

STAFFLINE GROUP PLC

NOTICE OF 2017 ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting (the “**Meeting**”) of **STAFFLINE GROUP PLC** (the “**Company**”) will be held at Buchanan Offices, 107 Cheapside, London, EC2V 6DN on Thursday, 18 May 2017 at 11.00 am.

You will be asked to consider and vote on the resolutions below. Resolutions 1 to 8 will be proposed as ordinary resolutions and resolutions 9 to 11 will be proposed as special resolutions.

ORDINARY BUSINESS

1. To receive and adopt the accounts of the Company for the financial year ended 31 December 2016, together with the Directors’ Report and the Independent Auditors’ Report.
2. To receive and approve the Directors’ Remuneration Report, in the form set out in the Company’s Annual Report for the year ended 31 December 2016 (Page 25 and 41 to 44 of the 2016 Annual Report).
3. To declare a final dividend for the financial year ended 31 December 2016 of 15.3 pence per ordinary share.
4. To elect Tracy Lewis as a Director of the Company.
5. To elect Christopher Pullen as a Director of the Company.
6. To re-elect Andrew Hogarth as a Director of the Company.
7. To re-elect John Crabtree as a Director of the Company.
8. To re-appoint PricewaterhouseCoopers LLP as auditors of the Company to hold office from the conclusion of the Meeting until the conclusion of the next Annual General Meeting of the Company at which accounts are laid and to authorise the Directors to fix their remuneration.

SPECIAL BUSINESS

9. **THAT** in substitution for all existing authorities to the extent unused, the Directors be and are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the “**Act**”) to exercise all the powers of the Company to allot shares in the Company up to a maximum aggregate nominal amount of £278,494 provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or on the date 15 months from the date of the passing of this Resolution (whichever is the earlier) and that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted after such expiry and the Directors may allot shares in pursuance of such offer or agreement, notwithstanding that the authority conferred hereby has expired.

10. **THAT** subject to the passing of Resolution 9, the Directors be empowered pursuant to section 570 and section 573 of the Act, to allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the general authority conferred on them by Resolution 9 as if section 561(1) of the Act did not apply to any such allotment provided that this power shall be limited to:

- (a) the allotment of equity securities in connection with an offer of securities (whether by way of a rights issue, open offer or otherwise), open for acceptance for a period fixed by the Directors, to holders of ordinary shares on the register of members on any fixed record date in proportion to their holdings of ordinary shares, subject to such exclusions or other such arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems arising under the laws of, or the requirements of, any regulatory body or any stock exchange in any territory; and
- (b) the allotment (otherwise than pursuant to paragraph (a) above) of equity securities up to an aggregate nominal amount of £278,494 provided that this power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or on the date 15 months from the date of the passing of this Resolution (whichever is the earlier) and provided that the above power shall also apply in relation to a sale of shares which is an allotment of equity securities by virtue of section 560(3) of the Act as if the words "pursuant to the general authority conferred on them by Resolution 9" were omitted.

11. **THAT**, pursuant to section 701 of the Act, the Company be and is hereby granted general and unconditional authority to make market purchases (as defined in section 693(4) of the Act) of ordinary shares of £0.10 each in the capital of the Company ("**Shares**"), provided that:

- (a) the maximum number of Shares authorised to be purchased is 2,784,939 Shares ;
- (b) the minimum price which may be paid for a Share is £0.10;
- (c) the maximum price (exclusive of expenses) which may be paid for a Share is the higher of: (i) an amount equal to 105 per cent of the average of the middle market quotations for the Shares as derived from the Daily Official List of London Stock Exchange plc for the five business days immediately preceding the day on which the purchase is made; and (ii) an amount equal to the higher of the price of the last independent trade of a Share and the highest current independent bid for a Share on the trading venue where the purchase is carried out;

and (unless previously revoked, varied or renewed) shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or on the date 15 months from the date of the passing of this Resolution (whichever is the earlier), save that the Company may enter into a contract to purchase Shares before the expiry of this authority under which such purchase will or may be completed or executed wholly or partly after this authority expires and may make a purchase of Shares pursuant to any such contract as if this authority had not expired.

By Order of the Board

Paul Collins

Company Secretary

Staffline Group plc

19-20 The Triangle, NG2 Business Park, Nottingham, NG2 1AE

07 April 2017

EXPLANATORY NOTES

Resolution 9: General authority to allot shares

Resolution 9 would renew the Directors' authority to allot shares up to a maximum nominal amount of £278,494, being approximately 10% of the issued share capital of the Company at the date of this document. The existing authority would be revoked and this authority would expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or on the date 15 months from the date of the passing of this Resolution (whichever is the earlier).

Resolution 10: Disapplication of pre-emption rights

Resolution 10 would renew the Directors' authority to allot shares for cash as though the rights of pre-emption conferred by section 561(1) of the Act did not apply:-

- (a) in respect of the whole of the authorised but unissued share capital in connection with an offer to existing shareholders but not strictly in accordance with statutory pre-emption rights (to allow the Directors to take action to overcome certain practical difficulties which could arise in the case of such offer); and
- (b) up to a nominal amount of £278,494, being approximately 10% of the issued share capital of the Company at the date of this document (to give the Directors some flexibility in financing business opportunities as they arise).

This power would expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or on the date 15 months from the date of the passing of this Resolution (whichever is the earlier). The dis-application of pre-emption rights also applies to the sale by the Company of treasury shares.

Resolution 11: Purchase of own shares

Resolution 11 will be proposed as a Special Resolution and renews the Company's authority to purchase its own shares in the market during the period until the next Annual General Meeting of the Company for up to 2,784,939 shares, representing approximately 10% of the issued ordinary share capital of the Company at the date of this document.

The Directors have no current intention of exercising this authority to purchase the Company's ordinary shares. The Company will only exercise this authority to make such a purchase in the market if the Directors consider it is in the best interests of the Shareholders generally to do so.

The Company is permitted to hold shares it has purchased in treasury, as an alternative to cancelling them. Shares held in treasury may subsequently be cancelled, sold for cash or used to satisfy options exercised under any of the Company's share schemes. Whilst held in treasury, the shares are not entitled to receive any dividend or dividend equivalent (apart from any issue of bonus shares) and have no voting rights. The Directors believe it is appropriate for the Company to have the option to hold its own shares in treasury if, at a future date, the Directors exercise this authority. The Directors will have regard to investor group guidelines which may be in force at the time of any such purchase, holding or re-sale of shares held in treasury.

If given, this authority will expire at the conclusion of the Company's next Annual General Meeting or 15 months after the passing of the Resolution (whichever is earlier). It is the Directors' intention to renew this authority each year.

The Directors consider that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and the shareholders of the Company as a whole. Consequently, the Directors unanimously recommend that you vote in favour of each of the resolutions to be proposed at the Annual General Meeting

NOTES:

Entitlement to attend and vote

1. The right to vote at the Meeting is determined by reference to the register of members of the Company. Only those Shareholders registered in the register of members of the Company as at 5.00pm on 16 May 2017 (or, if the Meeting is adjourned, 5.00pm on the date which is two days before the date of the adjourned meeting) shall be entitled to attend and vote at the Meeting in respect of the number of shares registered in their name at that time. Changes to entries in the Company's register of members after that time shall be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the Meeting.

Attending in person

2. Please arrive at the building at least 15 minutes prior to the start of the meeting.

Proxies

3. A Shareholder is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend, speak and vote at the Meeting. A proxy need not be a Shareholder of the Company. A Shareholder may appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Shareholder. Failure to specify the number of shares each proxy appointment relates to or specifying a number which when taken together with the numbers of shares set out in the other proxy appointments is in excess of the number of shares held by the Shareholder may result in the proxy appointment being invalid. A proxy may only be appointed in accordance with the procedures set out in these notes and the notes to the Form of Proxy. The appointment of a proxy will not preclude a Shareholder from attending and voting in person at the Meeting. A Form of Proxy is enclosed. To be valid, a proxy form must be completed, signed and sent to the Company's registrars at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, so as to arrive no later than 10.00am on 16 May 2017 (or, if the Meeting is adjourned, no later than 48 hours before the time of any adjourned meeting).

Corporate representatives

4. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member, provided that they do not do so in relation to the same shares.

Adoption of Financial Reporting Standard (FRS) 101 – Reduced Disclosure Framework

5. Following the publication of FRS 100 Application of Financial Reporting Requirements by the Financial Reporting Council, the company adopted FRS 101 to take advantage of the permitted election to the disclosure exemptions permitted under FRS 101 for the year ended 31 December 2016. The Board considered that it is in the best interests of the Group for the Company to continue to report under FRS 101 for its financial year ended 31 December 2017. A shareholder or shareholders holding in aggregate 5% or more of the total allotted shares in the Company may serve objections to the use of the disclosure exemptions on the Company, in writing, to its registered office (19-20 The Triangle, NG2 Business Park, Nottingham, NG2 1AE) not later than one month from the date of this notice. This notice will apply on an ongoing basis until such time as the Company notifies its shareholders of any change to its chosen accounting framework for the parent company financial statements. The consolidated financial statements of the Group will continue to be prepared in accordance with IFRS as adopted by the EU.