

STAFFLINE GROUP PLC

NOTICE OF ANNUAL GENERAL MEETING 2023

PLEASE NOTE

Whilst all shareholders are legally entitled to physically attend the 2023 Annual General Meeting, those wishing to attend the Meeting in person will need to pre-register their intention to do so by emailing cosec@staffline.co.uk (please state 'Staffline Group PLC: AGM' in the subject line of the email and include your full name and investor code, which can be found on your share certificate or, by contacting the Registrar, Link Group - details in Note 9) by no later than 9:30 am on 8 June 2023.

Any changes to the 2023 Annual General Meeting arrangements will be communicated to shareholders through our website and, where appropriate, by regulatory announcement:

www.stafflinegroupplc.co.uk/investor-relations/agm

Shareholders who decide not to attend the 2023 Annual General Meeting will, as with previous years, be permitted to raise questions of the Board on the investors page of the Staffline Group PLC website. All shareholders are welcome to submit questions in advance of the meeting. Details of the online Q&A are set out in the accompanying notes.

Staffline Group PLC is committed to reducing paper and improving efficiency in its shareholder communications. Unlike previous years, you will not receive a hard copy Form of Proxy for the 2023 Annual General Meeting in the post automatically. You may request a hard copy Form of Proxy directly from our Registrar, Link Group. Details of how to request, and complete, a hard copy Form of Proxy are set out in Notes 9 to 11 of this document. All such proxy instructions must be received by the Registrar by no later than 9.30am on 8 June 2023.

Whether you intend to attend the Meeting in person or not, you can still vote on the resolutions by proxy and it is strongly recommended that you submit your Form of Proxy in advance.

You can also appoint your proxy electronically using the CREST service.
Please see the accompanying notes for further details.

Again, you are kindly requested to submit your votes by proxy.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspects of the proposals referred to in this document or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent professional advisor authorised under the Financial Services and Markets Act 2000.

If you have recently sold or otherwise transferred all of your ordinary shares in Staffline Group PLC, please send this document, together with your accompanying Form of Proxy (if applicable), as soon as possible 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.

Notice of the 2023 Annual General Meeting of Staffline Group PLC to be held at DLA Piper UK LLP, 160 Aldersgate Street, London, EC1A 4HT on Monday, 12 June 2023 at 9:30 am is set out on pages 2 and 3 of this document. Shareholders are requested to complete and return the Form of Proxy, so as to be received by no later than 9:30 am on 8 June 2023.

Staffline Group Plc

Notice of Annual General Meeting 2023

NOTICE is hereby given that the Annual General Meeting (the “**Meeting**”) of Staffline Group PLC (the “**Company**”) will be held at DLA Piper UK LLP, 160 Aldersgate Street, London, EC1A 4HT on Monday, 12 June 2023 at 9:30 am.

You will be asked to consider and vote on the resolutions below. Resolutions 1 to 10 will be proposed as ordinary resolutions and Resolutions 11 to 13 will be proposed as special resolutions.

Ordinary Resolutions

1. To receive and adopt the accounts of the Company for the financial year ended 31 December 2022, together with the Directors’ Report and the Auditor’s Report.
2. To receive and approve the Remuneration Committee Report (other than the part containing the Directors’ Remuneration Policy), in the form set out in the Company’s Annual Report for the year ended 31 December 2022 (pages 70 to 73 of the Annual Report 2022).
3. To re-elect Albert Ellis as a Director of the Company.
4. To re-elect Daniel Quint as a Director of the Company.
5. To re-elect Tom Spain as a Director of the Company.
6. To re-elect Catherine Lynch as a Director of the Company.
7. To elect Amanda Aldridge as a Director of the Company.
8. To reappoint Grant Thornton UK LLP as auditor of the Company to hold office from conclusion of the meeting to the conclusion of the next meeting at which accounts are laid before the Company.
9. To authorise the Directors to fix the remuneration of the auditor.
10. **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 and grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £3,315,354 (being approximately 20% of the issued share capital of the Company) 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 at the close of business 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 such securities to be allotted after such expiry and the Directors may allot such securities in pursuance of such offer or agreement, notwithstanding that the authority conferred hereby has expired.

Special Resolutions

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**") on such terms and in such manner as the Directors may determine, provided that:
- (a) the maximum number of Shares authorised to be purchased is 16,576,772 Shares;
 - (b) the minimum price (exclusive of expenses) 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 AIM Appendix of 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 at the close of business 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.
12. **THAT**, subject to the approval of the High Court of England and Wales, the entire amount standing to the credit of the Company's share premium account be and is hereby cancelled.
13. **THAT** a general meeting (other than an Annual General Meeting) may be called on not less than 14 clear days' notice.

By Order of the Board

Louise Barber FCG
Company Secretary
Staffline Group PLC

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

12 April 2023

Explanatory Notes on Resolutions

Notice of Annual General Meeting 2023

Resolution 1: Annual report and accounts

The Directors must present the Company's annual accounts, Directors' Report and Auditor's Report to shareholders at a general meeting. Those to be presented at the Meeting are in respect of the financial year ended 31 December 2022 and are called the Annual Report 2022. The Annual Report 2022 is available on the Company's website at: www.stafflinegroupplc.co.uk/investor-relations/results-reports-and-presentations.

Resolution 2: Remuneration Committee Report

The Company is seeking shareholder approval for the Remuneration Committee Report (other than the part containing the Directors' Remuneration Policy) which is set out on pages 70 to 73 of the Annual Report 2022. This vote is advisory only; therefore, it does not affect the historical remuneration paid to any individual Director.

Resolutions 3 to 7: Election and Re-election of Directors

Albert Ellis, Daniel Quint, Catherine Lynch, and Tom Spain are all standing for re-election and Amanda Aldridge is standing for election. Amanda Aldridge stands for election as a Non-Executive Director of the Company and her biography is set out in Note 22 of this Notice.

Biographies of each of the Directors seeking re-election are set out on pages 54 to 55 of the Annual Report 2022 and on the Company's website: www.stafflinegroupplc.co.uk/about-us/board-of-directors.

Resolutions 8 and 9: Re-appointment and remuneration of auditor

The Company is required to appoint auditors at each general meeting at which its annual report and accounts are presented to shareholders. Therefore, resolution 8 proposes the re-appointment of Grant Thornton UK LLP as auditor (to hold office until the next such meeting) and, in accordance with normal practice, resolution 9 authorises the Directors to determine the auditor's remuneration.

Grant Thornton UK LLP were first appointed as auditor on 12 August 2020.

Resolution 10: General authority to allot shares

Resolution 10 seeks to provide the Directors' authority to allot shares up to a maximum nominal amount of £3,315,354, being approximately 20% of the issued share capital of the Company as at 12 April 2023, (being the latest practicable date prior to the publication of this document). This authority will expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or at close of business on the date 15 months from the date of the passing of this Resolution (whichever is the earlier).

The Directors have no present intention of exercising the authority under this Resolution, but the Directors wish to ensure that the Company has sufficient flexibility in managing the financial resources of the Company. Further, the Directors are not proposing to disapply pre-emption rights in respect of this authority and recognise they would need to revert to Shareholders should they wish to in due course.

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 16,576,772 shares, representing approximately 10% of the issued ordinary share capital of the Company as at 12 April 2023 (being the latest practicable date prior to the publication of this document).

It is the Directors' opinion that it would be advantageous for the Company to be in a position to purchase its own shares should such action be deemed appropriate. The Directors have no immediate intention of exercising the authority to purchase the Company's shares but will keep the matter under review, taking into account the financial resources of the Company, the Company's share price and future funding opportunities. 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 and could be expected to result in an increase in earnings per share of the Company.

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 at close of business on the date 15 months after the passing of the Resolution (whichever is earlier). It is the Directors' intention to renew this authority each year.

Resolution 12: Cancellation of share premium account

Resolution 12 will be proposed as a Special Resolution to provide the requisite authority under the Act for the Company to seek to cancel its share premium account ("Cancellation"). The Cancellation will also involve an application to the High Court of England and Wales ("Court").

As at 12 April 2023 (being the latest practicable date prior to the publication of this document), the Company has a balance on its share premium account of £111,798,326 which: (i) has arisen as a result of various prior issues by the Company of its shares at prices in excess of their nominal value; and (ii) is not distributable to the shareholders of the Company under the Act.

Subject to any direction given by the Court in confirming the Cancellation and subject to the terms of any undertaking given by the Company in relation to the reserve which arises, the effect of the Cancellation, if approved by the shareholders as a special resolution, will enable the Company to increase its distributable reserves by the relevant balance on the Company's share premium account at the time the Cancellation takes effect. The increase in the Company's distributable reserves, achieved by the Cancellation, would potentially enable the Directors to be able to undertake the share buybacks (authorised pursuant to resolution 11) and/or declare dividends in the future, in each case if the Directors determine it appropriate to do so (and as is more particularly described in the notes to Resolution 11 in respect of any share buybacks). No decision has been taken as to re-starting the payment of dividends at this stage, but the Cancellation is seen as a necessary positive administrative step (given the current level of negative reserves), whilst improving the marketability of the Company's shares as well as allowing a more efficient utilisation of the Company's reserve accounts.

The Cancellation is conditional upon: (i) the passing of this Resolution 12; (ii) the confirmation of the Court; (iii) it not otherwise being prohibited under applicable law or regulation; and (iv) the registration of the sealed Court order by the Registrar of Companies.

If Resolution 12 is passed, the Company intends to take the necessary steps to effect the Cancellation as soon as practicable following the Meeting. Please note that there are circumstances in which the Directors might decide not to proceed with the Cancellation, including the Court imposing conditions on its confirmation which are not satisfactory to the Company, and as such the Directors reserve the right not to proceed with the Cancellation at their sole discretion.

Resolution 13: Notice period for general meetings

Resolution 13 will be proposed as a Special Resolution to allow the Company to call general meetings (other than an Annual General Meeting) on 14 clear days' notice. Annual General Meetings will continue to be held on 21 clear days' notice. Although not strictly required under the Act as the Company is listed on AIM, the Directors consider it prudent to seek shareholder approval for a shorter notice period. If the resolution is passed, the shorter notice period would only be used where it is merited by the business of the meeting and is considered to be in the interests of the shareholders as a whole. If passed the resolution will be effective until the Company's next Annual General Meeting.

Recommendation

The Directors consider that the Resolutions to be proposed at the 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 Meeting. The Directors who own ordinary shares intend to vote in favour of the resolutions to be proposed at the Meeting.

Action to be taken

Whether you intend to attend in person or not, you can still vote on the resolutions by proxy and it is strongly recommended that you submit your Form of Proxy in advance.

Shareholders are encouraged to appoint the Chairman of the Meeting as their proxy with their voting instructions to ensure their votes are counted if ultimately a shareholder (or any other proxy a shareholder might otherwise appoint) is not able to attend the Meeting. If you give the Chairman of the Meeting discretion over how to vote, your vote will be submitted in line with the Directors' recommendation for each resolution. Your Form of Proxy must be received by no later than 9:30 am on 8 June 2023. Further details relating to voting by proxy are set out in the notes to the Notice.

Notes:

Notice of Annual General Meeting 2023

Physical attendance at the Meeting

1. Whilst all shareholders are legally entitled to physically attend the Meeting, those wishing to attend the Meeting in person will need to pre-register their intention to do so by emailing cosec@staffline.co.uk (please state 'Staffline Group PLC: AGM' in the subject line of the email and include your full name and investor code, which can be found on your share certificate or, by contacting the Registrar, Link Group - details contained in Note 9 below) by no later than 9:30 am on 8 June 2023.

Entitlement to vote

2. The right to vote by proxy 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 5.00 pm on 8 June 2023 (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 vote by proxy 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 vote (and the number of votes they may cast) by proxy.
3. Each of the resolutions to be put to the Meeting will be voted on by a poll and not by a show of hands. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting. The results of the poll will be published on the Company's website after the Meeting.

Proxies

4. A member may appoint a proxy online by visiting www.signalshares.com. To be valid, your online proxy appointment and instructions must be received by no later than 9:30 am on 8 June 2023. To vote online you will need to log in to your Signal Shares account or register on the site if you have not already done so. To register on the Signal Shares website you will need your investor code. Once registered you will immediately be able to vote.
5. Link Group, the Company's Registrars, has launched a shareholder app: LinkVote+. It's free to download and use and gives shareholders the ability to access their shareholding record at any time and allows users to submit a proxy appointment quickly and easily online rather than through the post. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below.

Apple App Store



Google Play



6. If you are an institutional investor, you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to: www.proxymity.io
7. Your proxy must be lodged by 9:30 am on 8 June 2023 in order to be considered valid or, if the 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 Proxymity'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 Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
8. A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy or proxies to attend and vote, on a poll, instead of him/her. Should a Shareholder appoint a proxy who is not the 'Chairman of the Meeting', such person should ensure they pre-register their intention to physically attend the Meeting in accordance with Note 1 above.
9. Alternatively, you may request a hard copy Form of Proxy directly from our Registrar, Link Group, on Tel. 0371 664 0300 or by emailing shareholderenquiries@linkgroup.co.uk. 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 9.00am-5.30pm, Monday to Friday excluding public holidays in England and Wales.
10. To be effective, the completed and signed hard copy Form of Proxy must be lodged at the offices of Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL (together with any power of attorney or other authority under which it is signed or a notarially certified copy of such power or authority) by no later than the deadline set out in Note 4 above. Alternatively, you may send any document or information relating to proxies to the electronic address indicated on the hard copy Form of Proxy.
11. To be valid any hard copy Form of Proxy together with any power of attorney or any other authority under which the hard copy Form of Proxy is signed (or a duly certified copy of such power or authority) or any other instrument appointing a proxy must be included with the hard copy Form of Proxy and received by post or, during normal business hours only, by hand at the Company's Registrar, Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, no later than 9:30 am on 8 June 2023 (or, if the Meeting is adjourned, no later than 48 hours before the time of any adjourned meeting).
12. Submission of a Proxy vote shall not preclude a member from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment thereof.
13. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion or withhold from voting.

CREST Proxy Instructions

14. CREST members who wish to appoint the chair as proxy through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. 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.
15. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK and International Limited's ("Euroclear") specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, in order to be valid, must be transmitted so as to be received by the Company's agent Link Group (CREST ID:RA10), PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, by 9:30 am on 8 June 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 Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
16. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. 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, to procure that his or her 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.
17. 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 (as amended).

Corporate representatives

18. 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.

Total Voting Rights

19. As at 12 April 2023 (being the latest practicable date prior to the publication of this document) the Company's issued share capital consisted of 165,767,728 ordinary shares of 10 pence each, carrying one vote each, of which 3,316,391 shares are held by the Employee Benefit Trust. Therefore, the total voting rights in the Company are 162,451,337.

Information available on the Website

20. A copy of this Notice can be found at: www.stafflinegroupplc.co.uk/investor-relations/agm

Shareholders may not use any electronic address provided in either this Notice or any related documents (including any hard copy Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

Any electronic address provided either in this Notice or in any related documents (including the Form of Proxy) may not be used to communicate with the Company for any purposes other than those expressly stated.

Information available for inspection

21. The following information is available for inspection during normal business hours at the registered office of the Company (excluding weekends and public holidays) from the date of this Notice. It will also be available for inspection at the place of the Meeting from 15 minutes immediately before the Meeting until its conclusion:
 - (a) copies of the service contracts and letters of appointment of the Directors;
 - (b) a copy of the Company's Articles of Association; and
 - (c) qualifying third party indemnity provisions of which the Directors have the benefit.

Election of Director

22. Amanda Aldridge has extensive audit, governance and capital market experience having worked at KPMG LLP ("KPMG") for 33 years until 2017, including 20 years as a partner. During her time at KPMG, Amanda held numerous positions including Head of the Retail Sector practice before becoming Head of Contract Governance in the Risk-Consulting Division.

Amanda is currently a non-executive director and Audit Committee Chair of Impact Healthcare REIT plc, The Brunner Investment Trust Plc, and The Low Carbon Contracts Company Limited, and is a Fellow of the Institute of Chartered Accountants in England and Wales.

Following her appointment, Amanda will chair the Group's Audit Committee and be appointed to the Company's Remuneration and Nominations Committees, replacing Ian Starkey who, as previously announced, will step down from the Board on 16 May 2023.

Notes:**Notice of Annual
General Meeting
2023****Q&A**

23. Shareholders who decide not to attend the 2023 Annual General Meeting in person are permitted to raise questions of the Board on the investors page of the Company's website:

www.stafflinegroupplc.co.uk/investor-relations/agm

All shareholders are welcome to submit questions in advance of the Annual General Meeting. The questions will then be addressed by the Directors directly via email or answers to each question will be published on the Company's website (as the Directors consider to be most appropriate).