The comments cover only the position relating to UK taxation of chargeable gains and the UK stamp duty and UK stamp duty reserve tax (“SDRT”) for the Velosi Shareholders who are absolute beneficial owners of Velosi Shares. They do not necessarily apply where income or gains are deemed for tax purposes to be the income or gains of persons other than persons who are the absolute beneficial owners of the Velosi Shares. In addition, these comments do not apply to the following:

- Shareholders who do not hold their Velosi Shares as capital assets;
- Special classes of shareholder such as dealers, financial institutions, collective investment schemes, tax-exempt organisations, persons connected with Velosi and persons who hold Velosi Shares or options or awards thereto by virtue of their office or employment, whether or not these have been exercised or vested;
- Shareholders who are not beneficially entitled to the Velosi Shares; or
- Individual Shareholders who are resident but not domiciled in the UK.

The following is intended only as a general guide and is not intended to be, nor should it be considered to be, legal or tax advice to any Velosi Shareholder. Accordingly, Velosi Shareholders should satisfy themselves as to the overall tax consequences, including the consequences under UK tax law and HMRC practice, of the acquisition, ownership and disposition of Velosi Shares in their own particular circumstances, by consulting their own tax advisers.

a. *UK taxation of chargeable gains*

A disposal of Velosi Shares by a UK tax resident may give rise to a chargeable gain (or allowable loss) for the purposes of UK capital gains tax (“CGT”), depending on the circumstances and subject to any available exemption or relief.

The liability to CGT will depend on each Velosi Shareholder’s own circumstances.

To the extent that a Velosi Shareholder accepts the Offer in respect of his or its Velosi Shares for cash consideration, that Velosi Shareholder will be treated as having made a disposal, or part disposal, of his or its Velosi Shares for the purposes of CGT. Such a disposal, or part disposal, may give rise to a liability to CGT, depending on a Velosi Shareholder's particular circumstances (including a Velosi Shareholder's tax residence status and the availability of exemptions, reliefs and allowable losses).

Velosi Shareholders who are individuals

A Velosi Shareholder who is an individual and who has ceased to be resident or ordinarily resident in the United Kingdom for tax purposes for a period of less than five complete tax years, and who disposes of his Velosi Shares during that period, may be liable on his return to the United Kingdom to United Kingdom tax on any chargeable gain realised (subject to any available exemption or relief).

A Velosi Shareholder who is an individual and who is only temporarily resident outside the UK for UK tax purposes at the date of disposal of the Velosi Shares may be liable to UK tax on chargeable gains on becoming resident or ordinarily resident in the United Kingdom again, in respect of disposals made while the individual was temporarily resident outside the United Kingdom, subject to any available exemption or relief.

Corporate Velosi Shareholders

Where a Velosi Shareholder is within the charge to corporation tax, a disposal of Velosi Shares may give rise to a chargeable gain (or allowable loss) for the purposes of UK corporation tax, depending on the circumstances and subject to any available exemption or relief. Corporation tax is charged on chargeable gains at the rate applicable to that company. Indexation allowance may reduce the amount of chargeable gain that is subject to corporation tax but may not create or increase any allowable loss.

Non-UK resident Velosi Shareholders

A Velosi Shareholder who is neither resident nor, in the case of an individual, ordinarily resident in the United Kingdom (and is not temporarily resident outside the UK) will not be liable for UK tax on chargeable gains realised on a disposal of Velosi Shares unless such Velosi Shareholder carries on:

- (a) in the case of a Velosi Shareholder who is an individual, a trade, profession or vocation in the United Kingdom through a branch or agency and the Velosi Shares either have been used in or for the purposes of the trade, profession or vocation, or have been used or held for the purposes of the branch or agency, or acquired for use by or for the purposes of the branch or agency; or
- (b) in the case of a Velosi Shareholder which is a company, a trade in the United Kingdom through a permanent establishment and the Velosi Shares either have been used in or for the purposes of the trade carried on through the permanent establishment, or, have been used or held for the purposes of the permanent establishment or acquired for use by or for the permanent establishment.

b. *UK Stamp Duty and Stamp Duty Reserve Tax ("SDRT")*

The following comments are intended as a guide to the general position and do not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

No UK stamp duty or SDRT will be payable by Velosi Shareholders as a result of accepting the Offer.

If you are in any doubt as to your tax position, or if you require more detailed information than that mentioned above, you should consult an appropriate professional adviser immediately.

13. Procedure for acceptance of the Offer

This paragraph 13 should be read together with Parts C and D of Appendix I of this document and, in the case of holders of certificated Velosi Shares, the notes on the Form of Acceptance which shall be deemed to be incorporated in and form part of the terms of the Offer.

Holders of Velosi Shares in certificated form may only accept the Offer in respect of such shares by completing and returning the enclosed Form of Acceptance in accordance with the procedure set out in paragraph (a) below. Holders of Velosi Shares held in certificated form, but under different designations, should complete a separate Form of Acceptance for each designation.

Holders of Velosi Shares in uncertificated form may only accept the Offer in respect of such shares by TTE Instruction in accordance with the procedure set out in paragraph (b) below and, if those shares are held under different member account IDs, should send a separate TTE Instruction for each member account ID.

a. ***Velosi Shares held in certificated form***

1. *To accept the Offer*

To accept the Offer in respect of Velosi Shares held in certificated form you must complete Box 2 and Box 3 of the enclosed Form of Acceptance and, if appropriate, Box 1, Box 4 and/or Box 5. In the case of individuals, you must sign Box 3 of the Form of Acceptance in the presence of an independent witness who should also sign Box 3 in accordance with the instructions printed thereon. Corporate shareholders should execute Box 3 in the manner described in the Form of Acceptance. You should insert in Box 2 the total number of Velosi Shares in respect of which you wish to accept the Offer. To accept the Offer in respect of less than all your Velosi Shares, you must insert in Box 2 such lesser number of Velosi Shares in respect of which you wish to accept the Offer in accordance with the instructions printed thereon.

2. *Return of Form of Acceptance*

To accept the Offer in respect of Velosi Shares in certificated form, all completed Forms of Acceptance, together with your share certificate(s) for such Velosi Shares and/or other document(s) of title, should be returned as soon as possible by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, United Kingdom or (during normal business hours only) by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, in each case to be received no later than 3.00 p.m. on 30 December 2010. A reply-paid envelope is enclosed for your convenience and may be used by Velosi Shareholders for returning the Form of Acceptance within the United Kingdom only. No acknowledgement of receipt of documents will be given. The instructions printed on the Form of Acceptance shall be deemed to form part of the Offer.

3. *Share Certificates not readily available or lost*

If your Velosi Shares are in certificated form but your share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, the Form of Acceptance should nevertheless be completed, signed and returned as stated above so as to arrive no later than 3.00 p.m. on 30 December 2010, together with any share certificate(s) and/or other document(s) of title that you have available, accompanied by a letter stating that the balance will follow or that you have lost one or more of your share certificate(s) and/or other document(s) of title. If possible, you should then arrange for the relevant share certificate(s) and/or other document(s) of title to be forwarded as soon as possible thereafter. No acknowledgement of receipt of documents will be given. In the case of loss, you should write as soon as possible to Velosi's registrars, Computershare Investor Services (Jersey) Limited, 2nd Floor, Queensway House, Hilgrove Street, St. Helier, Jersey JE1 1ES, for a letter of indemnity for lost share certificate(s) and/or other document(s) of title which, when completed in accordance with the instructions given, should be returned to the Receiving Agent as set out above.

4. *Validity of acceptances*

Without prejudice to Parts B and C of Appendix I of this document, Azul reserves the right to treat as valid any acceptance of the Offer in relation to Velosi Shares in certificated form which is not entirely in order or which is not accompanied by (as applicable) the relevant share certificate(s) and/or other document(s) of title. In that event, no payment of cash under the

Offer will be made until (as applicable) after the relevant share certificate(s) and/or other document(s) of title or indemnities reasonably satisfactory to Azul have been received.

5. *Overseas shareholders*

The attention of Velosi Shareholders holding Velosi Shares in certificated form and who are citizens or residents of jurisdictions outside the United Kingdom or Jersey is drawn to paragraph 6 of Part B of Appendix I, Part C of Appendix I and to the relevant provisions of the Form of Acceptance. The Offer is not being made directly or indirectly in a Restricted Jurisdiction. Any acceptance of the Offer by acceptors who are unable to give the warranty set out in paragraph 1.3 of Part C of Appendix I is liable to be disregarded.

The availability of the Offer to persons not resident in the United Kingdom or Jersey may be affected by the laws of the relevant jurisdiction. Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant territory without delay.

b. *Velosi Shares in uncertificated form (that is, in CREST)*

If your Velosi Shares are in uncertificated form, to accept the Offer you should take (or procure the taking of) the action set out below to transfer Velosi Shares in respect of which you wish to accept the Offer to the appropriate escrow balance(s) (that is, send a TTE Instruction), specifying the Receiving Agent (in its capacity as a CREST participant under the Escrow Agent's participant ID referred to below) as the Escrow Agent, as soon as possible **and in any event so that the TTE Instruction settles no later than 3.00 p.m. on 30 December 2010. Note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is not operational. You should therefore ensure you time the input of any TTE Instructions accordingly.**

The input and settlement of a TTE Instruction in accordance with this paragraph (b) will (subject to satisfying the requirements set out in Parts B and D of Appendix I to this document) constitute an acceptance of the Offer in respect of the number of Velosi Shares so transferred to escrow.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your participant ID and member account ID under which your Velosi Shares are held. In addition, only your CREST sponsor will be able to send the TTE Instruction(s) to Euroclear in relation to your Velosi Shares.

After settlement of a TTE Instruction, you will not be able to access Velosi Shares concerned in CREST for any transaction or charging purposes. If the Offer becomes or is declared wholly unconditional, the Escrow Agent will transfer Velosi Shares concerned to itself in accordance with paragraph 5 of Part D of Appendix I of this document.

You are recommended to refer to the CREST manual for further information on the CREST procedures outlined below.

You should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE Instruction relating to your Velosi Shares to settle prior to 3.00 p.m. on 30 December 2010. In this connection you are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

1. *To accept the Offer*

To accept the Offer in respect of Velosi Shares held in uncertificated form, you should send (or if you are a CREST sponsored member, procure that your CREST sponsor sends) to Euroclear a TTE Instruction in relation to such shares.

A TTE Instruction to Euroclear must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain the following details:

- the number of Velosi Shares in respect of which you wish to accept the Offer (i.e. the number of Velosi Shares to be transferred to escrow);
- the ISIN number for Velosi Shares. This is GB00B19H9890;
- your member account ID;
- your participant ID;
- the participant ID of the Escrow Agent. This is RA63;
- the member account ID of the Escrow Agent for the Offer. This is Velosi;
- the intended settlement date. This should be as soon as possible and in any event no later than 3.00 p.m. on 30 December 2010;
- the corporate action number for the Offer. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- the standard TTE Instructions with a priority of 80; and
- the contact name and telephone number in the shared note field.

2. *Validity of acceptances*

A Form of Acceptance which is received in respect of Velosi Shares held in uncertificated form will not constitute a valid acceptance and will be disregarded. Holders of Velosi Shares in uncertificated form who wish to accept the Offer should note that a TTE Instruction will only be a valid acceptance of the Offer as at the relevant closing date if it has settled on or before that date.

3. *Overseas Shareholders*

The attention of Velosi Shareholders holding Velosi Shares in uncertificated form and who are citizens or residents of jurisdictions outside the United Kingdom or Jersey is drawn to paragraph 6 of Part B and paragraph 3 of Part D of Appendix I.

The Offer is not being made directly or indirectly in or into a Restricted Jurisdiction. Any acceptance of the Offer by acceptors who are unable to give the warranty set out in paragraph 3 of Part D of Appendix I is liable to be disregarded.

The availability of the Offer to persons not resident in the United Kingdom or Jersey may be affected by the laws of the relevant jurisdiction. Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant territory without delay.

c. *General*

Azul will make an appropriate announcement through a Regulatory Information Service if any of the details contained in paragraphs (a) or (b) above alter for any reason.

Normal CREST procedures (including timings) apply in relation to any Velosi Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Offer (whether any such conversion arises as a result of a transfer of Velosi Shares or otherwise). Holders of Velosi Shares who are proposing so to convert any such shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the shares, as a result of the conversion, to take all necessary steps in connection with an acceptance of the Offer (in particular, as regards delivery of share certificate(s) or other documents of title or transfers to an escrow balance as described above) prior to 3.00 p.m. on 30 December 2010.

If you are in any doubt as to the procedure for acceptance, please contact Computershare by telephone on 0870 707 4028 (or if calling from outside the UK on +44 870 707 4028). Calls may be monitored or recorded, and Computershare will not be able to provide advice on the merits of the Offer, nor give any personal legal, financial or tax advice. You are reminded that, if you are a CREST sponsored member in respect of your Velosi Shares, you should contact your CREST sponsor before taking any action.

14. Settlement

Subject to the Offer becoming or being declared unconditional in all respects (except as provided in paragraph 6 of Part B of Appendix I in the case of certain Overseas Shareholders) settlement of the consideration to which any Velosi Shareholder is entitled under the Offer will be effected (by the despatch of cheques or the crediting of CREST accounts): (a) in the case of acceptances received, complete in all respects, by the date on which the Offer becomes or is declared wholly unconditional (such expression to have the meaning given to it in Part B of Appendix I), within 14 days of such date; or (b) in the case of acceptances of the Offer received, complete in all respects after the date on which the Offer becomes or is declared wholly unconditional, but while it remains open for acceptance, within 14 days of such receipt, in the following manner:

a. ***Velosi Shares in uncertificated form (that is, in CREST)***

Where an acceptance relates to Velosi Shares in uncertificated form, the cash consideration to which the accepting Velosi Shareholder is entitled will be paid by means of a CREST payment in favour of the accepting Velosi Shareholder's payment bank, in accordance with the CREST payment arrangements.

Applus reserves the right to settle all or any part of the consideration referred to above, for all or any accepting Velosi Shareholder(s), in the manner referred to in paragraph (b) below, if, for any reason, it wishes to do so.

b. ***Velosi Shares in certificated form***

Where an acceptance relates to Velosi Shares in certificated form, payments will be made in pounds sterling by cheque drawn on a branch of a UK clearing bank, and sent by post to the first named shareholder to the address set out in Box 1 or Box 5 of the Form of Acceptance (as appropriate) at the shareholder's risk.

If the Offer lapses (i) in the case of Velosi Shares in certificated form, the relevant share certificate(s) and/or other document(s) of title will be returned by post within 14 days of the Offer lapsing to the person or agent whose name and address (outside a Restricted Jurisdiction) is set out in Box 5 on the Form of Acceptance or, if none is set out, to the first-named holder at his or her registered address and (ii) in the case of Velosi Shares in uncertificated form, Computershare will, as soon as reasonably practicable and in any event within 14 days of the lapsing of the Offer), give TFE Instructions to Euroclear to transfer all Velosi Shares held in escrow balances, and in relation to which it is the Escrow Agent for the purposes of the Offer, to the original available balances of Velosi Shareholders concerned.

All documents and remittances sent by, to or from Velosi Shareholders or their appointed agents will be sent at their own risk.

15. Further information

Your attention is drawn to the further information contained in the Appendices which form part of this document and (if you hold your Velosi Shares in certificated form) to the accompanying Form of Acceptance. The Appendices and Form of Acceptance contain material information which may not be summarised elsewhere in this document.

16. Action to be taken

To accept the Offer:

- If you hold Velosi Shares, or any of them, in certificated form (that is, not in CREST), you should complete the enclosed Form of Acceptance in accordance with the instructions printed thereon. The completed Form of Acceptance, together with your share certificate(s) and other document(s) of title, should be returned as soon as possible by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, United Kingdom or (during normal business hours only) by hand to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, in each case to be received no later than 3.00 p.m. on 30 December 2010. A reply paid envelope is enclosed for use in the United Kingdom; or
- If you hold your Velosi Shares in uncertificated form (that is, in CREST), you should take the action set out in paragraph 13 of this letter and ensure that an Electronic Acceptance is made by you or on your behalf and that settlement is no later than 3.00 p.m. on 30 December 2010.

Yours faithfully

For and on behalf of Azul Holding 2 S.à r.l.

CEP II Participations S.à r.l. SICAR, duly authorised manager, represented by Christopher Finn

Appendix I

Certain further terms of the Offer

PART A: CONDITIONS TO THE OFFER

1. The Offer is subject to the following Conditions:
 - 1.1 valid acceptances being received (and not, where permitted, withdrawn) by not later than 3.00 p.m. on 30 December 2010 (or such later time as Azul may decide in accordance with the provisions of this Appendix I), provided that no such date shall be later than 7 February 2011), unless agreed in writing by Velosi, in respect of not less than 90 per cent. (or such lesser percentage as Azul may decide) in nominal value of the Velosi Shares to which the Offer relates, provided that this Condition will not be satisfied unless Azul shall have acquired or agreed to acquire (whether pursuant to the Offer or otherwise), Velosi Shares carrying, in aggregate, over 50 per cent. of the voting rights then normally exercisable at general meetings of Velosi; and for the purpose of this Condition 1.1 (i) the expression “Velosi Shares to which the Offer relates” shall be construed in accordance with Article 116 of the Companies (Jersey) Law; and (ii) valid acceptances shall be deemed to have been received in respect of Velosi Shares which are treated for the purposes of Part 18 of the Companies (Jersey) Law as having been acquired or contracted to be acquired by Azul by virtue of acceptances of the Offer;
 - 1.2 in so far as the Offer requires approval pursuant to merger control, antitrust or competition laws in any jurisdiction, without which completion of the Offer would be unlawful or otherwise prohibited or restricted, in each case to an extent that is Material, either:
 - 1.2.1 all Relevant Authorities have:
 - 1.2.1.1 declined jurisdiction over the Offer;
 - 1.2.1.2 explicitly granted clearance at the first stage review of the Offer, either unconditionally or on conditions reasonably satisfactory to Azul; or
 - 1.2.1.3 through the expiry of time periods available for their investigation, been deemed to have granted consent or clearance; or
 - 1.2.2 all applicable waiting and other time periods during which any Relevant Authority could take, institute, implement or threaten any action, investigation, enquiry or reference or otherwise intervene under the laws of any jurisdiction having expired, lapsed or been terminated;
 - 1.3 since 30 June 2010 (being the date to which the latest published interim results of Velosi were made up), save as Disclosed:
 - 1.3.1 no litigation, arbitration, prosecution or other legal proceedings which could reasonably be expected to be Material to the Velosi Group having been instituted, announced or threatened by or against any member of the Velosi Group; and
 - 1.3.2 no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits of the Velosi Group, which in any case is Material; and
 - 1.4 no member of the Velosi Group having since 30 June 2010 (being the date to which the latest published interim results of Velosi were made up), save as Disclosed:
 - 1.4.1 issued or agreed to issue additional shares of any class or issued or granted or agreed to issue or grant securities convertible into or rights, warrants or options to subscribe for or acquire such shares or redeemed, purchased or reduced any of its own shares or other

- securities or announced any intention to do so or made any other change to any part of its share capital;
- 1.4.2 recommended, declared, paid or made any dividend, bonus or other distribution other than dividends lawfully paid to Velosi or wholly-owned subsidiaries of Velosi and save for the final dividend in respect of the financial year of the Velosi Group ended 31 December 2009 paid by Velosi on 30 July 2010;
 - 1.4.3 to an extent that is Material, issued any debentures or incurred or increased any indebtedness;
 - 1.4.4 to an extent that is Material, disposed of or transferred, mortgaged or encumbered any asset or any right, title or interest in any asset, other than in the ordinary course of business;
 - 1.4.5 to an extent that is Material, entered into any contract, arrangement or other transaction otherwise than in the ordinary course of business;
 - 1.4.6 to an extent that is Material, entered into, or materially varied the terms of, any contract or agreement with any of the directors or senior executives of Velosi;
 - 1.4.7 to an extent that is Material, entered into any contract, transaction or arrangement which is restrictive on the business of the Velosi Group;
 - 1.4.8 to an extent that is Material, taken any corporate action for its winding-up or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any of its assets and revenues; or
 - 1.4.9 to an extent that is Material, been unable or admitted that it is unable to pay its debts generally or having stopped or suspended payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business.
2. Azul reserves the right (but shall be under no obligation) to waive all or any of the Conditions above, in whole or in part, except Condition 1.1.
 3. Conditions 1.2 to 1.4 (inclusive) must be fulfilled or, if capable of waiver, waived by midnight on 28 February 2011 or such later date as may be agreed in writing by Azul and Velosi, failing which the Offer will lapse, except that Azul shall not lapse the Offer by invoking Condition 1.3 or 1.4 unless and until either (i) Velosi has agreed in writing in advance that Azul is entitled to invoke Condition 1.3 or Condition 1.4 or (ii) the Expert decides that Azul is entitled to invoke Condition 1.3 or Condition 1.4 in accordance with the procedure set out below or the Expert fails to give notice of its decision to Azul and Velosi within ten Business Days of Azul first notifying Velosi of its intention to invoke Condition 1.3 or Condition 1.4.
 4. Azul shall be under no obligation to waive or treat as fulfilled or satisfied any of Conditions 1.2 to 1.4 (inclusive) by a date earlier than the latest date specified above for the fulfilment or satisfaction thereof notwithstanding that the other Conditions of the Offer may at such earlier date have been waived or fulfilled or satisfied and that there are at such earlier date no circumstances indicating that any such Conditions may not be capable of fulfilment or satisfaction, provided that Conditions 1.3 and 1.4 shall be treated as satisfied immediately prior to the Offer otherwise becoming or being declared wholly unconditional unless either Condition has been invoked before then.
 5. Any dispute between Velosi and Azul as to whether Azul is entitled to invoke Condition 1.3 or 1.4 shall be determined by an independent expert (the "Expert") in accordance with this paragraph 5. If the parties are unable to agree on the appointment of an Expert within two Business Days of either party serving details in writing of a suggested expert on the other, the Expert shall be such internationally recognised firm of accountants as is appointed by The Institute of Chartered Accountants in England and Wales at the request of either party. The Expert shall have access to all accounting records or other relevant documents of Velosi which it requests for the purposes of its

determination, subject to any existing confidentiality provisions. The Expert is required to prepare a written decision and give notice (including a copy) of the decision to both parties within a maximum of ten Business Days of Azul first notifying Velosi of its intention to invoke Condition 1.3 or 1.4. The Expert shall act as an expert and not as an arbitrator, and the Expert's written decision on the matters referred to it shall be final and binding in the absence of manifest error or fraud. The Expert's fees and expenses shall be borne by the parties equally or in such other proportions as the Expert shall direct.

6. If any matter is referred to the Expert and (i) the Expert has not given his decision before 3.30 p.m. on 28 February 2011 and (ii) the last date on which the Expert may give his decision (the "Final Date") is after 28 February 2011, all references in this document to 28 February 2011 shall (provided the Offer has not otherwise lapsed or been withdrawn in accordance with its terms) be read as the earlier of: (i) the Final Date or (ii) the date on which the Expert gives his decision. In such circumstances, Azul will make an announcement by not later than 4.30 p.m. on 28 February 2011 disclosing: (i) that a matter has been referred to the Expert, (ii) the Final Date and (iii) that references in this document to 28 February 2011 will be read as the earlier of: (i) the Final Date or (ii) the date on which the Expert gives his decision.

PART B: FURTHER TERMS OF THE OFFER

Except where the context requires otherwise, any reference in Part B, Part C and Part D of Appendix I and in the Form of Acceptance to:

- (i) “acceptance condition” means the condition as to acceptances set out in paragraph 1.1 of Part A of this Appendix I;
- (ii) an “extension of the Offer” shall include an extension of the date by which the acceptance condition has to be fulfilled.
- (iii) “Offer” means the Offer and any revision, variation, renewal or extension thereof;
- (iv) “Offer becoming unconditional” means the acceptance condition becoming or being declared satisfied whether or not any other condition of the Offer remains to be fulfilled and references to the Offer having become or not become unconditional shall be construed accordingly; and
- (v) “Offer becoming wholly unconditional” means each of the conditions in Part A of this Appendix I becoming or being declared satisfied or (if capable of waiver) being waived and reference to the Offer having become or not become wholly unconditional shall be construed accordingly.

The following further terms apply to the Offer, unless the context requires otherwise:

1. ACCEPTANCE PERIOD

- 1.1 The Offer will be open for acceptance until 3.00 p.m. on 30 December 2010. Although no revision is currently envisaged, if the Offer (in its original or previously revised form) is revised it will remain open for acceptance for a period of at least 14 days following the date on which written notification of the revision is posted to Velosi Shareholders. No revision of the Offer may be made or posted to Velosi Shareholders after 24 January 2011.
- 1.2 The Offer, whether revised or not, will not be capable of becoming wholly unconditional after midnight on 28 February 2011 (or any earlier time and/or date beyond which Azul has stated that the Offer will not be extended and in respect of which it has not, where permitted, withdrawn that statement) nor of being kept open for acceptances after that time and/or date unless it has previously become wholly unconditional, provided that Azul may extend the Offer to (a) later time(s) and/or date(s) with the prior written consent of Velosi.
- 1.3 If the Offer becomes unconditional, it will remain open for acceptance for not less than 14 days from the date on which it would otherwise have expired. If the Offer has become unconditional and it is stated by or on behalf of Azul that the Offer will remain open until further notice, then not less than 14 days’ notice in writing will be given to Velosi Shareholders prior to the closing of the Offer.
- 1.4 If a competing offer arises after Azul has made a “no extension” statement and/or a “no increase” statement (which in Part B of this Appendix I shall have the meanings that would be given to such expressions pursuant to the Code if the Company was a company to which the Code applied) in relation to the Offer, Azul may (but only if it has specifically reserved the right to do so at the time such statement was made) choose not to be bound by or withdraw such statement and be free to revise and/or extend the Offer provided that in each circumstance:
 - 1.4.1 it announces the withdrawal and that it is free to extend or revise the Offer (as appropriate) as soon as possible and, in any event, within four Business Days after the announcement of the competing offer;
 - 1.4.2 it notifies Velosi Shareholders to that effect in writing as soon as is practicable or, in the case of Velosi Shareholders with registered addresses outside the United Kingdom or Jersey or whom Azul reasonably believes to be nominees, custodians or trustees holding Velosi Shares for such persons, by announcement in the United Kingdom at the earliest opportunity; and

- 1.4.3 any Velosi Shareholders who accepted the Offer after the date of the “no extension” or “no increase” statement are given a right of withdrawal as described in paragraph 3.3 of this Part B.
- 1.5 Azul may (if it has specifically reserved the right to do so) choose not to be bound by the terms of a “no increase” and/or a “no extension” statement if it would otherwise prevent the posting of an increased or improved Offer (either as to value or form of consideration or otherwise) which is recommended for acceptance by the Velosi Board or any duly appointed committee thereof.

2. ANNOUNCEMENTS

- 2.1 By 8.00 a.m. on the Business Day (the “relevant day”) following the day on which the Offer is due to expire, or becomes or is declared unconditional, or is revised or extended (as permitted pursuant to the terms of this Part B of this Appendix I), as the case may be, Azul will make an appropriate announcement and simultaneously inform a Regulatory Information Service of the position. Such announcement will also state:

- 2.1.1 the number of Velosi Shares for which acceptances of the Offer have been received (showing the extent, if any, to which such acceptances have been received from persons acting in concert with Azul or in respect of Velosi Shares which were subject to an irrevocable commitment or a letter of intent procured by Azul or any of its associates or any person acting in concert with Azul);
- 2.1.2 details of any relevant securities of Velosi in which Azul or any person acting in concert with it has an interest or a right to subscribe, in each case specifying the nature of the interests or rights concerned. Similar details of any short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell, or any delivery obligation, or right to require another person to purchase or take delivery, must also be stated;
- 2.1.3 details of any relevant securities of Velosi in respect of which Azul or any of its associates or any person acting in concert with Azul has an outstanding irrevocable commitment or letter of intent; and
- 2.1.4 details of any relevant securities of Velosi which Azul or any person acting in concert with it has borrowed or lent, save for any borrowed shares which have been either on-lent or sold,

and will in each case specify the percentages of the Velosi Shares represented by these figures. Any such announcement shall include a prominent statement of the total numbers of Velosi Shares which may count towards satisfaction of the acceptance condition and the percentage of Velosi Shares represented by this figure.

- 2.2 Any decision to extend the time and/or date by which the acceptance condition has to be fulfilled may be made by Azul in accordance with the provisions of this Part B of this Appendix I at any time up to, and will be announced no later than, 8.00 a.m. on the relevant day or such later time(s) and/or date(s) as Azul, with the prior consent of Velosi, may decide. The announcement will state the next expiry date (unless the Offer is unconditional, in which case the announcement may state that the Offer will remain open until further notice).
- 2.3 In computing the number of Velosi Shares represented by acceptances and/or purchases, there may, at the discretion of Azul, be included or excluded for announcement purposes, acceptances and purchases which are not complete in all respects or are subject to verification provided that such acceptances or purchases of Velosi Shares shall not be included unless they could be counted towards fulfilling the acceptance condition in accordance with paragraph 5.9 below.
- 2.4 References in this Part B of Appendix I to the making of an announcement or the giving of notice, by or on behalf of Azul, include the release of an announcement by public relations consultants of Azul or by Execution Noble to the press, and the delivery by hand or telephone, e-mail, telex, facsimile or other electronic transmission of an announcement to a Regulatory Information Service. An

announcement made otherwise than to a Regulatory Information Service shall be notified simultaneously to a Regulatory Information Service (unless otherwise agreed by Velosi and Azul).

3. RIGHTS OF WITHDRAWAL

- 3.1 If Azul, having announced the Offer to be unconditional, fails to comply by 3.30 p.m. on the relevant day (as defined in paragraph 2.1 of this Part B) with any of the other relevant requirements specified in paragraph 2.1 of this Part B, an accepting Velosi Shareholder may immediately after that time withdraw his acceptance of the Offer by written notice (signed by the accepting Velosi Shareholder (or his agent duly appointed in writing and evidence of whose appointment in a form reasonably satisfactory to Azul is produced with the notice)) given by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, United Kingdom or by hand (during normal business hours only) to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom. Alternatively, in the case of Velosi Shares held in uncertificated form, withdrawals can also be effected in the manner set out in paragraph 3.7 of this Part B. Subject to paragraph 1.2 of this Part B, this right of withdrawal may be terminated not less than eight days after the relevant day by Azul confirming, if such is the case, that the Offer is still unconditional and complying with the other relevant requirements specified in paragraph 2.1 of this Part B. If any such confirmation is given, the first period of 14 days referred to in paragraph 1.3 of this Part B will run from the date of such confirmation and compliance.
- 3.2 If by 3.00 p.m. on 20 January 2011 the Offer has not become unconditional, an accepting Velosi Shareholder may withdraw his acceptance at any time thereafter by written notice sent to the Receiving Agent at the address and in the manner referred to in paragraph 3.1 above (or in the case of Velosi Shares held in uncertificated form, in the manner set out in paragraph 3.7 of this Part B), before the earlier of:
- 3.2.1 the time when the Offer becomes unconditional; and
- 3.2.2 the final time for lodgement of acceptances of the Offer which can be taken into account in accordance with paragraph 1.1 of this Part B.
- 3.3 If Azul withdraws a “no extension” statement or a “no increase” statement after a competitive situation in accordance with paragraph 1.4 above, any Velosi Shareholder who accepted the Offer after the date of such statement may withdraw his acceptance thereafter in the manner referred to in paragraph 3.1 above (or, in the case of Velosi Shares in uncertificated form, in the manner referred to in paragraph 3.7 below) not later than the eighth day after the date on which notice of the withdrawal of such statement is posted to Velosi Shareholders.
- 3.4 Except as provided by this paragraph 3, acceptances and elections will be irrevocable.
- 3.5 In this paragraph 3 “written notice” (including any letter of appointment, direction or authority) means notice in writing bearing the original signature(s) of the relevant accepting Velosi Shareholder(s) or his/their agent(s) duly appointed in writing (evidence of whose appointment in a form reasonably satisfactory to Azul is produced with the notice). E-mail, telex, facsimile or other electronic transmission, or copies, will not be sufficient to constitute written notice. No notice which is postmarked in, or otherwise appears to Azul, its agents or advisers to have been sent from, a Restricted Jurisdiction will be treated as valid.
- 3.6 To be effective, a written notice of withdrawal must be received on a timely basis by the Receiving Agent, at the address and in the manner referred to in paragraph 3.1 of this Part B and must specify the name of the person who has tendered the Velosi Shares, the number of Velosi Shares to be withdrawn and the name of the registered holder, if different from the name of the person whose acceptance is to be withdrawn.
- 3.7 In the case of Velosi Shares being held in uncertificated form, if withdrawals are permitted pursuant to paragraphs 3.1, 3.2 or 3.3 of this Part B, an accepting Velosi Shareholder may withdraw his acceptance through CREST by sending (or, if a CREST personal member, procuring that his CREST

sponsor sends) a valid ESA Instruction to settle in CREST in relation to each Electronic Acceptance to be withdrawn. Each ESA Instruction must, in order for it to be valid and settle, include the following details:

- 3.7.1 the number of Velosi Shares in uncertificated form to be withdrawn, together with their ISIN number. This is GB00B19H9890;
- 3.7.2 the member account ID of the accepting Velosi Shareholder;
- 3.7.3 the participant ID of the accepting Velosi Shareholder;
- 3.7.4 the participant ID of the Escrow Agent. This is RA63;
- 3.7.5 the member account ID of the Escrow Agent. This is Velosi;
- 3.7.6 the CREST Transaction ID of the Electronic Acceptance to be withdrawn to be inserted at the beginning of the shared note field;
- 3.7.7 input with standard delivery instruction priority of 80;
- 3.7.8 the intended settlement date for the withdrawal;
- 3.7.9 the corporate action number for the Offer, which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST; and
- 3.7.10 the name and contact telephone number of the accepting Velosi Shareholder inserted into the shared note field.

Any such withdrawal will be conditional upon the Receiving Agent verifying that the withdrawal request is validly made. Accordingly, the Receiving Agent will, on behalf of Azul, reject or accept the withdrawal by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message.

- 3.8 Within 14 days of a Velosi Shareholder validly withdrawing his acceptance in respect of Velosi Shares held in uncertificated form, the Receiving Agent will give TFE Instructions to Euroclear to transfer all Velosi Shares held in escrow balances, and in relation to which it is the Escrow Agent for the purposes of the Offer, to the original available balances of the Velosi Shareholder concerned and, in respect of Velosi Shares held in certificated form, the Receiving Agent will return all share certificates and/or other documents of title to the Velosi Shareholder concerned.
- 3.9 The Velosi Shares in respect of which acceptances have been properly withdrawn in accordance with this paragraph 3 may subsequently be re-assented to the Offer by following one of the procedures described in paragraph 13 of the letter from Azul set out in Part II of this document, at any time while the Offer remains open for acceptance.

4. REVISED OFFER

- 4.1 Although no such revision is envisaged, if the Offer (in its original or any previously revised form(s)) is revised (either in its terms or conditions or in the value or nature of the consideration offered or otherwise), and any such revised Offer represents, on the date on which such revision is announced, (on such basis as Execution Noble reasonably considers appropriate) an improvement (or no diminution) in the value of the consideration of the Offer as so revised compared with the value of the consideration or terms previously offered, or in the overall value received by a Velosi Shareholder and/or retained by a Velosi Shareholder (under or in consequence of the Offer or otherwise), the benefit of the revised Offer shall (subject to paragraphs 4.2, 4.3 and 6 of this Part B) be made available to any Velosi Shareholder who has validly accepted the Offer in its original or any previously revised form(s) and who has not validly withdrawn such acceptance (a "Previous Acceptor"). The acceptance by or on behalf of a Previous Acceptor of the Offer (in its original or any previously revised form(s))

shall, subject as provided in paragraphs 4.2, 4.3 and 6 of this Part B, be deemed to be an acceptance of the Offer as so revised and shall also constitute the appointment of Azul and/or of Execution Noble and/or each of their respective directors and agents as his attorney and/or agent with authority to:

- 4.1.1 accept any such revised Offer on behalf of such Previous Acceptor;
- 4.1.2 if such revised Offer includes alternative forms of consideration, to make on his behalf elections for and/or accept such alternative forms of consideration on his behalf in such proportions as such attorney in his absolute discretion thinks fit; and
- 4.1.3 execute on behalf and in the name of such Previous Acceptor all such further documents (if any) and take such further actions (if any) as may be required to give effect to such acceptances and/or elections.

In making any such acceptance and/or election, the attorney and/or agent will take into account the nature of any previous acceptance and/or election made by the Previous Acceptor and such other facts or matters as he may reasonably consider relevant.

- 4.2 The deemed acceptances and elections referred to in this paragraph 4 shall not apply and the authorities conferred by this paragraph 4 shall not be exercised by Azul or Execution Noble or any of their respective directors, authorised representatives and agents if, as a result thereof, a Previous Acceptor would (on such basis as Execution Noble may consider appropriate) thereby receive and/or retain, in aggregate, less consideration under the revised Offer or otherwise than he would have received in aggregate as a result of the acceptance of the Offer in the form in which it was originally accepted by him or on his behalf, having regard to any previous acceptance or election originally made by him, unless such Previous Acceptor has previously otherwise agreed in writing. The authorities conferred by paragraph 4.1 above shall not be exercised in respect of any election available under the revised Offer save in accordance with this paragraph 4.2.

- 4.3 The deemed acceptances and elections referred to in this paragraph 4 shall not apply and the authorities conferred by this paragraph 4 shall be ineffective to the extent that a Previous Acceptor:

- 4.3.1 in respect of Velosi Shares in certificated form, lodges with the Receiving Agent at the address and in the manner specified in paragraph 3.1 of this Part B, within 14 days of the posting of the document pursuant to which the revised Offer referred to in paragraph 4.1 above is made available to Velosi Shareholders, a Form of Acceptance or some other form issued by or on behalf of Azul in which he validly elects to receive the consideration receivable by him under that revised Offer in some other manner than that set out in his original acceptance; or

- 4.3.2 in respect of Velosi Shares in uncertificated form, sends (or, if a CREST personal member, procures that his CREST sponsor sends) a valid ESA Instruction to settle in CREST in relation to each Electronic Acceptance in respect of which an election is to be varied. Each such ESA Instruction must, in order for it to be valid and settle, include the following details:

- 4.3.2.1 the number of Velosi Shares in respect of which the changed election is made, together with the ISIN number. This is GB00B19H9890;

- 4.3.2.2 the member account ID of the Previous Acceptor, together with his participant ID;

- 4.3.2.3 the member account ID of the Escrow Agent included in the relevant Electronic Acceptance. This is RA63;

- 4.3.2.4 the participant ID of the Escrow Agent. This is Velosi;

- 4.3.2.5 the CREST transaction ID of the Electronic Acceptance in respect of which an election is to be changed;

- 4.3.2.6 the intended settlement date for the changed election;

- 4.3.2.7 the corporate action number for the Offer,

and in order that the desired change of election can be effected must include:

4.3.2.8 the member account ID of the Escrow Agent relevant to the new election; and

4.3.2.9 input with standard delivery instruction priority of 80.

Any such change of election in respect of Velosi Shares in uncertificated form shall be conditional upon the Receiving Agent verifying that the request is validly made. Accordingly, the Receiving Agent shall, on behalf of Azul, reject or accept the requested change of election by transmitting in CREST a receiving agent reject (AEAD) or receiving agent accept (AEAN) message.

4.4 The authorities and powers of attorney conferred by this paragraph 4 and any acceptance of a revised Offer and/or any alternative forms of consideration and/or any elections pursuant thereto shall be irrevocable unless and until the Previous Acceptor becomes entitled to withdraw his acceptance under paragraph 3 above and duly and validly does so.

4.5 Azul and Execution Noble reserve the right (subject to paragraphs 3 and 4.1 above) to treat a valid Form of Acceptance or TTE Instruction relating to the Offer (in its original or any previously revised form(s)) which is received (or dated) after the announcement or the issue of the Offer in any revised form as a valid acceptance of the revised Offer (and, where applicable, a valid election for the alternative form(s) of consideration). Such acceptance shall constitute an authority in the terms of paragraph 4.1 above, mutatis mutandis, on behalf of the relevant Velosi Shareholder.

5. GENERAL

5.1 Except as agreed otherwise by Azul and Velosi, the Offer will lapse unless the Condition in paragraph 1.1 of Part A of this Appendix I has been satisfied by midnight on 30 December 2010 (or such later time as Azul may decide in accordance with the provisions of this Appendix I, provided that no such date shall be later than 7 February 2011 unless agreed in writing by Velosi) and all the other Conditions have been fulfilled or (if capable of waiver) waived or (where appropriate) have been determined by Azul, in its reasonable opinion, to be, and continue to be, satisfied by midnight on 28 February 2011 or such later date as Azul and Velosi may agree.

If the Offer lapses, the Offer shall cease to be capable of further acceptance and accepting Velosi Shareholders and Azul will thereupon cease to be bound by prior acceptances submitted on or before the dates when the Offer so lapses.

5.2 No acknowledgement of receipt of any Form of Acceptance, transfer by means of CREST, share certificate(s) and/or other document(s) of title will be given by, or on behalf of, Azul. All communications, notices, certificates, documents of title, other documents and remittances to be delivered by, or to, or sent to or from, Velosi Shareholders (or their designated agent(s)) or as otherwise directed, will be delivered by or to or sent to or from such Velosi Shareholders (or their designated agent(s)) at their own risk.

5.3 The expression "Offer Period" when used in this document means the period beginning on and including 9 December 2010 (the date of the Announcement of the Offer) and ending on whichever of the following dates shall be the latest:

5.3.1 30 December 2010;

5.3.2 the time and date on which the Offer lapses or is withdrawn; and

5.3.3 the time and date on which the Offer becomes or is declared wholly unconditional.

5.4 All references in this document and in the Form of Acceptance to 30 December 2010, shall (except in the definition of Offer Period in paragraph 5.3 above and where the context otherwise requires) be deemed, if the expiry date of the Offer is extended in accordance with this Part B of Appendix I, to refer to the expiry date of the Offer as so extended.

5.5 Settlement of the consideration to which any Velosi Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-

off, counterclaim or other analogous right to which Azul or Execution Noble may otherwise be, or claim to be, entitled as against such Velosi Shareholder.

- 5.6 The instructions, terms, provisions and authorities contained in or deemed to be incorporated in the Form of Acceptance constitute part of the terms of the Offer. Words and expressions defined in this document shall, unless the context otherwise requires, have the same meanings when used in the Form of Acceptance. The provisions of this Appendix I shall be deemed to be incorporated into and form part of the Form of Acceptance.
- 5.7 The Offer, the Form of Acceptance and all acceptances and/or all elections and all contracts made pursuant thereto and action taken or made or deemed to be taken or made under any of the foregoing shall be governed by and construed in accordance with English law. No parties other than Azul, Execution Noble or Velosi Shareholders shall have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Offer. Execution by or on behalf of a Velosi Shareholder of a Form of Acceptance will constitute his irrevocable submission to the exclusive jurisdiction of the courts of England in relation to all matters arising out of or in connection with the Offer and the Form of Acceptance, and his agreement that nothing shall limit the rights of Azul or Execution Noble to bring any action, suit or proceeding arising out of or in connection with the Offer and the Form of Acceptance in any other manner permitted by law or in any court of competent jurisdiction.
- 5.8 Any omission or failure to (or decision not to) despatch this document or the Form of Acceptance or any other document required to be given under the terms of the Offer and/or any notice required to be despatched under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made or should be made shall not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person. Subject to the provisions of paragraph 6 of this Part B, the Offer is made to any Velosi Shareholder to whom this document and Form of Acceptance or any related document may not have been despatched, and any such person may collect the relevant documents from the Receiving Agent.
- 5.9 Azul and Execution Noble reserve the right to treat acceptances of the Offer and/or elections pursuant thereto as valid if not entirely in order or not accompanied by the relevant share certificates and/or other relevant documents of title, or if received by or on behalf of either of them at any place or places or in any manner determined by them otherwise than as stated in this document or in the Form of Acceptance.
- 5.10 All powers of attorney, appointments of agents and authorities conferred by this Appendix I or in the Form of Acceptance are given by way of security for the performance of the obligations of Velosi Shareholders concerned and are irrevocable (in accordance with section 4 of the Powers of Attorney Act 1971), except in the circumstances where the donor of such power of attorney, appointment or authority is entitled to withdraw his acceptance in accordance with paragraph 3 of this Part B and duly does so.
- 5.11 The Offer extends to persons to whom the Offer is made or should be made but to whom this document, the Form of Acceptance and any related documents may not be despatched or by whom such documents may not be received and such persons may inspect or collect copies of these documents from the Receiving Agent.
- 5.12 Azul and Execution Noble reserve the right to notify any matter, including the making of the Offer, to all or any Velosi Shareholders with a registered address outside the United Kingdom (or whom Azul or Execution Noble know to be nominees, trustees or custodians holding Velosi Shares for persons who are citizens, residents or nationals of jurisdictions outside the United Kingdom), by announcement or by paid advertisement in a daily newspaper published and circulated in the United Kingdom or in the London Gazette, in which event such notice shall be deemed to have been sufficiently given, notwithstanding any failure by a Velosi Shareholder to receive or see such notice, and all references in this document to notice in writing, by or on behalf of Azul, Execution Noble and/or their respective agents and/or public relations consultants shall be construed accordingly.

- 5.13 The Offer is made at 3.00 p.m. on 9 December 2010 to all Velosi Shareholders and is capable of acceptance from and after that time. Copies of this document, the Forms of Acceptance and any other related documents are available for collection from Execution Noble at 3rd Floor, 10 Paternoster Square, London, EC4M 7AL and from Computershare Investor Services PLC, The Pavilions, Bridgewater Road, Bristol BS13 8AE, United Kingdom from that time.
- 5.14 If the Offer does not become wholly unconditional by 28 February 2011 or lapses or is withdrawn:
- 5.14.1 in respect of Velosi Shares held in certificated form, Forms of Acceptance, the relevant share certificates and any other documents of title will be returned by Azul by post within 14 days of the Offer lapsing or being withdrawn to the person or agent whose name and address outside a Restricted Jurisdiction, is set out in the relevant box on the Form of Acceptance or, if none is set out, to the first-named holder at his registered address outside a Restricted Jurisdiction. No such documents will be sent to an address in a Restricted Jurisdiction; and
- 5.14.2 in respect of Velosi Shares held in uncertificated form, the Receiving Agents will immediately after the Offer lapses or is withdrawn (or within such longer period as Azul may decide, not exceeding 14 days from the lapsing or withdrawal of the Offer), give instructions to Euroclear to transfer all the Velosi Shares held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Offer to the original available balances of Velosi Shareholders concerned or their CREST sponsor.
- 5.15 If sufficient acceptances under the Offer are received and/or sufficient Velosi Shares are otherwise acquired and in either case Azul acquires sufficient voting rights carried by such Velosi Shares, Azul intends to apply the provisions of Part 18 of the Companies (Jersey) Law to acquire compulsorily any outstanding Velosi Shares to which the Offer relates.
- 5.16 In relation to any acceptance of the Offer in respect of a holding of Velosi Shares which are in uncertificated form, Azul reserves the right to make such alterations, additions or modifications to the terms of the Offer as may be necessary or desirable to give effect to any purported acceptance of the Offer, whether in order to comply with the facilities or requirements of CREST or otherwise, provided such alterations, additions or modifications are consistent with the requirements of the Code (as if Velosi was a company to which the Code applied).

6. OVERSEAS SHAREHOLDERS

- 6.1 The making of the Offer in, or to certain persons resident in, or citizens or nationals of, jurisdictions outside the United Kingdom or Jersey or to nominees of, or custodians, trustees or guardians for such persons may be prohibited or affected by the laws or regulatory requirements of the relevant overseas jurisdiction. Such Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Overseas Shareholder wishing to accept the Offer to satisfy himself as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection with the Offer, including the obtaining of any governmental, exchange control or other consents which may be required and the compliance with other necessary formalities. Any such Overseas Shareholder will be responsible for the payment of any issue, transfer or other taxes or duties due in that jurisdiction of whomsoever payable and Azul and Execution Noble and any person acting on their behalf shall be fully indemnified and held harmless by such Overseas Shareholder for any such issue, transfer or other taxes as such person may be required to pay. If you are an Overseas Shareholder and you are in doubt about your position, you should consult your professional adviser in the relevant jurisdiction.
- 6.2 In particular, the Offer is not being made, directly or indirectly, in or into or by the use of the mails of, or by any means or instrumentality (including, without limitation, e-mail, facsimile transmission, telex, telephone, the internet or other forms of electronic transmission) of interstate or foreign commerce, or of any facility of a national securities exchange of a Restricted Jurisdiction and the Offer cannot be accepted by any such use, means, instrumentality or facility from or within a Restricted Jurisdiction.

6.3 Azul will not (unless otherwise determined by Azul in its sole discretion and save as provided for in paragraph 6.6 below) mail or deliver, or authorise the mailing or delivery of, this document, the Form of Acceptance or any related document(s) in, into or from a Restricted Jurisdiction, including, without limitation, to Velosi Shareholders or participants in the Velosi Option Schemes with registered addresses in a Restricted Jurisdiction or to persons whom Azul knows to be trustees, nominees or custodians holding Velosi Shares for such persons. Persons receiving such documents (including, without limitation, trustees, nominees or custodians) must not distribute, send or mail them in, into or from a Restricted Jurisdiction or use the mails of a Restricted Jurisdiction or any such means or instrumentality (including, without limitation, telephonically or electronically) for any purpose, directly or indirectly, in connection with the Offer and doing so may invalidate any related purported acceptance of the Offer. Persons wishing to accept the Offer must not use the mails or any such other instrumentality of a Restricted Jurisdiction for any purpose, directly or indirectly related to acceptance of the Offer or such election. Envelopes containing Forms of Acceptance should not be postmarked in, or otherwise despatched from, a Restricted Jurisdiction, and all acceptors must provide addresses outside a Restricted Jurisdiction for the receipt of the consideration to which they are entitled under the Offer and which is despatched by post pursuant to paragraph 1.5.2 of Part C of this Appendix I or for the return of Forms of Acceptance and (in relation to Velosi Shares in certificated form) any Velosi share certificate(s) and/or other document(s) of title.

6.4 A Velosi Shareholder will be deemed not to have validly accepted the Offer if:

6.4.1 he or she puts “No” in Box 4 of the Form of Acceptance and thereby does not make the representations and warranties set out in paragraph 1.3 of Part C of this Appendix I;

6.4.2 he or she inserts in Box 1 of the Form of Acceptance a registered address in a Restricted Jurisdiction, or having a registered address in a Restricted Jurisdiction, he does not insert in Box 5 of the Form of Acceptance the name and address of a person or agent outside a Restricted Jurisdiction to whom he wishes the consideration to which he is entitled under or in consequence of the Offer and/or other documents to be sent;

6.4.3 he or she inserts in Box 1 of the Form of Acceptance a telephone number in a Restricted Jurisdiction;

6.4.4 in any case, the Form of Acceptance received from him or her is received in an envelope postmarked in, or which otherwise appears to Azul or its agents to have been sent from a Restricted Jurisdiction; or

6.4.5 (in respect of uncertificated Velosi Shares), he or she makes a Restricted Escrow Transfer (as defined in paragraph 6.6.1 below) pursuant to paragraph 6.8 below unless he also makes a related Restricted ESA Instruction (as defined in paragraph 6.6.2 below) pursuant to paragraph 6.9 below which is accepted by the Receiving Agents.

Azul reserves the right, in its sole discretion, to investigate, in relation to any acceptance, whether the representations and warranties set out in paragraph 1.3 of Part C of this Appendix I could have been truthfully given by the relevant Velosi Shareholder and, if such investigation is made and, as a result, Azul determines that such representations and warranties could not have been so given, such acceptance shall not be valid.

6.5 If, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, the Form of Acceptance or any related offering documents in, into or from a Restricted Jurisdiction or uses the mails of or any means or instrumentality (including, without limitation, e-mail, facsimile transmission, telex and telephone, the internet or other forms of electronic transmission) of interstate or foreign commerce of, or any facility of a national securities exchange of such jurisdictions in connection with such forwarding, such person should:

6.5.1 inform the recipient of such fact;

- 6.5.2 explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
- 6.5.3 draw the attention of the recipient to this paragraph 6.
- 6.6 If a Velosi Shareholder holding Velosi Shares in uncertificated form is unable to give the representations and warranties set out in paragraph 3 of Part D of this Appendix I, but nevertheless can produce evidence satisfactory to Azul that he is able to accept the Offer in compliance with all legal and regulatory requirements and without Azul or its agents being in breach of any such requirements, he may only purport to accept the Offer by sending (or if a CREST sponsored member, procuring that his CREST sponsor sends) both:
 - 6.6.1 a valid TTE Instruction to a designated escrow balance detailed below (a “Restricted Escrow Transfer”); and
 - 6.6.2 one or more valid ESA Instructions (a “Restricted ESA Instruction”) which specify the form of consideration which he wishes to receive (consistent with the alternatives offered under the Offer).
- 6.7 Such purported acceptance will not be treated as a valid acceptance unless both the Restricted Escrow Transfer and the Restricted ESA Instruction(s) settle in CREST and Azul decides, in its absolute discretion, to exercise its right to waive, vary or modify the terms of the Offer related to Overseas Shareholders to the extent required to permit such acceptance to be made in each case during the acceptance period set out in paragraph 1 of this Part B of this Appendix I. If Azul decides to permit such acceptance to be made, the Receiving Agent will on behalf of Azul accept the purported acceptance as an Electronic Acceptance on the terms of this document as so waived, varied or modified by transmitting in CREST a receiving agent accept (AEAN) message. Otherwise, the Receiving Agent will on behalf of Azul reject the purported acceptance by transmitting in CREST a receiving agent reject (AEAD) message.
- 6.8 Each Restricted Escrow Transfer must, in order for it to be valid and settle, include the following details:
 - 6.8.1 the corporate action ISIN number of the Velosi Shares. This is GB00B19H9890;
 - 6.8.2 the number of Velosi Shares in uncertificated form in respect of which the accepting holders of Velosi Shares wishes to accept the Offer (i.e. the number of Velosi Shares in uncertificated form to be transferred to an escrow balance);
 - 6.8.3 the participant ID of the accepting holder of Velosi Shares;
 - 6.8.4 the member account ID of the accepting holder of Velosi Shares;
 - 6.8.5 the participant ID of the Escrow Agent. This is RA63;
 - 6.8.6 the member account ID of the Escrow Agent specific to a Restricted Escrow Transfer. This is RESTRICT;
 - 6.8.7 the intended settlement date. This should be as soon as possible and in any event not later than 3.00 p.m. (London time) in the United Kingdom on 30 December 2010;
 - 6.8.8 the corporate action number for the Offer which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
 - 6.8.9 input with standard delivery instruction priority of 80; and
 - 6.8.10 the contact name and telephone number of the accepting holder of Velosi Shares inserted in the shared note field.

- 6.9 Each Restricted ESA Instruction must, in order for it to be valid and settle include the following details:
- 6.9.1 the corporate action ISIN number of Velosi Shares. This is GB00B19H9890;
 - 6.9.2 the number of Velosi Shares in uncertificated form relevant to that Restricted ESA Instruction;
 - 6.9.3 the participant ID of the accepting holder of Velosi Shares;
 - 6.9.4 the member ID of the accepting holder of Velosi Shares;
 - 6.9.5 the participant ID of the Escrow Agent. This is RA63;
 - 6.9.6 the member account ID of the Escrow Agent set out in the Restricted Escrow Transfer. This is RESTRICT;
 - 6.9.7 the member account ID of the Escrow Agent. This is Velosi;
 - 6.9.8 the CREST transaction ID of the Restricted Escrow Transfer to which the Restricted ESA Instruction relates to be inserted at the beginning of the shared note field;
 - 6.9.9 the intended settlement date. This should be as soon as possible and in any event not later than 3.00 p.m. (London time) in the United Kingdom on 30 December 2010;
 - 6.9.10 the corporate action number for the Offer; and
 - 6.9.11 input with standard delivery instruction priority of 80.
- 6.10 The provisions of this paragraph 6 supersede any terms of the Offer which are inconsistent with them. The provisions of this paragraph 6 and/or any other terms of the Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Velosi Shareholders or on a general basis by Azul in its absolute discretion but only if Azul is satisfied that such waiver, variance or modification will not constitute a breach of any applicable securities or other law.
- 6.11 Neither Azul nor Execution Noble nor any agent or adviser or director of Azul or of Execution Noble nor any person acting on behalf of either or both of them shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer, pursuant to the provisions of this paragraph 6 of Part B of this Appendix I or otherwise in connection therewith.

PART C: FORM OF ACCEPTANCE

1. Each Velosi Shareholder by whom, or on whose behalf, a Form of Acceptance is executed irrevocably undertakes, represents, warrants and agrees to and with Azul and Execution Noble (so as to bind him, his personal representatives and his heirs, successors and assigns) that:
 - 1.1 subject to paragraph 3 of Part B of this Appendix I, the execution of a Form of Acceptance shall constitute (whether or not any boxes are completed):
 - 1.1.1 an acceptance of the Offer in respect of the number of Velosi Shares in certificated form inserted or deemed to be inserted in Box 2 of the Form of Acceptance and if no number of Velosi Shares is inserted in Box 2, or a number greater than the relevant Velosi Shareholder's registered holding of Velosi Shares held in certificated form appears in Box 2, or the Form of Acceptance is otherwise completed incorrectly, but the Form of Acceptance is signed, it will be deemed to be an acceptance by such Velosi Shareholder of the terms of the Offer in respect of the total number of Velosi Shares held in certificated form and registered in his name; and
 - 1.1.2 an undertaking to execute all or any further documents, take any further action and/or give any such further assurances as may be required to enable Azul to obtain full benefit of this Part C and/or to perfect any of the authorities expressed to be given under this Part C,

in each case, on and subject to the terms and conditions set out or referred to in this document and the Form of Acceptance and that, subject to the rights of withdrawal set out in paragraph 3 of Part B of this Appendix I above, each such acceptance and election shall be irrevocable;

- 1.2 he is irrevocably and unconditionally entitled to transfer the Velosi Shares in respect of which the Form of Acceptance is completed and that the Velosi Shares in certificated form, in respect of which the Offer is accepted, or deemed to be accepted, are sold with full title guarantee and free from all liens, charges, encumbrances, equities, rights of pre-emption and any other third party rights of whatsoever nature and together with all rights now or hereafter attaching thereto, including the right to receive all dividends or other distributions declared, paid or made after the date of the announcement of the Offer;
- 1.3 unless "No" is inserted, or deemed to be inserted, in Box 4 of the Form of Acceptance, such Velosi Shareholder:
 - 1.3.1 (if such Velosi Shareholder is a citizen, resident, or national of a jurisdiction outside the United Kingdom or Jersey) has observed the laws of the relevant jurisdiction, obtained all requisite governmental, exchange control and other required consents, complied with all other necessary formalities and paid any issue, transfer or other taxes or other requisite payments due in any such jurisdiction in connection with such acceptance and has not taken or omitted to take any action that will or may result in Azul, Execution Noble or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offer or his acceptance thereof; or
 - 1.3.2 has not received or sent copies or originals of this document, the Form of Acceptance or any related Offer documents in, into or from a Restricted Jurisdiction, or any other jurisdiction where such actions may constitute a breach of any legal or regulatory requirements, and has not utilised in connection with the Offer, directly or indirectly, the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce of, or any facilities of a national securities exchange of a Restricted Jurisdiction or such other jurisdiction, is accepting the Offer from outside a Restricted Jurisdiction and is not an agent or fiduciary acting on a non-discretionary basis for a principal who has given any instructions with respect to the Offer from within a Restricted Jurisdiction;
- 1.4 the execution of the Form of Acceptance and its delivery to the Receiving Agent, constitutes, subject to the Offer becoming wholly unconditional in accordance with its terms and to the accepting Velosi Shareholder not having validly withdrawn his acceptance, the irrevocable separate appointment of

each of Azul and Execution Noble and/or any of their respective directors or agents as such shareholder's attorney and/or agent, and an irrevocable instruction to the attorney and/or agent:

- 1.4.1 to complete and execute all or any form(s) of transfer and/or other document(s) at the discretion of the attorney and/or agent in relation to the Velosi Shares referred to in paragraph 1.1.1 of this Part C in favour of Azul or such other person or persons as Azul may direct;
 - 1.4.2 to deliver such form(s) of transfer and/or other document(s) at the discretion of the attorney and/or agent, together with any share certificate(s) and/or other document(s) relating to such Velosi Shares, for registration within six months of the Offer becoming wholly unconditional; and
 - 1.4.3 to execute all such documents and to do all such other acts and things as may in the opinion of such attorney and/or agent be necessary or expedient for the purpose of, or in connection with, the acceptance, or deemed acceptance, of the Offer and to vest in Azul or its nominee(s) or as it may direct such Velosi Shares;
- 1.5 the execution of the Form of Acceptance and its delivery to the Receiving Agent constitutes, subject to the Offer becoming wholly unconditional in accordance with its terms and to the accepting Velosi Shareholder not having validly withdrawn his acceptance, separate irrevocable authorities and requests (subject to the provisions of paragraph 6 of Part B of this Appendix I):
- 1.5.1 to Azul or its agents, to procure the registration of the transfer of the Velosi Shares pursuant to the Offer and the delivery of the share certificate(s) and/or other document(s) of title in respect thereof to Azul or as it may direct; and
 - 1.5.2 to Azul or Execution Noble or their agents, to procure the despatch by post of a cheque drawn on a branch of a UK bank in respect of any cash consideration to which such Velosi Shareholder is entitled under the Offer (at the risk of such holder) to the person whose name and address (outside a Restricted Jurisdiction) is set out in Box 5 of the Form of Acceptance or, if none is set out, the first-named holder in Box 1 of the Form of Acceptance with an address outside a Restricted Jurisdiction); or if none, to such address as is determined by Azul;
- 1.6 the execution of the Form of Acceptance and its delivery to the Receiving Agent constitutes a separate authority to any director of Azul and to any director of Execution Noble and/or their respective agents and the irrevocable appointment of any such director and/or agent as such Velosi Shareholder's attorney and/or agent within the terms of paragraph 4 of Part B of this Appendix I;
- 1.7 after the Offer becomes or is declared wholly unconditional and pending registration:
- 1.7.1 Azul or its agents be entitled to direct the exercise of any votes attaching to any Velosi Shares in certificated form in respect of which the Offer has been accepted or is deemed to have been accepted and such acceptance has not been validly withdrawn and any other rights and privileges attaching to such Velosi Shares, including the right to requisition a general meeting or separate class meeting of Velosi, such votes (where relevant) to be cast so far as possible to satisfy any outstanding condition of the Offer; and
 - 1.7.2 the execution of the Form of Acceptance by a Velosi Shareholder constitutes, with regard to the Velosi Shares comprised in such acceptance and in respect of which such acceptance has not been validly withdrawn:
 - 1.7.2.1 an authority to Velosi and/or its agents from such Velosi Shareholder to send any notice, circular, warrant, document or other communication which may be required to be sent to him as a member of Velosi to Azul at its registered office;
 - 1.7.2.2 an authority for Azul or any of its agents to sign any such documents and do such things as may in the opinion of such person seem necessary or desirable in connection with the exercise of such votes or other rights or privileges attaching to such Velosi Shares (including, without limitation, an authority to sign any consent to short notice

of a general or separate class meeting on his behalf (and any adjournment thereof) and/or to execute a form of proxy in respect of such Velosi Shares appointing any person nominated by Azul to attend general or separate class meetings of Velosi or its members or any of them (and any adjournment thereof) and to exercise the votes attaching to such Velosi Shares on his behalf), such votes (where relevant) to be cast so far as possible to satisfy any outstanding condition of the Offer; and

- 1.7.2.3 the agreement of such Velosi Shareholder not to exercise any of such rights without the consent of Azul and the irrevocable undertaking of such shareholder not to appoint a proxy or representative for or to attend any such meetings;
- 1.8 he will deliver, or procure the delivery of, to the Receiving Agent, his share certificate(s) and/or other document(s) of title in respect of the Velosi Shares held by him in certificated form in respect of which the Offer has been accepted, or deemed to be accepted, and not validly withdrawn, or an indemnity acceptable to Azul in lieu thereof, as soon as possible and in any event within six months of the Offer becoming wholly unconditional;
- 1.9 if he accepts the Offer, he shall do all such acts and things as shall be necessary or expedient to vest in Azul or its nominees or such other persons as Azul may decide the number of Velosi Shares inserted, or deemed inserted, in Box 2 of the Form of Acceptance and all such acts and things as may be necessary or expedient to enable the Receiving Agent to perform its function for the purposes of the Offer;
- 1.10 the terms and conditions of the Offer shall be incorporated and, deemed to be incorporated, in and form part of the Form of Acceptance, which shall be read and construed accordingly;
- 1.11 he agrees to ratify each and every act or thing which may be done or effected by Azul, Execution Noble or the Receiving Agent or by any of their respective directors or agents or Velosi or its agents, as the case may be, in the proper exercise of any of his or its powers and/or authorities conferred by or referred to in Part B or in this Part C of this Appendix I;
- 1.12 the execution of the Form of Acceptance constitutes his agreement to the terms of paragraph 5.7 of Part B of this Appendix I;
- 1.13 if any provision of Part B of this Appendix I or of this Part C shall be unenforceable or invalid or shall not operate so as to afford Azul, Execution Noble or the Receiving Agent and/or any director or duly authorised representative of any of them, or agent of either of them, as the case may be, the full benefit of the authorities and powers of attorney expressed to be given therein, he agrees with all practicable speed do all such acts and things and execute all such documents as may be required to enable Azul, Execution Noble and/or the Receiving Agent and/or any director or agent of any of them, as the case may be, to secure the full benefit of such authorities and powers of attorney; and
- 1.14 on execution, the Form of Acceptance shall take effect as a Deed.

References in this Part C to a Velosi Shareholder shall include references to the person or persons executing a Form of Acceptance, and in the event of more than one person executing a Form of Acceptance, the provisions of this Part C shall apply to them jointly and to each of them.

PART D: ELECTRONIC ACCEPTANCE

Each Velosi Shareholder who holds Velosi Shares in uncertificated form by whom, or on whose behalf, an Electronic Acceptance is made irrevocably undertakes, represents, warrants and agrees to and with Azul, Execution Noble and the Receiving Agent so as to bind him and his personal representatives, heirs, successors and assigns that:

1. the Electronic Acceptance shall constitute subject to paragraph 3 of Part B of this Appendix I:
 - 1.1 an acceptance of the Offer in respect of the number of Velosi Shares in uncertificated form to which a TTE Instruction relates and on and subject to the terms and conditions set out or referred to in this document and that each such acceptance is irrevocable;
 - 1.2 an undertaking to execute any further documents and give any further assurances which may be required to enable Azul to obtain the full benefits of the terms of this Part D and/or to perfect any authorities expressed to be given thereunder; and
 - 1.3 a representation and warranty that he is the beneficial owner of the number of Velosi Shares to which a TTE Instruction relates or, if he is not, he is irrevocably and unconditionally entitled to transfer such Velosi Shares in uncertificated form and that the entire beneficial interest therein will be acquired under the Offer, on and subject to the terms and conditions set out or referred to in this document and that, subject to paragraph 3 of Part B of this Appendix I, such acceptance and/or election shall be irrevocable.
2. Velosi Shares in uncertificated form in respect of which the Offer is accepted or deemed to be accepted are sold fully paid and free from all liens, equitable interests, charges, encumbrances, pre-emption rights and other interests and rights of whatsoever nature and together with all rights now or hereafter attaching thereto including the right to receive all dividends and other distributions declared, made or paid hereafter.
3.
 - 3.1 such Velosi Shareholder has not received or sent copies or originals of this document, the Form of Acceptance or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Offer, directly or indirectly, the use of mails of, or any means or instrumentality (including, without limitation, facsimile transmission, email, telex, telephone and the internet) of interstate or foreign commerce of, or any facility of a national securities exchange of, a Restricted Jurisdiction, at the time of the input and settlement of the relevant TTE Instruction(s), and in respect of Velosi Shares in uncertificated form to which an Electronic Acceptance relates, he is not an agent or fiduciary acting on a non-discretionary basis for a principal who has given all instructions with respect to the Offer from within a Restricted Jurisdiction; and
 - 3.2 if such Velosi Shareholder is not resident in the UK or Jersey he has observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due from him, in connection with such acceptance in any territory, and that he has not taken or omitted to take any action which will or may result in Azul, Execution Noble or any other person acting in breach of any legal or regulatory requirements of any territory in connection with the Offer or his acceptance thereof provided that the warranties and representations above shall be deemed not to be given if such Velosi Shareholder purports to accept the Offer by sending (or, if a CREST sponsored member, procuring that his CREST sponsor sends) a Restricted Escrow Transfer and a Restricted ESA Instruction pursuant to paragraph 6.6 of Part B of this Appendix I.
4. the Electronic Acceptance constitutes, subject to the Offer becoming wholly unconditional in accordance with its terms and to the relevant Velosi Shareholder not having validly withdrawn his acceptance, the irrevocable appointment of Azul and/or any of Azul's directors or agents as such Velosi Shareholder's agent and/or attorney and an irrevocable instruction and authorisation to the

agent and/or attorney to do all such acts and things as may in the opinion of such agent and/or attorney be necessary or expedient for the purposes of, or in connection with, the acceptance of the Offer to vest in Azul or its nominee(s) the Velosi Shares in uncertificated form referred to in his acceptance (the “Electronic Acceptance Shares”).

5. the Electronic Acceptance constitutes the irrevocable appointment of the Receiving Agent as the Velosi Shareholder’s agent and/or attorney and an irrevocable instruction and authority to the agent and/or attorney, subject to the Offer becoming or being declared wholly unconditional in accordance with its terms and to such accepting Velosi Shareholder not having validly withdrawn his acceptance, to transfer to itself (or to such other person or persons as Azul or its agents may direct) by means of CREST all or any of the Electronic Acceptance Shares and, if the Offer does not become or is not declared wholly unconditional, to give TFE Instructions to Euroclear, immediately after the lapsing of the Offer (or within such longer period as Azul and Velosi agree jointly to permit, not exceeding 14 days of the lapsing of the Offer), to transfer all the Electronic Acceptance Shares to the original available balance of the accepting Velosi Shareholder.
6. the Electronic Acceptance constitutes, subject to the Offer becoming or being declared wholly unconditional in accordance with its terms and to an accepting Velosi Shareholder not having validly withdrawn his acceptance, an irrevocable authority and request, subject to the provisions of paragraph 3 of Part B of this Appendix I, to Azul or its agents to procure the making of a CREST payment in favour of the accepting Velosi Shareholder’s payment bank in accordance with the CREST payment arrangements in respect of any cash consideration to which such accepting Velosi Shareholder is entitled, provided that Azul may (if for any reason it wishes to do so) determine that all or any part of such cash consideration shall be paid by cheque, despatched by post and, if the accepting Velosi Shareholder is a CREST member whose registered address is in a Restricted Jurisdiction, any cash consideration to which he is entitled shall in any case be paid by cheque despatched by post and in either case all such cheques shall be despatched at the risk of such Velosi Shareholder to the first-named holder at an address outside a Restricted Jurisdiction stipulated by such holder or as otherwise determined by Azul.
7. the Electronic Acceptance constitutes a separate authority to any director of Azul or Azul’s agents within the terms of paragraph 4 of Part B of this Appendix I in respect of the Electronic Acceptance Shares.
8. the Electronic Acceptance constitutes the same undertakings, acceptances, acknowledgements and authorities as set out in paragraph 1.4 of Part C of this Appendix I as if the same had been restated in this Part D *mutatis mutandis*.
9. after the Offer becomes or is declared wholly unconditional and in such other circumstances as Azul may request and pending registration:
 - 9.1 Azul or its agents shall be entitled to direct the exercise of any votes attaching to any uncertificated Velosi Shares in respect of which the Offer is accepted or deemed to have been accepted and such acceptance has not been validly withdrawn and any and all other rights and privileges attaching to such Electronic Acceptance Shares, including the right to requisition the convening of a general meeting or separate class meeting of Azul; and
 - 9.2 an Electronic Acceptance by a Velosi Shareholder constitutes, in respect of uncertificated Velosi Shares comprised in such acceptance and in respect of which such acceptance has not been validly withdrawn:
 - 9.2.1 an authority to Velosi and/or its agents from such Velosi Shareholder to send any notice, warrant, document or other communication which may be required to be sent to him as a member of Velosi (including any share certificate(s) or other document(s) of title issued as a result of a conversion of such Velosi Shares into certificated form) to Azul at its registered office;

9.2.2 an authority to Azul or any of its directors to sign any consent to short notice on his behalf and/or attend and/or execute a form of proxy in respect of such Velosi Shares appointing any person nominated by Azul to attend general meetings and separate class meetings of Velosi or its members (or any of them) (and any adjournments thereof) and to exercise the votes attaching to such shares on his behalf, where relevant, such votes to be cast so far as possible to satisfy any outstanding condition of the Offer; and

9.2.3 the agreement of such Velosi Shareholder not to exercise any of such rights without the consent of Azul and the irrevocable undertaking of such Velosi Shareholder not to appoint a proxy to attend any such general meeting or separate class meeting.

10. if, for any reason, any Velosi Shares in respect of which a TTE Instruction has been effected in accordance with paragraph 13 of the letter from Azul contained in Part II of this document are converted to certificated form, he will (without prejudice to sub-paragraph 9.2.1 above) immediately deliver or procure the immediate delivery of the share certificate(s) or other documents of title in respect of all such Velosi shares as so converted to the Receiving Agent at the address referred to in paragraph 3.1 of Part B of this Appendix I or to such address as Azul or its agent may direct.
11. the creation of a CREST payment obligation in favour of his payment bank in accordance with the CREST payment arrangements referred to in paragraph 6 of this Part D shall, to the extent of the obligations so created, discharge in full any obligation of Azul to pay him the cash consideration to which he is entitled pursuant to the Offer.
12. if he accepts the Offer and does not validly withdraw such acceptance, he shall do all such acts and things as shall be necessary or expedient to enable the Receiving Agent to perform its functions as Escrow Agent for the purposes of the Offer.
13. he agrees to ratify each and every act or thing which may be lawfully done or effected by Azul, Execution Noble or the Receiving Agent or their respective directors, agents or attorneys, as the case may be, in the proper exercise of any of his powers and/or authorities hereunder.
14. if any provision of this Part D shall be unenforceable or invalid or shall not operate so as to afford Azul, Execution Noble or the Receiving Agent and/or their respective directors and agents the full benefit of authorities and powers of attorney expressed to be given in this Part D he shall with all practicable speed do such acts or things and execute all such documents as may be required to enable Azul, Execution Noble or the Receiving Agent and/or any of their respective directors or agents to secure the full benefits of such authorities and powers of attorney.
15. the making of an Electronic Acceptance constitutes his agreement to the terms of paragraph 5.7 of Part B of Appendix I.
16. by virtue of the CREST Regulations, the making of an Electronic Acceptance constitutes an irrevocable power of attorney by the relevant holder of Velosi Shares in the terms of the powers and authorities expressed to be given by Part B of this Appendix I, and this Part D to Azul and any of Azul's directors or agents.

A reference in this Part D to a holder of Velosi Shares shall include references to the person or persons making an Electronic Acceptance and, in the event of more than one person making an Electronic Acceptance, the provisions of this Part D shall apply to them jointly and severally.

Appendix II

Additional information

1. Responsibility statements

- 1.1 The directors of Azul, whose names are set out in paragraph 2(a) below, accept responsibility for the information contained in this document other than information for which responsibility is taken by others pursuant to paragraphs 1.2 and 1.3 below. To the best of the knowledge and belief of the directors of Azul (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Velosi Directors, whose names are set out in paragraph 2(b) below, accept responsibility for the information contained in this document relating to Velosi and its subsidiaries, the Velosi Directors, and members of their immediate families, related trusts and connected persons. To the best of the knowledge and belief of the Velosi Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 The Independent Directors, whose names are set out in paragraph 2(b) below, accept responsibility for their views and opinions contained in Part I of this document, including their recommendations in respect of the Offer. To the best of the knowledge and belief of the Independent Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors

(a) *Azul*

The names of the directors of Azul are as follows:

<i>Name</i>	<i>Business address</i>
CEP II Participations S.à r.l. SICAR	2, Avenue Charles de Gaulle, L-1653 Luxembourg, Grand Duchy of Luxembourg
CEP III Participations S.à r.l. SICAR	2, Avenue Charles de Gaulle, L-1653 Luxembourg, Grand Duchy of Luxembourg
The Carlyle Group (Luxembourg) S.à r.l.	2, Avenue Charles de Gaulle, L-1653 Luxembourg, Grand Duchy of Luxembourg
Invercartera International S.L.U.	C/Route No. 6, 08820, El Prat de Llobregat, Spain

The registered office of Azul is 2, Avenue Charles de Gaulle, L-1653 Luxembourg, Grand Duchy of Luxembourg.

(b) *Velosi*

The names of the Velosi Directors and their respective functions are as follows:

<i>Name</i>	<i>Title</i>
John Anthony Hogan*	<i>Non-executive Chairman</i>
Dr Nabil Abdul Jalil	<i>Chief Executive Officer</i>
Joseph Thomas Vincent	<i>Group Commercial Director</i>
Dan Ooi Soon Teik	<i>Group Finance Director</i>
Marcus John Gregory Stanton*	<i>Non-executive Director</i>

* *Independent Directors*

The business address of each of the Velosi Directors is Suite 7.05, 7th Floor, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia and the registered office of Velosi is Walker House, PO Box 72, 28-34 Hill Street, St. Helier, Jersey JE4 5TF.

3. Disclosure of shareholdings, interests, short positions and dealings

(a) *Shareholdings, interests, short positions and dealings in Azul relevant securities*

- i. As at the close of business on 8 December 2010 (being the latest practicable date prior to the posting of this document) neither Velosi nor any of Velosi Directors, their immediate families, related trusts or connected persons has or has had an interest in, a right to subscribe for, any short position, any agreement to sell, any delivery obligation or right to require another person to purchase or take delivery, in each case in respect of Azul relevant securities.
- ii. There have been no dealings by Velosi, the Velosi Directors, their immediate families, related trusts or connected persons in Azul relevant securities.

(b) *Shareholdings, interests, short positions and dealings in Velosi relevant securities*

- i. As at the close of business on 8 December 2010 (being the latest practicable date prior to the posting of this document), the interests in Velosi relevant securities of the Velosi Directors and their immediate families, related trusts and connected persons were as follows:

<i>Director of Velosi</i>	<i>Number of Velosi Shares</i>	<i>Percentage of existing ordinary share capital of Velosi</i>	<i>Total number of Velosi options 'in the money'</i>	<i>Number of Ordinary Shares on a fully diluted basis</i>	<i>Percentage of Ordinary Shares on a fully diluted basis</i>
Dr Nabil Abdul Jalil*	5,401,613	11.2%	855,238	6,256,851	11.8%
Joseph Thomas Vincent**	1,673,779	3.5%	778,959	2,452,738	4.6%
Dan Ooi Soon Teik***	292,234	0.6%	861,399	1,153,633	2.2%
John Anthony Hogan****	55,555	0.1%	100,556	156,111	0.3%
Marcus John Gregory Stanton*****	33,333	0.1%	95,556	128,889	0.2%

* Includes 5,327,465 Velosi Shares registered in the name of Raptor Worldwide Limited (held on trust for Dr Nabil Abdul Jalil) and 74,148 Velosi Shares registered in the name of Pershing Nominees Limited (as nominee for Dr Nabil Abdul Jalil's wife, Bunny Nabil).

** Includes 1,646,345 Velosi Shares registered in the name of Rock (Nominees) Limited (as nominee for Joseph Thomas Vincent) and 27,434 Velosi Shares registered in the name of Pitchuta Jayapipat, Joseph Thomas Vincent's wife.

*** Includes 135,000 Velosi options in the name of Beatrice Dorall, Dan Ooi Soon Teik's wife.

**** Includes 55,555 Velosi Shares registered in the name of Rock (Nominees) Limited (as nominee for John Anthony Hogan).

***** Includes 33,333 Velosi Shares registered in the name of Strand Nominees Limited (as nominee for Marcus John Gregory Stanton).

- ii. As at 8 December 2010 (being the latest practicable date prior to the posting of this document), the Company's nominated adviser, Strand Hanson, its associates and employees have beneficial interests in respect of, in aggregate, 121,671 Velosi Shares.
- iii. At the close of business on 8 December 2010 (being the latest practicable date prior to the posting of this document), save as disclosed in this document, neither Azul nor any of the directors of Azul nor any persons acting in concert with Azul has or has had an interest in Velosi relevant securities.
- iv. As at close of business on 8 December 2010 (being the latest practical date prior to the posting of this document) neither Azul nor any of the directors of Azul nor any persons acting in concert with Azul had any interests in, right to subscribe for, any short positions, any agreement to sell, any delivery obligation or right to require another person to purchase or take delivery, in each case in respect of Velosi relevant securities, nor had any of the foregoing dealt in Velosi relevant securities since 9 December 2009.
- v. As at 8 December 2010 (being the latest practicable date prior to the date of this document), the Company's broker, Charles Stanley, was interested in 878,592 Velosi Shares, held on behalf of advisory and discretionary clients.

(c) **General**

- i. Since 9 December 2009, no Velosi relevant securities have been redeemed or purchased by Velosi.
- ii. Save for the irrevocable undertakings and letters of intent referred to in paragraph 4 of this Appendix II, neither Azul nor any person acting in concert with Azul for the purposes of the Offer has any arrangement with any person in relation to any relevant securities.

(d) **Definitions**

For the purposes of this **paragraph 3**:

- i. “**Azul relevant securities**” means Azul shares and securities convertible into, or rights to subscribe for, options (including traded options) in respect thereof and derivatives referenced thereto;
- ii. “**associate**” of any company means:
 - (A) its parent companies, subsidiaries and associated companies and companies of which any such companies are associated companies (“**related companies**”);
 - (B) connected advisers and persons controlling, controlled by or under the same control of any such connected advisors;
 - (C) its directors and the directors of any related company (together in each case with their close relatives and related trusts);
 - (D) its pension fund or the pension funds of any related company; and
 - (E) an investment company, unit trust or other person whose investments an associate manages on a discretionary basis, in respect of the relevant investment accounts;
- iv. “**dealing**” means:
 - (A) the acquisition or disposal of securities, or the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to securities, or of general control of securities;
 - (B) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise or variation of an option (including a traded option contract) in respect of any securities;
 - (C) subscribing or agreeing to subscribe for securities;
 - (D) the exercise or conversion, whether in respect of new or existing securities, or any securities carrying conversion or subscription rights;
 - (E) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to securities;
 - (F) entering into, terminating or varying the terms of any agreement to purchase or sell securities; and
 - (G) any other action resulting, or which may result, in an increase or decrease in the number of securities in which a person is interested or in respect of which he has a short position;
- v. “**derivatives**” includes any financial product whose value, in whole or in part, is determined directly by reference to the price of an underlying security;
- vi. a person has an “**interest**” in securities if he has a long economic exposure, whether absolute or conditional, to changes in the price of securities (but not if he only has a short position in such securities) and in particular if:
 - (A) he owns them;
 - (B) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attached to them or has general control of them;
 - (C) by virtue of any agreement to purchase, option or derivative he:
 - (1) has the right or option to acquire them or call for their delivery; or

- (2) is under an obligation to take delivery of them,
whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise or;
- (D) he is the party to any derivative:
- (1) whose value is determined by reference to the price; and
- (2) which results, or may result, in his having a long position in them.
- vii. “**Velosi relevant securities**” means Velosi Shares and securities convertible into, or rights to subscribe for, options (including traded options) in respect thereof and derivatives referenced thereto; and
- viii. “**securities**” means shares and securities convertible into, or rights to subscribe for, shares, options (including traded options) in respect thereof and derivatives referenced thereto.

4. Irrevocable undertakings and letters of intent

As at the close of business on 8 December 2010 (being the latest practicable date prior to the posting of this document) irrevocable undertakings and letters of intent to accept, or to procure acceptance of, the Offer have been given by the following Velosi Directors and their immediate families, related trusts and connected persons and certain other shareholders of Velosi in respect of the following numbers of Velosi Shares in which they are interested:

<i>Name of Shareholder giving irrevocable undertaking or letter of intent to accept or procure acceptance of the Offer</i>	<i>Total number of Velosi Shares in respect of which undertaking or letter of intent is given</i>	<i>Percentage of existing issued ordinary share capital of Velosi</i>	<i>Total number of Velosi options ‘in the money’ in respect of which undertaking or letter of intent is given**</i>	<i>Total number of Ordinary Shares in respect of which undertaking or letter of intent is given on a fully diluted basis</i>	<i>Percentage of Ordinary Shares in respect of which undertaking or letter of intent is given on a fully diluted basis</i>
Velosi Directors*:					
Dr Nabil Abdul Jalil	–	–	855,238	855,238	1.6%
Bunny Nabil	74,148***	0.2%	–	74,148	0.1%
Raptor Worldwide Limited	5,327,465****	11.0%	–	5,327,465	10.0%
Joseph Thomas Vincent	1,646,345*****	3.4%	778,959	2,425,304	4.6%
Pitchuta Jayapipat	27,434	0.1%	–	27,434	0.1%
Dan Ooi Soon Teik	292,234	0.6%	726,399	1,018,633	1.9%
Beatrice Dorall	–	–	135,000	135,000	0.3%
John Anthony Hogan ^{(L)##}	55,555	0.1%	100,556	156,111	0.3%
Marcus John Gregory Stanton ^{(L)###}	33,333	0.1%	95,556	128,889	0.2%
Sub-total	7,456,514	15.4%	2,691,708	10,148,222	19.1%
Other Velosi Shareholders:					
Axzar Investment Limited	8,575,632	17.7%	–	8,575,632	16.1%
Mohamed Ashari bin Abas	2,235,030	4.6%	30,000	2,265,030	4.3%
Dato Mohd Jai bin Suboh	760,975	1.6%	30,000	790,975	1.5%
Chee Peck Kiat ^{*****}	5,187,935 ^{*****}	10.7%	–	5,187,935	9.7%
Ong Thean Huat [#]	1,544,710 [#]	3.2%	–	1,544,710	2.9%
Sub-total	18,304,282	37.8%	60,000	18,364,282	34.5%
Total irrevocable undertakings or letters of intent given to accept or to procure acceptance of the Offer	25,760,796	53.2%	2,751,708	28,512,504	53.6%

^(L) Indicates letter of intent.

* Together with their immediate families, related trusts and connected persons.

** The relevant option holders are not obliged to exercise the options held by them. Alternatively, they may accept the proposals to be made by Azul to option holders, or allow their options to lapse.

- *** Registered in the name of Pershing Nominees Limited (as nominee for Bunny Nabil).
- **** Held on trust for Dr Nabil Abdul Jalil.
- ***** Registered in the name of Rock (Nominees) Limited (as nominee for Joseph Thomas Vincent).
- ***** Registered in the name of Rock (Nominees) Limited (as nominee for Chee Peck Kiat).
- # 177,050 of which are registered in the name of Rock (Nominees) Limited (as nominee for Ong Thean Huat).
- ## Registered in the name of Rock (Nominees) Limited (as nominee for John Anthony Hogan).
- ### Registered in the name of Strand Nominees Limited (as nominee for Marcus John Gregory Stanton).

The undertakings in respect of the Velosi Directors and their immediate families, related trusts and connected persons, and the other Velosi Shareholders listed above will cease to be binding in the event that:

- (a) the Offer is not declared wholly unconditional by Azul by 9 April 2011; or
- (b) the Offer lapses or is withdrawn by Azul without having become wholly unconditional,

and, in each case, the termination of the obligations of those persons giving undertakings have not been waived in writing.

The undertakings remain binding even if a higher offer is made by a third party.

5. Inducement fee arrangements

Pursuant to an agreement dated 8 December 2010, Velosi has agreed to pay an inducement fee, in the sum of £878,000, to Azul upon the occurrence of certain trigger events. Pursuant to the terms of the Inducement Fee Agreement, a fee will become payable by the Company if: (a) a Competing Offer is made by a person other than Azul or any person acting in concert with Azul (a “Third Party”) before the Offer lapses or is withdrawn in accordance with its terms and either: (i) the Velosi Directors recommend such Competing Offer and the Offer subsequently lapses or is withdrawn; or (ii) such Competing Offer becomes or is declared unconditional in all respects; or (b) before the Offer lapses or is withdrawn in accordance with its terms, any of the Independent Directors withdraw or adversely modify their recommendation of the Offer and the Offer subsequently lapses or is withdrawn (save where such withdrawal or modification is as a result of Azul becoming unable or unwilling to complete the Offer in accordance with its terms).

In addition, Velosi has undertaken to Azul pursuant to the terms of the Inducement Fee Agreement that until such time as the Offer is declared wholly unconditional, lapses or is withdrawn (the “Exclusivity Period”) it will not, directly or indirectly, solicit, encourage or seek to procure any interest from a Third Party in relation to a Relevant Transaction or facilitate any discussions or negotiations which relate to or may be expected to lead to a Relevant Transaction. These obligations are subject to the Velosi Directors’ fiduciary and statutory duties to the Company and will not prevent the Velosi Directors from complying with any obligations that they would have under the Code, if the Company was a company to which the Code applied. In addition, Velosi has agreed to notify Azul if an approach is made to it by a Third Party in relation to a Relevant Transaction during the Exclusivity Period.

6. Service contracts of the Velosi Directors

Particulars of all the service contracts or letters of appointment of the Velosi Directors are set out below.

John Anthony Hogan

Pursuant to a letter of appointment dated 15 August 2006 the Company appointed John Hogan as Non-executive Chairman. Mr Hogan receives a director’s fee of £37,000 per annum, plus a fee of £5,000 per annum for chairing one or more committees of the Velosi Board. Mr Hogan’s appointment is terminable on three months’ notice.

The Company has agreed to pay to Mr Hogan the sum of £60,000 as an ex gratia payment as full and final compensation for loss of office. This sum will be payable at such time as the Offer becomes wholly unconditional and Mr Hogan ceases to be a director of the Company.

Dr Nabil Abdul Jalil

Dr Nabil Abdul Jalil is employed as Chief Executive Officer pursuant to the terms of a service agreement with Velosi dated 15 August 2006. Dr Nabil is paid a basic annual salary of £189,000 per annum. His salary is subject to annual review by the remuneration committee. Dr Nabil is entitled to participate in Velosi's discretionary bonus scheme. Dr Nabil is also entitled to membership of a health insurance scheme for himself and his spouse, cover under a death in service and critical illness insurance scheme and use of a company car. Dr Nabil's appointment is terminable by either party on 12 months' notice. Dr Nabil is subject to certain non-competition and non-solicitation covenants for a period of six months following the termination of his employment. Upon termination of his employment by either party, Velosi shall pay Dr Nabil for any relocation costs up to £5,000.

Joseph Thomas Vincent

Joseph Thomas Vincent is employed as Group Commercial Director pursuant to the terms of a service agreement with Velosi dated 15 August 2006. Mr Vincent is paid a basic annual salary of £163,800 per annum plus an annual allowance of £20,000 for the first five years of his employment. His salary is subject to annual review by the remuneration committee. Mr Vincent is entitled to participate in Velosi's discretionary bonus scheme. Mr Vincent is also entitled to membership of a health insurance scheme for himself and his spouse, cover under a death in service and critical illness insurance scheme, fully furnished accommodation, use of a company car and four vacations a year for himself and his spouse up to a total cost of £6,000. Mr Vincent's appointment is terminable by either party on 12 months' notice. Mr Vincent is subject to certain non-competition and non-solicitation covenants for a period of six months following the termination of his employment. Upon termination of his employment by either party, Velosi shall pay Mr Vincent for any relocation costs up to £5,000.

Dan Ooi Soon Teik

Dan Ooi Soon Teik is employed as Group Finance Director pursuant to the terms of a service agreement with Velosi dated 15 August 2006. Mr Ooi is paid a basic annual salary of £145,500 per annum. His salary is subject to annual review by the remuneration committee. Mr Ooi is entitled to participate in Velosi's discretionary bonus scheme. Mr Ooi is also entitled to membership of a health insurance scheme for himself and his spouse, cover under a death in service and critical illness insurance scheme and a car allowance of MYR5,000 per month. Mr Ooi's appointment is terminable by either party on six months' notice. Mr Ooi is subject to certain non-competition and non-solicitation covenants for a period of six months following the termination of his employment. Upon termination of his employment by either party, Velosi shall pay Mr Ooi for any relocation costs up to £5,000.

Marcus John Gregory Stanton

Pursuant to a letter of appointment dated 15 August 2006 the Company appointed Marcus John Gregory Stanton as a Non-executive Director. Mr Stanton receives a director's fee of £32,200 per annum plus a fee of £5,000 per annum for chairing one or more committees of the Velosi Board. Mr Stanton's appointment is terminable on three months' notice.

The Company has agreed to pay to Mr Stanton the sum of £59,000 as full and final compensation for loss of office. This sum will be payable at such time as the Offer becomes wholly unconditional and Mr Stanton ceases to be a director of the Company.

7. Market quotations

The following table shows the Closing Price for Velosi Shares for the first dealing day in each of the twelve months immediately prior to the date of this document, and for 8 December 2010 (being the last practicable date prior to the posting of this document):

<i>Date</i>	<i>Velosi Share price (pence)</i>
1 December 2009	87.50
4 January 2010	83.50
1 February 2010	91.50
1 March 2010	92.00
1 April 2010	107.50
4 May 2010	116.00
1 June 2010	105.50
1 July 2010	108.50
2 August 2010	117.50
1 September 2010	110.00
1 October 2010	106.00
1 November 2010	107.50
1 December 2010	105.00
8 December 2010	102.25

8. Financing arrangements

- (a) The cash consideration payable under the Offer to the Velosi Shareholders will be financed from, inter alia, funds directly or indirectly available to Azul, which have been underwritten by CEP II Fund and CEP III Fund, being entities doing business as The Carlyle Group.

Following full acceptance of the Offer and payment of the cash consideration to the Velosi Shareholders, the Applus Group will consider whether a restructuring should be undertaken, which may result in Velosi becoming a subsidiary of Applus. The terms of such restructuring are likely to require security to be given over, among other things, the share capital of entities within the Enlarged Group.

- (b) Execution Noble is satisfied that the necessary financial resources are available to Azul to enable it to satisfy in full the consideration payable to the Velosi Shareholders by Azul under the terms of the Offer.

9. Other information

- (a) Save as disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Azul or any party acting in concert with Azul for the purposes of the Offer and any of the Velosi Directors, recent directors of Velosi, Velosi Shareholders or recent shareholders of Velosi or any person interested or recently interested in Velosi Shares, having any connection with, or dependence on, or which is conditional on, the outcome of the Offer.
- (b) Execution Noble, which is authorised and regulated in the United Kingdom by the FSA, has given and not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- (c) Robert W. Baird, which is authorised and regulated in the United Kingdom by the FSA, has given and not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.
- (d) Strand Hanson, which is authorised and regulated in the United Kingdom by the FSA, has given and not withdrawn its written consent to the issue of this document with the inclusion herein of the references to its name in the form and context in which it appears.

- (e) Save as disclosed in this document, no proposal exists in connection with the Offer for any payment or other benefit to be made or given to any Velosi Director as compensation for loss of office or as consideration for, or in connection with, his retirement from office (other than as would be due under their existing service contract).
- (f) This document has been approved by Execution Noble solely for the purposes of section 21 of the Financial Services and Markets Act 2000.
- (g) Neither Azul nor any member of the Applus Group has entered into any agreement, arrangement or understanding to transfer any Velosi shares acquired pursuant to the Offer to any other person.

10. Bases and sources

- (a) Unless otherwise stated, the financial information relating to Applus has been extracted or derived (without any adjustment) from Applus's audited accounts for the year ended 31 December 2009.
- (b) Unless otherwise stated, the financial information relating to Velosi has been extracted or derived (without any adjustment) from the latest published audited report and accounts of Velosi for the year ended 31 December 2009 and the unaudited interim accounts of Velosi for the six month period ended 30 June 2010.
- (c) The value attributed to the entire issued and to be issued share capital of Velosi is based upon 48,384,548 Ordinary Shares in issue and 4,838,208 "in the money" options as at the close of business on 8 December 2010.
- (d) All prices for Velosi Shares have been derived from the Daily Official List and represent the Closing Price on the relevant date.
- (e) All the times referred to in this document are London times, unless otherwise stated.

11. Documents available for inspection

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of DLA Piper UK LLP, 3 Noble Street, London, EC2V 7EE while the Offer remains open for acceptance:

- (a) the service contracts and letters of appointment of the Velosi Directors referred to in paragraph 6 of this Appendix II;
- (b) the irrevocable undertakings and letters of intent to accept the Offer referred to in paragraph 4 of this Appendix II;
- (c) the Inducement Fee Agreement referred to in paragraph 5 of this Appendix II;
- (d) the letters of consent referred to in paragraphs 9(b), (c) and (d) of this Appendix II;
- (e) this document and the Form of Acceptance;
- (f) the memorandum and articles of association of Velosi;
- (g) the constitutional documents of Azul;
- (h) the published audited report and accounts of Velosi for the two financial years ended 31 December 2008 and 31 December 2009; and
- (i) the unaudited interim accounts of Velosi for the six month period ended 30 June 2010.

9 December 2010

Appendix III

Definitions

The following definitions apply throughout this document, unless the context requires otherwise:

Act	the UK Companies Act 2006;
acting in concert	has the meaning that would be given to that expression pursuant to the Code if Velosi was a company to which the Code applied;
AIM	the AIM market, a market operated by the London Stock Exchange;
Announcement	the announcement of the Offer issued by Azul through a Regulatory Information Service on the date of this document;
Applus	Applus Technologies Holding S.L., a company incorporated in Spain with registration number B61122933 and having its registered office at Campus UAB Carretera acceso a la Facultad de Medicina s/n, 08193, Bellaterra, Barcelona, Spain;
Applus Group	Azul Holding and its subsidiary undertakings from time to time including Applus and Azul;
associate	as defined on page 44 of Appendix II of this document;
Australia	the Commonwealth of Australia, its states, territories and possessions;
Azul	means Azul Holding 2 S.à r.l., a company incorporated in Luxembourg with registration number B157045 and having its registered office at 2, Avenue Charles de Gaulle, L-1653 Luxembourg, Grand Duchy of Luxembourg;
Azul Holding	Azul Holding S.C.A., a company incorporated in Luxembourg with registration number B131319 and having its registered office at 2, Avenue Charles de Gaulle, L-1653 Luxembourg, Grand Duchy of Luxembourg;
Business Day	a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business;
Canada	Canada, its provinces, territories and all areas subject to its jurisdiction and any political sub-division thereof;
CEP II Fund	CEP II Managing GP Holdings, Ltd. on behalf of CEP II Managing GP, L.P. and Carlyle Europe Partners II, L.P.;
CEP III Fund	CEP III Managing GP Holdings, Ltd. on behalf of CEP III Managing GP, L.P. and Carlyle Europe Partners III, L.P.;
certificated or in certificated form	the description of a share or other security which is not in uncertificated form (that is, not in CREST);
Channel Islands	the islands of Jersey, Guernsey, Alderney and Sark;
Circular	the circular of the Company dated the same date as this document relating to certain amendments proposed to be made to the Velosi Option Schemes;

City Code or Code or Takeover Code	the City Code on Takeovers and Mergers;
Closing Price	the closing middle market quotation of a Velosi Share on the date concerned as derived from the AIM Appendix to the Daily Official List;
Companies (Jersey) Law	Companies (Jersey) Law 1991 (as amended or re-enacted);
Competing Offer	(i) an offer for a majority of the issued and to be issued share capital of Velosi by a person other than (a) Azul; and (b) any person acting in concert with Azul (a “Third Party”); (ii) a scheme of arrangement between the Company and some or all of its members where the effect would be to vest a majority of the issued and to be issued share capital of Velosi in a Third Party; and (iii) a transaction which involves the transfer to a Third Party of the whole or substantially the whole of the business and/or assets of the Company or the Velosi Group;
Computershare	Computershare Investor Services PLC, Corporate Actions Projects, the Receiving Agents;
Conditions	the conditions to the Offer, as set out in Appendix I to this document;
connected person	has the meaning given to it in section 252 of the Act;
CREST	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended;
Daily Official List	the Daily Official List published by the London Stock Exchange;
Disclosed	(i) disclosed in the annual report and accounts of Velosi for the financial year ended 31 December 2009, (ii) disclosed in the interim results of Velosi for the six months ended 30 June 2010, (iii) publicly announced by Velosi (by the delivery of an announcement to a Regulatory Information Service) prior to 9 December 2010, (iv) disclosed in this document or (v) otherwise fairly disclosed by or on behalf of Velosi, to the Applus Group or its advisers, prior to 9 December 2010 in the context of the Offer;
EBITDA	earnings before interest, taxes, depreciation and amortisation;
Electronic Acceptance	the inputting and settling of a TTE Instruction which constitutes or is deemed to constitute an acceptance of the Offer;
Electronic Acceptance Shares	has the meaning ascribed to it in paragraph 4 of Part D of Appendix I;
Enlarged Group	the combined Applus Group and Velosi Group from the date at which the Offer becomes or is declared wholly unconditional;
Escrow Agent	the Receiving Agent (in its capacity as CREST participant under ID: RA63);
Euroclear	Euroclear UK & Ireland Limited (formerly known as CRESTCo Limited);

ESA Instruction	an escrow account adjustment input (AESN), transaction type “ESA” (as described in the CREST manual);
Execution Noble	Execution Noble & Company Limited, which is authorised and regulated in the United Kingdom by the FSA and has its registered address at 76 George Street, Edinburgh, EH2 3BU;
Expert	has the meaning ascribed to it in paragraph 5 of Part A of Appendix I;
Form of Acceptance	the form of acceptance and authority relating to the Offer which (where appropriate) will accompany this document when issued;
FSA	the UK Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the UK Financial Services and the Markets Act 2000;
Incentive Arrangements	the proposed arrangements described in paragraph 7 of Part I of this document;
Independent Directors	each of John Anthony Hogan and Marcus John Gregory Stanton, each a Velosi Director and also independent in relation to the Offer;
Inducement Fee Agreement	an agreement entered into by Velosi and Azul on 8 December 2010, as more particularly described in paragraph 5 of Appendix II of this document;
Japan	Japan, its cities, prefectures, territories and possessions, and all other areas subject to its jurisdiction and any political sub-division thereof;
London Stock Exchange	London Stock Exchange plc;
Luxembourg	the Grand Duchy of Luxembourg;
Management Team	each of Dr Nabil Abdul Jalil, Joseph Thomas Vincent and Dan Ooi Soon Teik;
Material	means likely to lead to: (i) a diminution in the value of the assets of the Velosi Group of at least \$13,345,675; (ii) a diminution in the EBITDA of Velosi of at least \$3,097,500; or (iii) an increase in liabilities of the Velosi Group of at least \$13,345,675 save in circumstances affecting the industry in which the Velosi Group operates, the economy or markets generally;
MYR	Malaysian Ringgit, the lawful currency of Malaysia;
Offer	the recommended cash offer made on the date of this document by Applus at the Offer Price for the entire issued and to be issued ordinary share capital of Velosi on the terms and subject to the conditions set out in this document and (in respect of certificated Velosi Shares) the Form of Acceptance and, where the context so requires, any subsequent revision, variation, extension or renewal thereof;
Offer Period	shall have the meaning given to it in paragraph 5.3 of Part B of Appendix I to this document;
Offer Price	165 pence in cash per Velosi Share;
Ordinary Shares	ordinary shares of \$0.02 each in the capital of Velosi;

Overseas Shareholders	any person (including an individual, partnership, unincorporated syndicate, limited liability company, unincorporated organisation, trust, trustee, executor, administrator or other legal representative) in, or resident in, any Restricted Jurisdiction;
Panel	the Panel on Takeovers and Mergers;
pence or £	the lawful currency of the United Kingdom;
Receiving Agent	Computershare Investor Services PLC;
Regulatory Information Service	one of the regulatory information services authorised by the FSA to receive, process and disseminate regulatory information from listed companies;
Relevant Authority	a government or governmental, quasi-governmental, supranational, statutory or regulatory body, court, authority (including any national anti-trust or merger control authority) or any investigative body;
Relevant Transaction	(i) an offer for more than 10 per cent. of the issued and to be issued share capital of Velosi; (ii) a scheme of arrangement between the Company and some or all of its members the effect of which would be to vest more than 10 per cent. of the issued and to be issued share capital of Velosi in a third party; or (iii) a transaction whereby a third party seeks to acquire all or a material part of the businesses and assets of the Velosi Group taken as a whole;
Restricted Jurisdiction	the United States, Canada, Australia and Japan;
Robert W. Baird	Robert W. Baird Limited, which is authorised and regulated in the United Kingdom by the FSA whose registered address is Mint House, 77 Mansell Street, London E1 8AF;
Strand Hanson	Strand Hanson Limited, which is authorised and regulated in the United Kingdom by the FSA whose registered address is 26 Mount Row, London W1K 3SQ;
TFE Instruction	a transfer from escrow instruction (as described in the CREST Manual issued by Euroclear);
The Carlyle Group	TC Group, L.L.C. together with its affiliates, collectively known as The Carlyle Group;
TTE Instruction	a transfer to escrow instruction (as defined in the CREST Manual issued by Euroclear);
uncertificated or in uncertificated form	recorded on the register of Velosi Shares as being held in uncertificated form in CREST, entitlement to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland and its dependent territories;
United States, USA or US	the United States of America, its territories and or possessions, any state of the United States and the District of Columbia;

Velosi or the Company	Velosi Limited, a company incorporated and registered in Jersey with registered number 92978 and having its registered office at Walker House, PO Box 72, 28-34 Hill Street, St. Helier, Jersey JE4 5TF Channel Islands;
Velosi Directors or Board	the Directors of Velosi, being John Hogan, Dr Nabil Abdul Jalil, Joseph Vincent, Ooi Soon Teik and Marcus Stanton;
Velosi Fully Diluted Share Capital	53,222,756 Ordinary Shares, which, as on 8 December 2010, the latest practicable date prior to the posting of this document, comprised 48,384,548 Ordinary Shares and 4,838,208 options;
Velosi Group	Velosi and its subsidiary undertakings from time to time;
Velosi Option Schemes	the contracted persons share option plan adopted by the Company on or around 21 August 2006 and the employee share option plan adopted by the Company on or around 21 August 2006;
Velosi Share(s) or Velosi relevant securities or shares	the issued and fully paid ordinary shares of \$0.02 each in the capital of Velosi;
Velosi Shareholders or Shareholders	the holders of Velosi Shares;
\$	the lawful currency of the United States.

In this document, the singular includes the plural and vice versa, unless the context otherwise requires.