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If you have sold or otherwise transferred all of your Ordinary Shares please forward this Document and the accompanying Form of Proxy at once to the purchaser or transferee or to the stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. If you have sold or transferred only part of your holding in Ordinary Shares you should retain this Document and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

The Directors, whose names appear on page 6 of this Document, accept responsibility for all the information contained herein. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The distribution of this Document in jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

**This Document should be read as a whole. Your attention, in particular, is drawn to Part II of this Document which sets out and describes certain risk factors that you should consider carefully when deciding whether or not to vote in favour of the Resolutions proposed at the General Meeting.**

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## **ASIA DIGITAL HOLDINGS PLC (to be renamed: Vela Technologies Plc)**

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 03904195)

### **Company Voluntary Arrangement Adoption of Investing Policy Board Appointments Change of Name Notice of General Meeting**

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Your attention is drawn to the letter from the Directors of the Company, which is set out in Part I of this Document, recommending you vote in favour of the Resolutions to be proposed at the General Meeting.

**Notice of a General Meeting to be held at 11.30 a.m. at the offices of Duff & Phelps Ltd, 43-45 Portman Square, London, W1H 6LY on 14 January 2013 is set out at the end of this Document. A Form of Proxy for holders of Ordinary Shares for use at the General Meeting accompanies this Document and, to be valid, must be completed and returned to Peterhouse Corporate Finance Limited at, 31 Lombard Street, London, EC3V 9BQ, as soon as possible but in any event received not later than 11.30 a.m. on 12 January 2013 or 48 hours before any adjourned meeting.**

**A summary of the action to be taken by Shareholders is set out on page 13 of this Document and in the General Meeting Notice. Completion and return of the Form of Proxy will not prevent you from attending and voting in person at the General Meeting.**

## **IMPORTANT INFORMATION**

### **Forward looking statements**

Certain statements in this Document constitute “forward looking statements”. Forward looking statements include statements concerning the plans, objectives, goals, strategies and future operations and performance of the Company and the assumptions underlying these forward looking statements. The Company uses the words “anticipates”, “estimates”, “expects”, “believes”, “intends”, “plans”, “may”, “will”, “should”, “could” and any similar expressions to identify forward looking statements. Such forward looking statements involve known and unknown risks, uncertainties and other important factors that could cause the Company’s actual results, performances or achievements to be materially different from any future results, performances or achievements expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future. These forward looking statements speak only as at the date of this Document. The Company is not obliged, and does not intend, to update or to revise any forward looking statements, whether as a result of new information, future events or otherwise except to the extent required by any applicable law or regulation. All subsequent written or oral forward looking statements attributable to the Company, or persons acting on behalf of the Company, are expressly qualified in their entirety by the cautionary statements contained throughout this Document. As a result of these risks, uncertainties and assumptions, a prospective investor should not place undue reliance on these forward looking statements.

### **Financial data**

Certain figures contained in this Document, including financial, statistical and operating information, have been subject to rounding adjustments. Accordingly, in certain circumstances, the sum of the numbers in a column or row in a table contained in this Document may not conform exactly to the total figure given for that column or row.

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### EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Despatch of this Document	21 December 2012
Latest time and date for receipt of Forms of Proxy	11.30 a.m. on 12 January 2013
Creditors' meeting to approve CVA	10.30 a.m. on 14 January 2013
General Meeting	11.30 a.m. on 14 January 2013

#### Notes

1. References to time in this Document are to London time unless otherwise stated.
2. If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement on an RNS.
3. All events in the above timetable following the General Meeting are conditional upon approval by the Shareholders of the Resolutions.

### ISSUE STATISTICS AND SHARE CAPITAL

Existing Ordinary Shares	7,679,309
Gross proceeds of the Placing	£337,000
Shares issuable to the Placees	67,400,000
Enlarged Share Capital (on Completion of the CVA and the Placing)	75,079,309
Number of warrants and options in issue immediately following the Placing	2,833,946
Fully diluted enlarged share capital	77,913,255

## DEFINITIONS

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

“Act”	the Companies Act 2006 as amended including the regulations made under the Act;
“AIM”	the market of that name operated by the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies, incorporating guidance notes, published by the London Stock Exchange governing, inter alia, admission to AIM and the continuing obligations of companies admitted to trading on AIM, as amended or reissued from time to time;
“Articles”	the articles of association of the Company;
“Board Appointments”	the appointments of the Proposed Directors;
“Change of Name”	the change of name of the Company to Vela Technologies Plc;
“Company”, “Asia Digital” and “ADH”	Asia Digital Holdings Plc (incorporated and registered in England and Wales with registered number 03904195) whose registered office is at 19 Cavendish Square, London, W1A 2AW;
“Completion”	completion of the Proposals;
“Creditors”	existing creditors of the Company, including those creditors of other members of the Group that are to be treated as creditors of the Company under the terms of the CVA;
“Creditors’ Meeting”	the meeting of creditors to be convened at 10:30 a.m. on 14 January 2013 pursuant to the CVA;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 01/3755), as amended;
“CREST”	the relevant system (as defined in the CREST Regulations) for the paperless settlement of share transfers and the holding of shares in uncertificated form operated by Euroclear;
“CVA”	the proposed company voluntary arrangement of the Company as further described in this document;
“Directors” or the “Board”	the directors of the Company whose names are set out on page 6 of this Document;
“Document” or “Circular”	this document, being a circular to Shareholders and accompanying General Meeting Notice;
“Enlarged Ordinary Share Capital”	the issued ordinary share capital of the Company consisting of the new Ordinary Shares in issue following those issued to the Placees under the Placing;
“Euroclear”	Euroclear UK & Ireland Limited, a company incorporated in England and Wales and the operator of CREST;
“Form of Proxy”	the form of proxy accompanying this Document for use by the Shareholders in relation to the General Meeting;
“General Meeting Notice”	the notice convening the General Meeting which is set out at the end of

	this Document;
“General Meeting”	the general meeting of the Company, convened by the General Meeting Notice, to be held at 11.30 a.m. at the office of Duff & Phelps Ltd, 43-45 Portman Square, London, W1H 6LY, on 14 January 2013, or any adjournment of that meeting, which is being held to consider the Resolutions;
“Group”	the Company and its subsidiaries as at the date of this Document;
“High Court”	the High Court of Justice in England and Wales;
Independent Directors	David Lees and Keith Lassman
“Investing Company”	the meaning given in the glossary to the AIM Rules;
“Investing Policy”	the proposed investing policy of the Company, to be pursued by the Company following Completion, further details of which are set out in paragraph [●] of Part I of this Document;
“Last Practicable Date”	20 December 2012, being the last practicable date prior to the publication of this Document;
“London Stock Exchange”	London Stock Exchange plc;
“Ordinary Shares”	the existing ordinary shares of £0.001 (or 0.1 pence) each in the capital of the Company;
“Peterhouse” or “PCF”	Peterhouse Corporate Finance Limited, the Company’s AIM broker;
“Placees”	investors subscribing for the Placing Shares;
“Placing”	as defined on page 8 of this Circular;
“Placing Price”	£0.005 (or 0.5 pence each) per new Ordinary Share;
“Placing Shares”	67,400,000 new Ordinary Shares issued at the Placing Price to the Placees;
“Proposed Directors”	Nigel Brent Fitzpatrick and a further Executive Director who will be announced prior to the General Meeting and will join the Board following completion and subject to all the Resolutions being passed;
“Proposals”	together the CVA, the Disposal, the Change of Name, the adoption of the Investing Policy as set in this Document, the Placing and the Board Appointments;
“Resolutions”	the resolutions set out in the General Meeting Notice;
“RIS”	Regulatory Information Service;
“Shareholders”	holders of the entire issued ordinary share capital in the Company;
“Shareholders’ CVA Meeting”	a meeting of the Shareholders, called pursuant to section 3 of the Insolvency Act 1986 (as amended) to consider the CVA to be convened immediately following the Creditors’ Meeting on 14 January 2013
“Sterling” or “£”	the lawful currency of the UK;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland.

**PART I**

**LETTER FROM THE DIRECTORS**

**ASIA DIGITAL HOLDINGS PLC**

(Incorporated and registered in the England and Wales under the Companies Act 1985 with registered number 03904195)

**Directors:**

David Lees (Non-Executive Chairman)  
Adrian Moss (Chief executive Officer)  
Keith Lassman (Non-Executive Director)

**Registered Office:**

19 Cavendish Square  
London  
W1A 2AW

21 December 2012

*To the holders of Ordinary Shares and for information only to the holders of Options*

Dear Shareholder,

**Company Voluntary Arrangement  
Adoption of Investing Policy  
Board Appointments  
Change of Name  
Notice of General Meeting**

**1. Introduction**

The Company announced today that it proposes to enter the Company into a CVA, change its name to Vela Technologies Plc, issue the Placing Shares, appoint Nigel Brent Fitzpatrick to the Board and adopt a new Investing Policy pursuant to Rule 15 of the AIM Rules. Further details of the Investing Policy are set out in paragraph 6 below.

Consequently, the Company is issuing this Circular to Shareholders setting out the background to and the reasons for the Proposals and where appropriate seeking Shareholders' approval. A notice convening a General Meeting for 11:30 a.m. on 14 January 2013 at the offices of Duff & Phelps Ltd, 43-45 Portman Square, London, W1H 6LY, to consider the Resolutions, is accordingly set out at the end of this Circular.

Peterhouse has placed 67,400,000 new Ordinary Shares in the Company at a price of 0.5 pence raising £337,000 (the "Placing"). The Placing is conditional on the approval of the CVA and the Resolutions. The new Ordinary Shares issued as part of the Placing will represent 89.77% of the Enlarged Ordinary Share Capital of the Company.

The proceeds of the Placing will be used to fund approximately £99,189 payment due to creditors, including the Directors of the Company, and to provide the Company with additional capital to allow it to fulfil its investing policy, further details of which are set out below.

It is proposed that, should the Proposals be approved, David Lees, Adrian Moss and Keith Lassman will resign as Directors with immediate effect following the conclusion of the General Meeting and the Proposed Directors will join the Board in their place.

For the purposes of section 656 of the Act, the Company has suffered a serious loss of capital. This Circular contains the proposals of the Directors to deal with the serious loss of capital and the consequences for the Company.

## **2. Background to and reasons for the Disposal and the CVA**

As announced on the 3 May 2012, following a strategic review, initiated in December last year, and in view of continued working capital difficulties faced by the Group, the Board has resolved that it would be in the best interests of shareholders to close the ADH Group business and, to this end, to dispose of the Company's two main operating subsidiaries, DGM India and DGM Singapore and effect the closure of ADH China. On the 4 July 2012 the Company completed the disposal process.

In the absence of the required funding to finance the growth of the Group's operations, the Board considered the options available and concluded that the sale of its more established operations in India and Singapore along with the closure of ADH's Chinese operation, ADH China. This would enable ADH to become an Investing Company and as a result ADH would be able to identify and, subject to additional funding, pursue acquisitions with the potential to generate a return for shareholders that would not otherwise be the case.

The board has received several financing proposals and on 20 December 2012 the Company entered into a subscription agreement with a Financial Services Authority regulated broker on behalf of their clients via Peterhouse Corporate Finance, which raised £337,000 conditional on:

- the CVA being approved by creditors and shareholders;
- the Resolutions being approved at the General Meeting to be held on 14 January 2013; and
- the lifting of the suspension of the Company's shares to trading on AIM.

The Company is proposing to enter into the CVA with its Creditors, the terms of which are set out in paragraph 3 below. If the CVA is approved by Shareholders and Creditors, and the Resolutions by Shareholders, the Company's indebtedness and liabilities will be eliminated and the Company will have the necessary solvency to continue to trade as an Investing Company on AIM.

A CVA, if agreed, will allow the Company to avoid liquidation and to remain in existence. This will provide the Proposed Directors an opportunity to reposition the Company into an Investing Company, pursuant to the AIM Rules with a new Investing Policy.

If the CVA is not approved, the Directors believe that the only alternative would be for the Company to be placed into liquidation.

## **3. Terms of the CVA**

Under the proposed terms of the CVA, the Creditors will, in aggregate, be offered a total of £99,189, which will be divided on a pro rata basis among the Creditors who make a valid claim as soon as possible and within twelve months of the date of the CVA being approved. The amount owed to Creditors currently stands at approximately £520,197, which means that Creditors should receive approximately 17.7 pence for every £1 of debt. However, this is not guaranteed. It is expected that the CVA will be approved at meetings to be held at 10:30 a.m. on 14 January 2013.

For the avoidance of doubt, Shareholders will retain their Ordinary Shares in the Company and the CVA would not result in any distribution being made to the Shareholders of the Company in their capacity as Shareholders.

The Directors have requested that Paul David Williams of Duff & Phelps Ltd, 43-45 Portman Square, London, W1H 6LY acts as Nominee in respect of the proposal of the Directors for the CVA. Paul David Williams has provided his consent to act and his Nominee's Report will be filed at Court as required.

In accordance with Section 246B of the Insolvency Act and Rule 12.A.12 of the Insolvency Rules 1986, as amended, notice is given that a copy of the Directors' proposal incorporating the Nominee's Report will be available for download from the following website as of 21 December:

URL: <http://www.duffandphelps.com/uk-restructuring/creditor-guides>

The report can be found under “Creditor Guides and Insolvency Appointments” and is titled “Asia Digital Holdings PLC – CVA Proposals”. This document will be available at the above address for not less than three months from the date of this letter.

Should any Shareholder wish to receive a paper copy of the proposal please contact Neil Dyer of Duff & Phelps Ltd on +44 (0)20 7563 9433 , or email [neil.dyer@duffandphelps.com](mailto:neil.dyer@duffandphelps.com), or write to the above noted address.

Notices of the Creditors’ Meeting and Shareholder CVA Meeting, to be held on 14 January 2013, and a Form of Proxy enabling you to vote at the meetings may be found in the proposal document. Following completion of the Forms of Proxy these should be returned to Duff and Phelps Ltd at, 43-45 Portman Square, W1H 6LY, to be received by no later than 10:30 a.m. on 11 January 2013. Forms can also be returned by way of email to the above noted email address 2013.

Copies of the circular to Creditors containing information on the proposed CVA and accompanying statutory information on the Company including a statement of affairs of the Company as at 21 December 2012 can be downloaded from the website provided above.

Resolution 1 seeks Shareholder approval to the CVA. Due to their interests as creditors of the Company in the outcome of the CVA (as set out below), the Directors will abstain from voting on this Resolution.

#### **4. The Placing**

PCF has placed 67,400,000 new Ordinary Shares at a price of 0.5 pence raising £337,000 before expenses. The Placing is conditional on approval of the Resolutions and the approval of the CVA at meetings of the Creditors and Shareholders. In addition, the Placing is conditional on the lifting of the suspension of the Company’s shares to trading on AIM. The net proceeds of the Placing are estimated at approximately £280,000. The proceeds of the Placing will be used to allow the Company to pay out Creditors and fulfil its Investing Policy, further details of which are set out in paragraph 7.

Conditional on the Proposals being approved by Shareholders at the General Meeting, the Company has agreed to issue Peterhouse Corporate Finance Limited a warrant which is exercisable over 3 per cent. of the Company’s issued share capital from time to time. This Warrant will be exercisable at the Conversion Price until 3 December 2015.

Adrian Moss and Spratt Ebako, employees of the Company, have agreed to subscribe to 7,400,000 new Ordinary shares amounting to £37,000 at the Placing Price. As a result, Adrian Moss will hold 5,995,238 Ordinary Shares representing 7.98% of the Enlarged Ordinary Share Capital and Spratt Ebako will hold 2,400,000 Ordinary Shares representing 3.19% of the Enlarged Ordinary Share Capital. In addition to the conditions relating to the passing of the Resolutions at the GM, the subscription by Adrian Moss and Spratt Ebako is dependent on the receipt of funds by Creditors as part of the CVA. As such settlement of the 7,400,000 Ordinary Shares will be delayed until completion of the CVA. Once the funds from Adrian Moss and Spratt Ebako have been received by the Company, the Company will make an additional announcement regarding the issue of these shares and their date of admission to AIM.

The participation of Adrian Moss in the Placing is deemed a related party transaction for the purposes of the AIM Rules. As a result, the Independent Directors consider, having consulted with the Company’s nominated adviser, that the terms of the Placing are fair and reasonable insofar as its shareholders are concerned.

Following completion of the Placing, the Placees will, in aggregate, hold approximately 89.77% of the Enlarged Ordinary Share Capital of the Company.

**Shareholders should be aware that the Placing is conditional upon the passing of all of the Resolutions and the approval of the CVA. If the CVA is not approved or any of the Resolutions are not passed then the Placing will not proceed and the Company will have to consider commencing liquidation proceedings.**



## **5. Lock-in**

Adrian Moss has entered into an agreement with Peterhouse and the Company pursuant to which he has undertaken that he will not dispose of any interest in the Ordinary Shares subscribed for as part of the Placing, as described in paragraph 4 above, for a period of 3 months from the conclusion of the GM.

## **6. Proposed Investing Policy**

The Company's Investing Policy set out below, is subject to Shareholder approval and will be proposed as Resolution 2 at the General Meeting:

On Completion, the Company will have disposed of or wound up all of its trading businesses and therefore, under Rule 15 of the AIM Rules, it will be re-classified as an Investing Company and will be required to adopt an Investing Policy, which must also be approved by Shareholders.

The Continuing Directors believe that as a result of the recent global financial crisis, and the ongoing period of financial austerity, companies, and therefore the world economy, have become increasingly reliant on emergent technologies, hi-tech engineering and scientific advances to drive growth. These technologies are applicable across a wide range of sectors including anything from Oil & Gas E&P, internet based business to Aviation. The Continuing Directors believe that an opportunity exists to acquire and consolidate holdings in Small and Medium sized Enterprises (SME's) operating in these sectors, with the intention of creating value for Shareholders. Initially, the Company's focus will be searching for companies which are based in the UK or Europe where there may be a number of opportunities to acquire interests in undervalued or pre-commercialisation technologies which when applied produce cost savings or revenue enhancement for customers. Early acquisition of these innovative technologies should provide maximum returns for Shareholders.

It is planned that the Company will have its head offices based in London with the UK being at the forefront of global technology, engineering and scientific advances. The Company intends the main focus of the investment policy to be on the implementation of solutions to enhance businesses' profitability, as well as to aid growth in new markets. This will include both pre-commercialisation and established commercial technologies. The Continuing Directors will however ensure that any investments meet strict due diligence criteria and the primary focus will be on companies post viability testing phase, to mitigate risk associated with early stage investment. This will not preclude the Company from considering investments in suitable projects in other regions and sectors where the Continuing Directors believe that there are high-growth opportunities.

The Company's proposed name, Vela Technologies Plc, represents the Company's proposed technology-centric focus and reflects the different sectors which the Company wishes to explore.

The Continuing Directors see technology as having considerable growth potential for the foreseeable future and many of the prospects they have identified are in this sector. The Continuing Directors will focus on early stage investments and believe that any investment target will have at least one of four key components: a strong management team; an innovative product proposal; revenue enhancing or cost saving capabilities; and high growth potential.

It is anticipated that the main driver of success for the Company will be its focus, during the investment screening process, on the management involved in the potential investee companies and the potential value creation that the team of people is capable of realising. The Company intends to be an active investor. Accordingly, where the Continuing Directors feel that an investee company would benefit from their skills and expertise, they may look to seek representation on the board of the investee company.

In the first instance, the new capital available to the Company will be used to locate, evaluate and select the investment opportunities which would offer the greatest potential return for Shareholders in the long term. Once the Continuing Directors have identified the most attractive investments, the Company may require further funds in order to take up these opportunities. It is the intention of the Continuing Directors to undertake further fundraising, if such an opportunity should arise. The

Company does not currently intend to fund any investments with debt or other borrowings but may do so if appropriate. Investments may be made in all types of assets falling within the remit of the Investing Policy and there will be no investment restrictions.

The Continuing Directors may consider it appropriate to take an equity interest in any proposed investment which may range from a minority position to 100 per cent. ownership. Proposed investments may be made in either quoted or unquoted companies and structured as a direct acquisition, joint venture or as a direct interest in a project.

The Company will seek investment opportunities which can be developed through the investment of capital or where part of or all of the consideration could be satisfied by the issue of new Ordinary Shares or other securities in the Company. The opportunities would generally have some or all of the following characteristics, namely:

- a majority of their revenue or expected revenues derived from technology, hi-tech engineering or scientific advances and strongly positioned to benefit from the sector's growth;
- a trading history which reflects past profitability or potential for significant capital growth going forward; and
- where all or part of the consideration could be satisfied by the issuance of new Ordinary Shares or other securities in the Company.

The Continuing Directors believe that their collective business experience in the areas of investment will assist them in the identification and evaluation of suitable opportunities and will enable the Company to achieve its investing objectives.

New investments will be held for the medium to longer term, although shorter term disposal of any investments cannot be ruled out. There will be no limit on the number of projects into which the Company may invest and the Company's financial resources may be invested in a number of propositions or in just one investment, which may be deemed to be a reverse takeover pursuant to Rule 14 of the AIM Rules. Where the Company builds a portfolio of related assets it is possible that there may be cross-holdings between such assets.

The Continuing Directors believe that the status of the Company as an Investing Company will enable it to fund investments or acquisitions using a mixture of cash, equity and/or debt and intend to actively monitor these investments.

The Company will identify and assess potential investment targets and where it believes further investigation is required, intends to appoint appropriately qualified advisers to assist. The Company will not have a separate investment manager.

The Company intends to deliver Shareholder returns principally through capital growth rather than capital distribution via dividends.

The Directors confirm that, as required by the AIM Rules, they will at each annual general meeting of the Company seek Shareholder approval of its Investing Policy.

Following on from adopting an Investing Policy, the Company will be required to make an acquisition or acquisitions which constitute a reverse takeover under the AIM Rules or otherwise implement its Investing Policy within 12 months of the General Meeting, failing which the Ordinary Shares would then be suspended from trading on AIM. If the Investing Policy has not been implemented within 18 months of the General Meeting the admission to trading on AIM of the Ordinary Shares would be cancelled and the Directors will convene a general meeting of the Shareholders to consider whether to continue seeking investment opportunities or to wind up the Company and distribute any surplus cash back to Shareholders.

The adoption of the Investing Policy will provide the Continuing Directors with the flexibility to actively seek out and acquire new investment opportunities, which the Continuing Directors believe, with the injection of cash from the granting of the Loan Notes, the elimination of Creditors through the CVA

and the Company's management expertise, has the potential to create significant value for Shareholders.

## 7. Future Dividends Policy

The initial focus of the Company will be the achievement of capital growth for Shareholders and therefore the Company will only consider the payment of dividends as and when it is appropriate to do so. As such, it is not possible at this stage to give an indication of the likely level or timing of any future dividends. To the extent that any dividends are paid they will be paid in accordance with any applicable laws and the regulations to which the Company is subject. The amount of the dividends paid to Shareholders will fluctuate according to the levels of profits earned by the Company and will be dependent on sufficient distributable reserves being available to the Company.

## 8. Board

The Board currently consists of David Lees, Non-Executive Chairman, Adrian Moss, Chief executive Officer and Keith Lassman, Non-Executive Director. Subject to the Resolutions being approved, David Lees, Adrian Moss, and Keith Lassman are to resign from office immediately following the GM (assuming the Resolutions are approved) with no compensation for loss of office, and will waive all claims against the Company under their appointment letters, except those claims already included in the CVA.

It is proposed that Nigel Fitzpatrick is to be appointed to the Board in the positions of Non-Executive Director. The Company expects to announce, prior to the General Meeting, a proposed Executive Director who will join the Board following completion and subject to all the Resolutions being passed. The Company will make an announcement to the market accordingly.

### **Nigel Brent Fitzpatrick MBE, age 63**

Mr Fitzpatrick has over 20 years' experience as a corporate finance consultant. In the last 15 years he has been instrumental in advising a number of companies on their acquisitions, funding and subsequent flotations. Mr Fitzpatrick was Chairman of Global Marine Energy plc, a listed oil services company. He is currently Chairman of RiskAlliance Group plc, Halcyon Oil & Gas Limited and Aboyne-Clyde Rubber Estates of Ceylon Limited. He is a non-executive director of Acorn Minerals plc. He is a member of the Audit Committee Institute. In the Queen's Birthday Honours List 2012, Mr. Fitzpatrick was awarded an MBE for services to education.

In addition to the proposed directorships of the Company, the Proposed Directors hold or have held the following directorships (including directorships of companies registered outside England and Wales), or have been partners in the following partnerships within the five years prior to the date of this Document:

<b>Director</b>	<b>Current Directorships/Partnerships</b>	<b>Past Directorships/Partnerships</b>
Nigel Fitzpatrick	Ocean Park Developments Limited Acorn Minerals Plc Pondermatters Limited Optometrics Corporation Powerhouse Energy Group Plc NIM Engineering Limited Riskalliance Management Services Limited Low Wave Limited Riskalliance Group Limited Riskalliance Finance Ltd	TSC Offshore (UK) Limited Ansell Jones (Cranes) Limited MOS International Plc TSC Engineering Limited Ansell Jones Limited Conferaccom Limited Riskalliance International Limited

Riskalliance Consulting Limited  
Forward Catering (Yorkshire) Limited  
J Burdon & Partners Limited  
Powerhouse Energy UK Limited  
Halcyon Oil & Gas Limited  
Aboyne-Clyde Rubber Estates of  
Celylon Limited

Brent Fitzpatrick was appointed a director of NIM Engineering on 29 January 2004. The company was placed into administration on 20 March 2007. On 20 March 2008, the administration period ended and NIM Engineering Limited became subject to a creditors' voluntary liquidation, in which situation it remains.

Brent Fitzpatrick was appointed as a director of Conferanccom Limited on 22 February 2008. The company was placed into administration on 28 May 2008 and Mr Fitzpatrick resigned as director on 14 August 2008. The company was wound-up via voluntary creditors' liquidation with deficiency with regards to creditors of approximately £5.8 million.

Brent Fitzpatrick was appointed as a director of Holly Benson Communication Limited, a subsidiary of Real Affinity PLC, on 22 February 2008 and resigned as a director on 1 October 2008. The company was placed into administration on 28 November 2008 and subsequently moved into voluntary creditors' liquidation on 27 May 2009 with a potential deficiency to creditors of approximately £1.1 million.

Brent Fitzpatrick was appointed as a director of Onyx Media Limited on 1 May 2003 and resigned as a director on 15 June 2005. The company was placed into voluntary creditors' liquidation on 20 June 2005. The company was dissolved on 7 April 2011

Save as disclosed above, no Proposed Director has:

- had any unspent convictions in relation to indictable offences;
- had a bankruptcy order made against him or entered into an individual voluntary arrangement;
- been a director of any company or been a member of the administrative, management or supervisory body of an issuer or a senior manager of a company or partnership which has been placed in receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or partnership voluntary arrangement, or which entered into any composition or arrangement with its creditors generally or any class of its creditors whilst he was acting in that capacity for that company or within the 12 months after he ceased to so act;
- been a partner in any partnership placed into compulsory liquidation, administration or partnership voluntary arrangement where such director was a partner at the time, or within the 12 months preceding such event;
- been subject to receivership in respect of any asset of such Director or of a partnership of which the Director was a partner at the time, or within 12 months preceding such event; or
- been subject to any official public incriminations or sanctions by any statutory or regulatory authority (including designated professional bodies) nor has such Director been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of a company, or from acting in the management or conduct of the affairs of any company.

As at the date of this Document Nigel Fitzpatrick , does not hold any Ordinary Shares.

## **9. Change of Name**

In view of the change in the nature of the business, it is proposed that the Company's name be changed to "Vela Technologies Plc".

## **10. AIM Suspension**

Immediately following the completion of the General Meeting, the Company will request that the suspension of the Ordinary Shares from trading on AIM be lifted.

## **11. General Meeting**

The Notice convening the General Meeting at which the Resolutions will be proposed is set out at the back of this Document. A summary of the Resolutions is set out below. Please note that unless all of the Resolutions are passed the Proposals outlined in this Document will not proceed and the Directors will be forced to implement proposals to put the Company into liquidation.

At the General Meeting, the following Resolutions will be proposed, of which resolutions 1 to 4 will be proposed as ordinary resolutions and resolution 5 will be proposed as a special resolution:

**Resolution 1**, which will be proposed as an ordinary resolution, seeks approval for the CVA

**Resolution 2**, which will be proposed as an ordinary resolution, seeks approval for the proposed Investing Policy

**Resolution 3**, which will be proposed as an ordinary resolution, seeks approval for Nigel Fitzpatrick to be appointed to the board of the Company

**Resolution 4**, which will be proposed as an ordinary resolution, seeks approval for the allotment of 67,400,000 Ordinary Shares as part of the Placing

**Resolution 5**, which will be proposed as a special resolution, seeks approval to change the name of the Company to Vela Technologies Plc

## **12. Action to be taken by Shareholders**

A Form of Proxy for use in connection with the General Meeting accompanies this Document. The Form of Proxy should be completed in accordance with the instructions printed thereon and returned to Peterhouse Corporate Finance Limited at, 31 Lombard Street, London EC3V 9BQ, as soon as possible, but in any event so as to be received by 11.30 a.m. on 14 January 2013.

The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person, should they so wish. Shareholders who hold their Ordinary Shares through a nominee should instruct the nominee to submit the Form of Proxy on their behalf.

## **13. Documents available**

Copies of this Document will be available to the public, free of charge, at the offices of the Company, 19 Cavendish Square, London, W1A 2AW, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for one month from the date of this Document. This Document will also be available on the Company's website <http://www.adhplc.com>.

Copies of the circular to Creditors containing information on the proposed CVA and accompanying statutory information on the Company including a statement of affairs of the Company as at 21 December 2012 can be downloaded from:

URL: <http://www.duffandphelps.com/uk-restructuring/creditor-guides>

The report can be found under "Creditor Guides and Insolvency Appointments" and is titled "Asia Digital Holdings PLC – CVA Proposals". This document will be available at the above address for not less than three months from the date of this letter.

#### **14. Board Recommendation**

Adrian Moss is a significant creditor of the Company, and as such is considered to have a conflict of interest in relation to the CVA, which prevents him from expressing his views of the merits of the CVA. Therefore he has decided to abstain from voting on the CVA Resolution. The other Directors, Keith Lassman and David Lees consider the approval of the CVA to be in the best interests of the shareholders. The Board as a whole considers the approval of the rest of the Proposals to be in the best interests of the Shareholders as a whole. Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions 2 to 5 to be proposed at the General Meeting, as they intend to do themselves in respect of their own shareholdings.

Yours faithfully,  
the Directors

## PART II

### RISK FACTORS

Shareholders should carefully consider all of the information in this Document including the risks below. The Board have identified these risks as material risks, but additional risks and uncertainties not presently known to the Board, or that the Board consider immaterial, may also adversely affect the Company. If any or a combination of the following risks materialise, the Company's business, financial condition and/or performance could be materially adversely affected. In any such case the market price of the Ordinary Shares could decline.

The following risk factors should not be considered in any order of priority. The Company's future performance might be affected by changes in market conditions and legal, regulatory and tax requirements.

#### RISKS RELATING TO THE COMPANY'S INVESTING POLICY

##### **Limited operating history as an investing company**

The Company will only commence pursuing its Investing Policy following approval of the Resolutions and, accordingly, after completion of the Disposal. The Company currently has no formally arranged financing facilities other than the net proceeds of the Disposal and its other realisable investments. As a result, there can be no assurance that the Company will be successful or it will meet the objectives of its Investing Policy. There is, therefore, no basis on which to evaluate the Company's ability to achieve its objective, implement its Investing Policy and provide a satisfactory investment return.

Any failure in achieving its Investing Policy or in managing its financial controls, reporting systems or procedures could have a material adverse effect on the Company's results of operations, financial condition and prospects.

##### **Identifying suitable investment opportunities**

The Company will be dependent upon the ability of the Directors to identify suitable investment opportunities and to implement the Investing Policy. If the Directors do not identify an opportunity that corresponds to the Investing Policy for creating value, then the Company may not be able to invest its cash in a manner which accomplishes its objectives. There is no guarantee that the Company will be able to acquire an identified opportunity at an appropriate price, or at all, as a consequence of which resources might have been expended fruitlessly on investigative work and due diligence.

##### **Change in Investing Policy**

The Investing Policy may be modified and altered from time to time, but only after obtaining Shareholder approval

It is possible that the approaches adopted to achieve the Company's investment objectives in the future may be different from those presently expected to be used and disclosed in this Document.

##### **Market conditions**

Market conditions may have a negative impact on the Company's ability to execute investments in suitable assets which generate acceptable returns. There is no guarantee that the Company will be successful in sourcing suitable assets.

The Company can give no assurance as to how long it will take it to invest any or all of the net proceeds of the Disposal, if at all, and, the longer the period, the greater the likely impact on the Company's performance and financial condition.

##### **Costs associated with potential investments**

The Company expects to incur certain third-party costs associated with the sourcing of suitable investments. The Company can give no assurance as to the level of such costs, and given that there can be no guarantee that negotiations to acquire any given investment will be successful, the greater the number of deals that do not reach completion, the greater the likely impact of such costs on the Company's performance, financial condition and business prospects.

### **Ownership risks**

Under the Investing Policy, the Company has the ability to enter into a variety of investment structures, including joint ventures, acquisition of controlling interests or acquisition of minority interests.

In the event the Company acquires a 100 per cent. interest in a particular asset or entity, or makes a single investment in an entity, the resulting concentration of risk may result in a total or partial loss on its investment and have a material adverse effect on the Company's performance.

In the event the Company acquires less than a 100 per cent. interest in a particular asset or entity, the remaining ownership interest will be held by third-parties and the subsequent management and control of such an asset or entity may entail risks associated with multiple owners and decision-makers. Any such investment also involves the risk that third party owners might become insolvent or fail to fund their share of any capital contribution which might be required. In addition, such third parties may have economic or other interests which are inconsistent with the Company's interests, or they may obstruct the Company's plans, or they may propose alternative plans. If such third parties are in a position to take or influence actions contrary to the Company's interests and plans, this may affect the ability of the Company to implement its strategies.

In addition, there is a risk of disputes between the Company and third parties who have an interest in the asset or entity in question. Any litigation or arbitration resulting from any such disputes may increase the Company's expenses and distract the Directors from focusing its time to fulfil the Investing Policy. The Company may also, in certain circumstances, be liable for the actions of such third parties.

### **Due diligence process**

The Company intends to conduct such due diligence as it deems reasonably practicable and appropriate, based on the facts and circumstances applicable to each potential project, before making an investment. The objective of the due diligence process will be to identify material issues which might affect an investment decision. When conducting due diligence and making an assessment regarding an investment, the Company will be required to rely on resources available to it, including, in the main, public information and, in some circumstances, third-party investigations. As a result, there can be no assurance that the due diligence undertaken with respect to any potential project will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such a project. Further, there can be no assurance as to the adequacy or accuracy of information provided during any due diligence exercise or that such information will be accurate and/or remain accurate in the period from conclusion of the due diligence exercise until the desired investment has been made. Due diligence may also be insufficient to reveal all of the past and future liabilities relating to the operations and activities of the target, including but not limited to liabilities relating to litigation, breach of environmental regulations or laws, governmental fines or penalties, pension deficits or contractual liabilities.

### **Valuation error**

The Company may miscalculate the realisable value of an investment in a project. A lack of reliable information, errors in assumptions or forecasts and/or the inability to successfully implement an investment, among other factors, could all result in the project having a lower realisable value than anticipated. If the Company is not able to realise an investment at its anticipated levels of profitability, projected investment returns could be adversely affected.

### **Financing**

Implementation of the Investing Policy may require significant capital investment. The only sources of financing currently available to the Company are the Loan Notes and any potential future issue of additional equity capital or shareholder loans. The Company's ability to raise further funds will depend on the success of existing and acquired investments. The Company may not be successful in procuring the requisite funds on terms which are acceptable to it (or at all) and, if such funding is unavailable, the Company may be required to reduce the scope of its investments or anticipated expansion. Further, Shareholders' holdings of Ordinary Shares may be materially diluted if debt financing is not available.



## **OTHER RISKS**

### **Competition**

The Company may face competition from other entities for the same investments or acquisitions, many of which may have significantly greater financial resources than the Company.

### **Other directorships**

Investors should note that none of the Directors are in any way limited (other than by their normal duties as company directors) by way of their involvement with the Company, from acting in the management or conduct of the affairs of any other company. Should any conflicts of interest be identified, they will be declared and dealt with appropriately.

## NOTICE OF GENERAL MEETING

# Asia Digital Holdings Plc (the “Company”)

(Incorporated and registered in England and Wales under the Companies Act 1985 with registered number 03904195)

**NOTICE IS HEREBY GIVEN THAT** a general meeting of the Company will be held at Duff & Phelps Ltd, 43-45 Portman Square, London, W1H 6LY at 11:30 a.m. on 14 January 2013 to consider and, if thought fit, pass the following resolutions, of which resolution 1 to 4 will be proposed as ordinary resolutions and resolution 5 will be proposed as a special resolution:

### Ordinary Resolutions:

1. THAT the Company approves the Company Voluntary Arrangement proposed by the directors of the Company to its creditors.
2. THAT the Investing Policy (as set out in the Circular) be and is hereby approved for the purposes of Rule 15 of the AIM Rules and that the Directors be and are hereby authorised to take all such steps as they may consider necessary or desirable to implement the same.
3. THAT Nigel Brent Fitzpatrick be appointed to the Board of the Company.
4. THAT the Company approves the allotment of 67,400,000 Ordinary Shares as part of the Placing

### Special Resolution:

5. THAT the name of the Company be changed to Vela Technologies Plc.

By Order of the Board

Registered Office:  
19 Cavendish Square  
London  
W1A 2AW

## **IMPORTANT NOTES FOR SHAREHOLDERS**

### **ENTITLEMENT TO ATTEND AND VOTE**

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulation 2001, the Company specifies that to be entitled to attend and vote at the meeting (for the purposes of the determination by the Company of the number of votes they may cast), holders of Ordinary Shares must be entered on the relevant register of securities by 6.00 p.m. on 11 January 2013.

### **APPOINTMENT OF PROXIES**

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a form of proxy with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.
3. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the form of proxy are set out in the notes to the Form of Proxy.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please complete the requisite number of forms of proxy and state clearly on each form the number of shares in relation to which the proxy is appointed (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

### **APPOINTMENT OF PROXY USING HARD COPY FORM OF PROXY**

6. The notes to the form of proxy explain how to direct your proxy to vote on each resolution or withhold their vote. To appoint a proxy using the form of proxy, the form must be:
  - completed and signed;
  - sent or delivered to the Company at, 19 Cavendish Square, London, W1A 2AW ; and
  - received by the Peterhouse Corporate Finance Limited no later than 11.30 a.m. on 12 January 2013.

In the case of a member which is a company, the form of proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.

### **APPOINTMENT OF PROXY BY JOINT MEMBERS**

7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the company's register of members in respect of the joint holding (the first-named being the most senior).

### **CHANGING PROXY INSTRUCTIONS**

8. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hardcopy proxy form, please contact the Peterhouse Corporate Finance Limited at 31 Lombard Street, London, EC3V 9BQ.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

### **TERMINATION OF PROXY APPOINTMENTS**

9. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard-copy notice clearly stating your intention to revoke your proxy appointment to Peterhouse Corporate Finance Limited at 31 Lombard Street, London, EC3V 9BQ. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company. Any power of attorney or any other authority under which the revocation notice (or a duly certified copy of such power or authority is signed) must be included with the revocation notice.

The revocation notice must be received by Peterhouse Corporate Finance Limited, at 31 Lombard Street, London EC3V 9BQ no later than 11.30 a.m. on 12 January 2013.

Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

#### **CORPORATE REPRESENTATIVES**

10. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

#### **ISSUED SHARES AND TOTAL VOTING RIGHTS**

11. As at 5.30 p.m. on 20 December 2012, the Company's issued ordinary share capital comprised 7,679,308 Ordinary Shares of 0.1p each. Each Ordinary Share carries the right to one vote and at a general meeting of the Company and, therefore, the total number of shares carrying voting rights in the Company as at 5.30 p.m. on 20 December 2012 is 7,679,308.