

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your Ordinary Shares, please immediately forward this document to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The Directors (whose names and functions appear on page 5 of this document) and the Company (whose registered office appears on page 5 of this document) accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules. To the best of the knowledge and belief of the Directors and the Company, 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.

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# Itsarm plc

*(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 13245400)*

## **Proposed members voluntary liquidation of Itsarm plc Proposed cancellation of admission to trading on AIM and Notice of General Meeting**

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**Your attention is drawn to the letter from the Chairman of the Company which is set out in Part 1 of this document and which contains, amongst other things, the Directors' unanimous recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting.**

Liberum Capital Limited ("**Liberum**"), which, in the United Kingdom, is authorised and regulated by the Financial Conduct Authority, is acting as nominated adviser to the Company in connection with the proposed MVL and will not be acting for any other person (including a recipient of this document) or otherwise be responsible to any person for providing the protections afforded to clients of Liberum or for advising any other person in respect of the proposed MVL or any transaction, matter or arrangement referred to in this document. Liberum's responsibilities as the Company's nominated adviser are owed solely to London Stock Exchange and are not owed to the Company or to any Director or to any other person.

Apart from the responsibilities and liabilities, if any, which may be imposed on Liberum by the FSMA or the regulatory regime established thereunder, Liberum does not accept any responsibility whatsoever for the contents of this document, and no representation or warranty, express or implied, is made by Liberum in relation to the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Ordinary Shares or the proposed MVL and nothing in this document is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. Liberum accordingly disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it may otherwise have in respect of this document or any such statement.

**Notice of a General Meeting of Itsarm plc, to be held at the offices of Hudson Sandler LLP at 25 Charterhouse Square, London EC1M 6AE at 9.30 a.m. on 12 May 2023, is set out at the end of this document. Shareholders will not receive a hard copy form of proxy for the General Meeting in the post. Instead, Shareholders will be able to vote electronically using the link [www.signalshares.com](http://www.signalshares.com). Shareholders will need to log into their Signal Shares account, or register if they have not previously done so. To register Shareholders will need their Investor Code. This is detailed on their share certificate or available from the Company's registrar, Link Group. If Shareholders need help with voting online, please contact the portal team of the Company's registrar, Link Group, on 0371 664 0391. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales or via email at [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk).**

**Proxy votes must be received no later than 9.30 a.m. on 10 May 2023 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting).**

**Shareholders who hold their Ordinary Shares in uncertificated form in CREST may alternatively use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual, as explained in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by Link Group by no later than 9.30 a.m. on 10 May 2023 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). The appointment of a proxy using the CREST Proxy Voting Service will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.**

A copy of this document is available at the Company's website [itsarmplc.co.uk](http://itsarmplc.co.uk).

## **IMPORTANT NOTICE**

### **Cautionary note regarding forward-looking statements**

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors’ current intentions, beliefs or expectations concerning, among other things, the Group’s results of operations, financial condition, liquidity, prospects, growth, strategies and the Group’s markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors’ current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by applicable law or by the AIM Rules, the Company undertakes no obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this document.

### **Presentation of financial information**

Certain data in this document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent. In this document, references to “pounds sterling”, “£”, “pence” and “p” are to the lawful currency of the United Kingdom.

### **Presentation of market, economic and industry data**

Where information contained in this document originates from a third party source, it is identified where it appears in this document together with the name of its source. Such third party information has been accurately reproduced and, so far as the Company is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

### **No incorporation of website information**

The contents of the Company’s website or any hyperlinks accessible from the Company’s website do not form part of this document and Shareholders should not rely on them.

### **Interpretation**

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading “Definitions”.

All times referred to in this document are, unless otherwise stated, references to London time.

All references to legislation in this document are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

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## DIRECTORS, SECRETARY AND ADVISERS

<b>Directors</b>	James Edward Sharp Richard Monaghan	<i>(Non-Executive Chairman)</i> <i>(Chief Financial Officer)</i>
	All of whose business address is at the Company's registered and head office	
<b>Registered and Head Office</b>	6th Floor, One London Wall London EC2Y 5EB	
<b>Company website</b>	<a href="http://www.itsarmplc.co.uk">www.itsarmplc.co.uk</a>	
<b>Company Secretary</b>	Richard Monaghan	
<b>Nominated Adviser</b>	Liberum Capital Limited 25 Ropemaker Street London EC2Y 9LY	
<b>Legal advisers to the Company</b>	Osborne Clarke LLP One London Wall London EC2Y 5EB	
<b>Registrars</b>	Link Group 10th Floor Central Square 29 Wellington Street Leeds LS1 4DL	
<b>Proposed joint liquidators</b>	Emma Cray, Jen Whatcott and Steven Sherry of PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT	

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

	<i>2023<sup>1</sup></i>
Publication of this document	26 April
Latest time and date for receipt of proxy instructions and CREST voting instructions	9.30 a.m. on 10 May
General Meeting	9.30 a.m. on 12 May
Appointment of Liquidators	12 May
Proposed Cancellation date	26 May

Note:

1. Each of the above times and/or dates is subject to change at the absolute discretion of the Company and Liberum. If any of the above times and/or dates should change, the revised times and/or dates will be announced through a Regulatory Information Service.

## DEFINITIONS

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

<b>“Act”</b>	the Companies Act 2006 (as amended)
<b>“Admission”</b>	the admission of the Ordinary Shares to trading on AIM
<b>“AIM”</b>	AIM, a market operated by the London Stock Exchange
<b>“AIM Rules”</b>	the AIM Rules for Companies published by the London Stock Exchange from time to time
<b>“Cancellation”</b>	the proposed cancellation of Admission, subject to passing of the Cancellation Resolution and in accordance with Rule 41 of the AIM Rules
<b>“Cancellation Resolution”</b>	the special resolution, conditional on the approval of the MVL Resolutions, to approve the Cancellation, set out as resolution 3 in the Notice of General Meeting
<b>“certificated form” or “in certificated form”</b>	an Ordinary Share recorded on a company’s share register as being held in certificated form (namely, not in CREST)
<b>“Code”</b>	the City Code on Takeovers and Mergers, as amended from time to time
<b>“Company” or “Itsarm”</b>	Itsarm plc, a company incorporated and registered in England and Wales under the Act with registered number 13245400
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations)
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755)
<b>“Directors” or “Board”</b>	the directors of the Company whose names are set out on page 5 of this document, or any duly authorised committee thereof
<b>“Euroclear”</b>	Euroclear UK & International Limited, the operator of CREST
<b>“FCA”</b>	the UK Financial Conduct Authority
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended)
<b>“General Meeting”</b>	the general meeting of the Company to be held at the offices of Hudson Sandler LLP at 25 Charterhouse Square, London EC1M 6AE at 9.30 a.m. on 12 May 2023 (or any adjournment thereof), notice of which is set out at the end of this document
<b>“Liberum”</b>	Liberum Capital Limited, the Company’s nominated adviser and broker
<b>“Liquidators”</b>	the proposed joint liquidators of the Company, being Emma Cray, Jen Whatcott and Steven Sherry of PricewaterhouseCoopers LLP
<b>“London Stock Exchange”</b>	London Stock Exchange plc
<b>“MVL”</b>	the proposed members voluntary liquidation (solvent liquidation) of the Company

<b>“MVL Ordinary Resolutions”</b>	<p>the ordinary resolutions, conditional on the approval of the MVL Special Resolutions and the Cancellation Resolution, to approve the appointment of the Liquidators for the purpose of the MVL, including to:</p> <ul style="list-style-type: none"> <li>● fix the remuneration of the Liquidators on the basis of time spent by them;</li> <li>● authorise the Liquidators to proceed to wind up the Company in accordance with the provisions of the Insolvency Act 1986; and</li> <li>● direct that the Company’s books and records be held to the order of the Liquidators,</li> </ul> <p>as set out as resolutions 4 to 8 (inclusive) in the Notice of General Meeting</p>
<b>“MVL Resolutions”</b>	together, the MVL Special Resolutions and the MVL Ordinary Resolutions
<b>“MVL Special Resolutions”</b>	the special resolutions to place the Company into members voluntary liquidation, conditional on the approval of the Cancellation Resolution, set out as resolutions 1 and 2 in the Notice of General Meeting
<b>“Net Proceeds”</b>	the net proceeds of the Sale received by the Company, being £1.2m received for the Sale after deduction of advisers fees and any other fees relating to the Sale
<b>“Notice of General Meeting”</b>	the notice convening the General Meeting which is set out at the end of this document
<b>“Ordinary Shares”</b>	ordinary shares of 0.25 pence each in the capital of the Company
<b>“Registrar” or “Link Group”</b>	Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL, the Company’s registrar
<b>“Regulatory Information Service”</b>	a service approved by the FCA for the distribution to the public of regulatory announcements and included within the list maintained on the FCA’s website
<b>“Resolutions”</b>	the resolutions set out in the Notice of General Meeting
<b>“Rule 14 Transaction”</b>	an acquisition or acquisitions which constitutes a reverse takeover under Rule 14 of the AIM Rules
<b>“Sale”</b>	the sale of ITFSL by the Company on the terms of the Sale Agreement
<b>“Sale Agreement”</b>	the conditional agreement relating to the sale of In The Style Fashion Limited and dated 6 March 2023
<b>“Shareholders”</b>	holders of Ordinary Shares from time to time
<b>“Strategic Review”</b>	the Company’s strategic review pursuant to the Code, announced on 8 December 2022
<b>“UK” or “United Kingdom”</b>	the United Kingdom of Great Britain and Northern Ireland

**“US” or “United States”**

the United States of America, each State thereof, its territories and possessions (including the District of Columbia) and all other areas subject to its jurisdiction

**“uncertificated” or  
“in uncertificated form”**

an Ordinary Share recorded on a company’s share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST

## PART 1

### LETTER FROM THE CHAIRMAN OF ITSARM PLC

# Itsarm plc

*(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 13245400)*

*Directors:*

James Edward Sharp (Non-Executive Chairman)  
Richard Monaghan (Chief Financial Officer)

*Registered office:*

6th floor, One London Wall  
London  
EC2Y 5EB

26 April 2023

*To Shareholders*

Dear Shareholder,

**Proposed members voluntary liquidation of Itsarm plc  
Proposed cancellation of admission to trading on AIM  
and  
Notice of General Meeting**

#### **1. Introduction and summary**

On 7 March 2023, the Company announced the completion of its Strategic Review and the conditional agreement to sell its only operating subsidiary, In The Style Fashion Limited, to ITS Holdings 2023 Limited for a total cash consideration of £1.2 million. On 27 March 2023, the Company completed the Sale and in doing so became an AIM Rule 15 cash shell, with no operating business.

While the Net Proceeds were approximately £500,000, the Company now has no income but continues to incur operating expenses which include the costs of having to remain an AIM-quoted company. These costs are significant in the context of the cash available to the Company. The ability of the Company to continue as a cash shell admitted to trading on AIM for a period beyond three months from the date of publication of this document is unlikely.

The Company does not intend to enter into a Rule 14 Transaction. There has been no approach made by any third-party entity presenting an option for the Company to consider since becoming a cash shell. The Company will therefore seek to return any cash to Shareholders, in the most cost-effective and efficient manner, as soon as practicable.

The Company has determined that its wind down and elimination should be conducted through a members' voluntary liquidation. Subject to certain commercial matters being satisfactorily resolved ahead of liquidation, the Directors expect the Company to remain solvent. However, the Company does not have the available distributable reserves to declare and pay a dividend nor is a significant distribution by way of return of capital in the MVL expected.

Given the time it will take to wind up the Company and the significant expense the Company would incur as a quoted company through that time, a solvent liquidation would not be possible if the Company remained admitted to trading on AIM. The cancellation of admission to trading on AIM would preserve cash in the Company and support the Company being wound up in a solvent manner. Assuming the Cancellation Resolution is passed, it is expected that the Cancellation will take place on or around 26 May 2023.

The purpose of this document is to: (i) provide you with information on the MVL and the Cancellation; (ii) to explain the background to and reasons for the MVL and the Cancellation and why the Directors believe that the MVL and the Cancellation are in the best interests of the Company and its Shareholders as a whole; and (iii) recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this document.

**Shareholders should be aware that if the Resolutions are not approved by Shareholders at the General Meeting, the Company would not proceed to enter into voluntary liquidation. Accordingly, in light of the Company's position as an AIM Rule 15 cash shell with no trade but relatively significant expenses, it would be likely that within three months the Company would not be able to meet its financial obligations as they fall due and there would be no alternative other than for the Company to enter into some form of insolvency procedure under which the prospects for recovery of value, if any, by Shareholders would be unlikely.**

**If the Company is able to be wound up on a solvent basis, which is subject to a number of commercial matters being satisfactorily resolved ahead of the MVL, a distribution to Shareholders is anticipated but this is unlikely to exceed 0.2 pence per Ordinary Share. There is unlikely to be any distribution to Shareholders if the Company is wound up on an insolvent basis.**

**You should read the whole of this document and not just rely on the summarised information set out in this letter.**

## **2. Background and details of MVL and Cancellation**

As at 25 April 2023, the Company had cash of £516,000 with current contractual liabilities of £231,000 primarily relating to one-off expenses incurred for insurance and advisory fees during April 2023.

The Company also has ongoing costs including directors' fees, insurance costs, AIM admission and registrar fees, professional and other advisers' fees and website hosting costs. The Directors are taking steps to renegotiate fees where possible, however the current monthly spend is approximately £40,000 before any one-off expenses including advisory costs relating to the future of the Company.

Given the Company's cash position, its current contractual liabilities, the contingent liabilities it has to consider and the ongoing cost run-rate, the likelihood of the Company being able to continue for a period longer than three months from the publication of this document before becoming insolvent is low.

The Company does not intend to seek a Rule 14 Transaction. Furthermore, no approach has been received from any third-party presenting an option for the Company to undertake such a transaction since becoming a cash shell. If an option did present itself, the Directors would consider its validity and deliverability. However, given the low level of cash held by the Company and the relatively short period of time it will be able to continue to operate solvently for, the Directors believe the probability of such approach to be remote.

Following further consultation with the Company's advisers, the Board has determined that it would be in the best interests of the Company and Shareholders as a whole to put forward a formal proposal to Shareholders for a members voluntary liquidation of the Company. The Board is of the view that the MVL, alongside the proposed Cancellation, represents the best and most cost effective option to protect and realise any Shareholder value, given that the Company's operating subsidiary has been sold and the Company no longer has any trading business or income of any sort.

The solvent liquidation process is likely to take in the region of six to 12 months to complete. Although the ongoing monthly costs would reduce once the Company enters the MVL, if the Company was to remain admitted to trading on AIM for that time it would incur significant on-going expenses, estimated at approximately £16,000 per month. The Board has therefore determined that for the MVL to proceed, the Company would be required to cancel its admission to trading on AIM as failure to do so could lead to the Company becoming insolvent during the MVL process.

The MVL is therefore conditional upon Shareholder approval of the MVL Resolutions at the General Meeting and the approval of the Cancellation Resolution. If the MVL Resolutions are passed, the Liquidators will work to wind up the Company's affairs and then make any appropriate distributions to Shareholders.

In order to minimise costs, the Directors are seeking approval to fix the minimum number of directors as two, pursuant to the powers granted in the Company's articles of association, and to ratify any acts undertaken by two directors prior to such approval. The MVL and the Cancellation are therefore conditional upon the approval of Resolution 9 set out in the Notice of General Meeting.

In addition, subject to the Resolutions being approved at the General Meeting, James Sharp and Richard Monaghan have agreed to reduce their contractual notice periods to one month and three months respectively to reduce costs for the Company.

The professional costs in relation to the continued admission to trading together with the costs of winding up, whether by a solvent or insolvent liquidation, will require a significant proportion of the Company's available cash.

**If the Company is able to be wound up on a solvent basis, which is subject to a number of commercial matters being satisfactorily resolved ahead of the MVL, a distribution to Shareholders is anticipated but this is unlikely to exceed 0.2 pence per Ordinary Share. There is unlikely to be any distribution to Shareholders if the Company is wound up on an insolvent basis.**

Subject to Shareholder approval, Emma Cray, Steven Sherry and Jen Whatcott of PricewaterhouseCoopers LLP will be appointed as joint liquidators of the Company and their remuneration shall be determined by the Company. The appointment of the Liquidators would become effective immediately upon the passing of the Resolutions at the General Meeting. Upon the appointment of the Liquidators, all powers of the Board will cease and the Liquidators will be responsible for the affairs of the Company until it is wound up. The Board's future role will be to provide assistance, where required, to the Liquidators.

The Liquidators will discharge the liabilities and satisfy all the creditors of the Company, realise any remaining assets of the Company and divide the surplus assets (if any) of the Company among the Shareholders by way of distribution (in accordance with the provisions of the Company's articles of association). The proceeds of the realisation of the Company's assets (if any) will be distributed to Shareholders after the Company's outstanding liabilities and the costs of implementing the MVL, including the Liquidators' fees, have been met. Approximately three months after conclusion of the MVL, the Company will be dissolved.

To the extent that any such amount payable to any Shareholder is less than £5.00, it shall not be paid to Shareholders but instead shall be paid by the Liquidators to a charity nominated by the Board.

It is expected that the entry into the MVL as soon as reasonably practicable will result in certain cost savings for the Company.

In the circumstances, the Board believes that it is in the best interests of the Company and the Shareholders as a whole if the MVL occurs as soon as reasonably possible.

**Shareholders should be aware that if the Resolutions are not approved by Shareholders at the General Meeting, the Company will not proceed to enter into voluntary liquidation. Accordingly, in light of the Company's position as an AIM Rule 15 cash shell with no trade but relatively significant expenses, it would be likely that within three months the Company would not be able to meet its financial obligations as they fall due and there would be no alternative other than for the Company to enter into some form of insolvency procedure under which the prospects for recovery of value, if any, by Shareholders would be unlikely.**

### **3. Shareholder distributions**

Assuming the Resolutions are passed, the Liquidators will work to realise the Company's assets, satisfy the claims of creditors of the Company and pay the costs and expenses of the liquidation (including the Liquidators' fees). After such steps have been taken, it is expected that the Liquidators would make a final distribution to Shareholders. This final distribution, if any, would be made solely at the discretion of the Liquidators, and only after (i) three months have expired since completion of the Sale Agreement; (ii) the Liquidators have completed their statutory duties to seek out, adjudicate and pay creditors' claims; and (iii) HMRC has confirmed its agreement to the Company's tax returns and that it has no objection to the closure of the liquidation. There can be no guarantee as to the value, if any, and/or timing of distribution(s) that may result from the realisation of the Company's remaining assets. As stated above, to the extent that any such amount payable to any Shareholder is less than £5.00, it shall not be paid to Shareholders but instead shall be paid by the Liquidators to a charity nominated by the Board.

Nothing contained in this document shall impose any personal liability on the Liquidators or any of them.

On the basis of the information currently available, and subject to a number of commercial matters being satisfactorily resolved ahead of the MVL, it is not expected that any final distribution would exceed 0.2 pence per Ordinary Share.

#### **4. The Cancellation**

The Directors have concluded that, on the basis that the MVL is the best and most cost efficient way to protect and return any Shareholder value, it is in the best interests of the Company and its Shareholders to seek Shareholders' approval to cancel the admission of the Company's Ordinary Shares to trading on AIM.

Given the time it takes to conclude an MVL and the significant expense the Company would incur as a quoted Company through that time, an MVL would not likely be possible if the Company remained admitted to trading on AIM. The cancellation of admission to trading on AIM would preserve cash in the Company and maximise any distribution made through an MVL.

In accordance with Rule 41 of the AIM Rules, the Company has notified the London Stock Exchange of the proposed Cancellation.

Assuming the passing of the Cancellation Resolution, it is expected that the Cancellation will take place on 26 May 2023.

Pursuant to Rule 41 of the AIM Rules, the Cancellation Resolution requires the approval of not less than 75 per cent. of the votes cast by Shareholders (whether present in person or by proxy) at the General Meeting.

The Directors have considered the benefits and disadvantages to the Company and its Shareholders in retaining its admission to trading on AIM. The Independent Directors believe that the Cancellation is in the best interests of the Company and its Shareholders as a whole.

Given the Company's intention to implement the MVL, no matched bargain facility will be implemented and there will be no formal market for Shareholders to effect transactions in the Ordinary Shares following Cancellation.

The principal effects of the Cancellation will be that:

- there will be no public market on any recognised investment exchange or multilateral trading facility for the Ordinary Shares and, consequently, there can be no guarantee that a Shareholder will be able to purchase or sell any Ordinary Shares;
- while the Ordinary Shares will remain freely transferable, it is likely that the liquidity and marketability of the Ordinary Shares will, in the future, be more constrained than at present and the secondary market value of such Ordinary Shares may be adversely affected as a consequence;
- in the absence of a formal market and quote, it may be more difficult for Shareholders to determine the market value of their investment in the Company at any given time;
- the regulatory and financial reporting regime applicable to companies whose shares are admitted to trading on AIM will no longer apply;
- the levels of disclosure and corporate governance within the Group may not be as stringent as those for a Company quoted on AIM; however the Company will continue to be subject to the Code for a period of at least 10 years from the date of Cancellation;
- Shareholders will no longer be afforded the protections given by the AIM Rules, such as the requirement to be notified of certain events and the requirement that the Company seek shareholder approval for certain corporate actions, where applicable, including substantial transactions, financing transactions, reverse takeovers, related party transactions and fundamental changes in the Company's business, including certain acquisitions and disposals;
- in order to increase the cost saving by becoming a private company, following the Cancellation, the Company will no longer be obligated to produce and publish half-yearly reports and related financial statements;
- the Company will cease to have a nominated adviser and broker;

- whilst the Company's CREST facility will remain in place following the Cancellation, the Company's CREST facility may be cancelled in the future and, in that event, although the Ordinary Shares will remain transferable, they will cease to be transferable through CREST. In this instance, Shareholders who hold Ordinary Shares in CREST will receive share certificates; and
- the Cancellation may have taxation consequences for Shareholders. Shareholders who are in any doubt about their tax position should consult their own professional independent tax adviser.

Shareholders should be aware that if the Cancellation takes effect, they will at that time cease to hold shares in a quoted company and will become Shareholders in an unquoted company which will be likely significantly to reduce the marketability and liquidity of the Ordinary Shares and the principal effects referred to above will automatically apply to the Company from the date of the Cancellation.

The above considerations are not exhaustive, and Shareholders should seek their own independent advice when assessing the likely impact of the Cancellation on them.

## 5. The General Meeting

Set out at the end of this document is a notice convening the General Meeting to be held at the offices of Hudson Sandler LLP at 25 Charterhouse Square, London EC1M 6AE at 9.30 a.m. on 12 May 2023, at which the Resolutions will be proposed for the purposes of, *inter alia*, implementing the MVL and the Cancellation. The Notice of General Meeting includes the full text of the Resolutions.

As set out in further detail below, the Resolutions are inter-conditional. The implementation of the MVL will require Shareholders to vote in favour of the MVL Resolutions, the Cancellation Resolution and Resolution 9 at the General Meeting. The Resolutions are being proposed to:

- place the Company into voluntary liquidation, conditional on approval of the Cancellation and subject to a number of commercial matters being satisfactorily resolved ahead of the MVL;
- approve the Cancellation, conditional on approval of the MVL;
- appoint the Liquidators for the purpose of the MVL, including to:
  - fix the remuneration of the Liquidators on the basis of time spent by them (see Note 1 below);
  - authorise the Liquidators to proceed to wind up the Company in accordance with the provisions of the Insolvency Act 1986; and
  - direct that the Company's books and records be held to the order of the Liquidators; and
- fix the minimum number of Directors of the Company as two and ratify and approve any acts previously carried out by two Directors.

The MVL Special Resolutions are conditional on the approval of the Cancellation Resolution. The MVL Ordinary Resolutions are conditional on the approval of the MVL Special Resolutions and the Cancellation Resolution. The Cancellation Resolution is also conditional on the approval of the MVL Resolutions.

Each of Resolutions 1 to 8 set out in the Notice of General Meeting are conditional upon the approval of Resolution 9 set out in the Notice of General Meeting, relating to the approval of the minimum number of Directors and ratification of their acts.

In accordance with section 84(1)(b) of the Insolvency Act 1986, the MVL Special Resolutions will be proposed as special resolutions and, in order to be passed, will require the approval of 75 per cent. or more of the votes cast at the General Meeting, whether in person or by proxy. The Cancellation Resolution will also be proposed as a special resolution of the Company.

The MVL Ordinary Resolutions will be proposed as ordinary resolutions and, in order to be passed, will require the approval of more than 50 per cent. of the votes cast at the General Meeting, whether in person or by proxy.

Note 1:

The passing of this resolution is on the basis that the liquidators' remuneration will be drawn monthly, or at such longer intervals as they may determine at the following charge out rates for the various grades of staff who may be involved in the liquidation:

	<i>£/hour</i>
Partners	980
Directors	915
Senior Managers	860
Managers	730
Senior Associate	515
Associate	375
Support staff	160

The Liquidators reserve the right to amend the above rates from time to time during the engagement; any material amendments to these rates are to be advised to the members in the Liquidators' statutory reports'

## **6. Importance of your vote**

**Shareholders should be aware that if the Resolutions are not approved by Shareholders at the General Meeting, the Company will not proceed to enter into voluntary liquidation. Accordingly, in light of the Company's position as an AIM Rule 15 cash shell with no trade but relatively significant expenses, it would be likely that within three months the Company would not be able to meet its financial obligations as they fall due and there would be no alternative other than for the Company to enter into some form of insolvency procedure under which the prospects for recovery of value, if any, by Shareholders would be unlikely.**

## **7. Action to be taken**

Shareholders will not receive a hard copy form of proxy for the General Meeting in the post. Instead, Shareholders will be able to vote electronically using the link [www.signalshares.com](http://www.signalshares.com). Shareholders will need to log into their Signal Shares account, or register if they have not previously done so. To register, Shareholders will need their Investor Code. This is detailed on your share certificate or available from the Registrar, Link Group. If you need help with voting online, please contact the portal team of our Registrar, Link Group, on 0371 664 0391. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales or via email at [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk).

Proxy votes must be received no later than 9.30 a.m. on 10 May (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting).

**If Shareholders hold their Ordinary Shares in uncertificated form in CREST, they may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual. Further details are also set out in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by Link Group (ID RA10) by no later than 9.30 a.m. on 10 May (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting).**

**Voting electronically in the manner described above or the use of the CREST Proxy Voting Service will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.**

## **8. Recommendation**

**The Directors believe that the Resolutions are in the best interests of Shareholders and the Company as a whole and accordingly recommend that the Shareholders vote in favour of the Resolutions as they intend to do in respect of their own beneficial shareholdings, which amount in aggregate to 99,709 Ordinary Shares, representing 0.19 per cent. of the Company's existing issued share capital.**

Yours faithfully

**Jim Sharp**

*Non-Executive Chairman*

## NOTICE OF GENERAL MEETING

# Itsarm plc

*(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 13245400)*

**NOTICE IS HEREBY GIVEN THAT** a general meeting of Itsarm plc (the “**Company**”) will be held at the offices of Hudson Sandler LLP at 25 Charterhouse Square, London, EC1M 6AE at 9.30 a.m. on 12 May 2023 to consider and, if thought fit, to pass the following resolutions of which resolutions 1 to 3 (inclusive) will be proposed as special resolutions of the Company and resolutions 4 to 9 (inclusive) will be proposed as ordinary resolutions of the Company:

### SPECIAL RESOLUTIONS

1. **THAT**, conditional on Resolution 3 being approved, the Company be wound up voluntarily.
2. **THAT**, conditional on Resolution 3 being approved, in accordance with the provisions of the articles of association of the Company, the Liquidators (as defined in the Company’s circular to shareholders dated 26 April 2023) be and are hereby authorised to:
  - (a) Distribute to the members of the Company in specie the whole or any part of the assets of the Company.
  - (b) Value any assets and determine how the distribution shall be carried out to the members.
  - (c) Vest the whole or any part of the assets in trustees upon such trust for the benefit of the members as the Liquidators so determine, but no member shall be compelled to accept any assets upon which there is a liability.
3. **THAT**, conditional on Resolutions 1, 2 and 4 to 9 (inclusive) being approved, in accordance with Rule 41 of the AIM Rules for Companies, the cancellation of the admission to trading on AIM (the market of that name operated by London Stock Exchange plc) of the ordinary shares of 0.25 pence each in the capital of the Company be and is hereby approved and the directors of the Company be authorised to take all action reasonable or necessary to effect such cancellation.

### ORDINARY RESOLUTIONS

4. **THAT**, conditional on Resolution 3 being approved, Emma Cray, Jen Whatcott and Steven Sherry of PricewaterhouseCoopers LLP of 7 More London Riverside, London, SE1 2RT, United Kingdom, each having consented to act, be and are hereby appointed Liquidators of the Company for the purposes of such winding up, and any act required or authorised under any enactment to be done by the Liquidators is to be done by all or any one or more of the persons for the time being holding office.
5. **THAT**, conditional on Resolution 3 being approved, the Liquidators’ fees be fixed by reference to the time properly given by the Liquidators and their staff in attending to matters arising in the winding up, including those falling outside of statutory duties undertaken at the request of the members, be and are hereby authorised to draw such remuneration monthly or at such longer intervals as they may determine and to pay any expenses properly incurred by them.
6. **THAT**, conditional on Resolution 3 being approved, the Liquidators be and are hereby authorised under the provisions of section 165(2) of the Insolvency Act 1986 to exercise the powers set out in the Insolvency Act 1986 including, in particular, under Part 1 of Schedule 4 thereof.

7. **THAT**, conditional on Resolution 3 being approved, the Company's books and records be held by the members to the order of the Liquidators, such books and records to be held securely and in line with data protection legal requirements. The Company's books and records may not be destroyed without the permission of the Liquidators which will not be forthcoming until at least 12 months after dissolution of the Company, except where the Liquidators instruct earlier destruction of personal data to comply with data protection legislation.
8. **THAT**, conditional on Resolution 3 being approved, certificate copies of the resolutions passed herein, be signed by James Sharp of the General Meeting for and on behalf of the members.
9. **THAT** the minimum number of directors of the Company shall be two and any acts previously carried out by two Directors be ratified and approved by the Company's members.

Dated: 26 April 2023

*Registered Office:*

6th Floor, One London Wall  
London  
EC2Y 5EB

By order of the Board:

**Richard Monaghan**  
*Company Secretary*

**Notes:**

1. The following notes explain your general rights as a shareholder and your rights to attend and vote at the General Meeting or to appoint someone else to vote at the General Meeting on your behalf.
2. Voting on the business of the General Meeting will be conducted by way of poll, to reflect the proxy voting instructions received. Shareholders are urged to register their vote in advance by appointing the chair of the General Meeting as their proxy and giving voting instructions, using the methods, and by the deadline, set out in these notes. Proxy appointments should be submitted as soon as possible and, in any event, so as to be received no later than 9.30 a.m. on 10 May 2023. The results of voting on the Resolutions will be posted on the Company's website as soon as practicable after the General Meeting.

**Entitlement to Attend and Vote**

3. To be entitled to attend and vote at the General Meeting (and for the purposes of the determination by the Company of the votes that may be cast in accordance with Regulation 41 of the Uncertified Securities Regulations 2001), only those members registered in the Company's register of members at close of business on 10 May 2023 (or, if the General Meeting is adjourned, close of business on the date which is two Business Days before the adjourned General Meeting) shall be entitled to attend and vote at the General Meeting. Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.

**Appointment of Proxies**

4. If you are a member of the Company at the time set out in note 3 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the General Meeting. You can appoint a proxy only using the procedures set out in these notes.
5. A proxy does not need to be a member of the Company but must attend the General Meeting to represent you. If you wish your proxy to speak on your behalf at the General Meeting, you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
6. 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 indicate on your proxy submission how many shares it relates to.
7. 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 General Meeting.

**Appointment of a Proxy Online**

8. You may submit your proxy electronically using the Share Portal service at [www.signalshares.com](http://www.signalshares.com). Shareholders can use this service to vote or appoint a proxy online. The same voting deadline of 48 hours (excluding non-working days) before the time of the General Meeting applies. Shareholders will need to use the unique personal identification Investor Code printed on your share certificate. If you need help with voting online, please contact our Registrar, Link Group's portal team on 0371 664 0391. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales, or via email at [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk).

**Appointment of Proxies Through CREST**

9. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) of it by using the procedures described in the CREST Manual (available from <https://www.euroclear.com>). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: RA10) by 9.30 a.m. on 10 May 2023. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

### **Appointment of Proxies via Proximity**

10. Proximity Voting – if you are an institutional investor, you may also be able to appoint a proxy electronically via the Proximity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proximity, please go to [www.proximity.io](http://www.proximity.io). Your proxy must be lodged by 9.30 a.m. on 10 May 2023 in order to be considered valid or, if the General Meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proximity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proximity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

### **Appointment of Proxy by Joint Members**

11. 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**

12. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off times 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 hard-copy proxy form, please contact Link as per the communication methods shown in note 9. 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**

13. 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 Link, at PXS 1, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. 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 is signed, or a duly certified copy of such power or authority, must be included with the revocation notice. The revocation notice must be received by Group no later than 48 hours before the General Meeting. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the General Meeting and voting in person. If you have appointed a proxy and attend the General Meeting in person, your proxy appointment will automatically be terminated.

### **Corporate Representatives**

14. 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.

