

**THIS DOCUMENT IS IMPORTANT AND
REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant, or other professional adviser.

If you have sold or otherwise transferred all of your shares, please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

PROACTIS HOLDINGS PLC

(incorporated and registered in England and Wales under company number 05752247)

NOTICE OF ANNUAL GENERAL MEETING

Notice of the Annual General Meeting of the Company to be held at the offices of finnCap Ltd at 60 New Broad Street, London EC2M 1JJ on Wednesday 19 December 2018 at 2.00 p.m. is set out on pages 3 and 4 of this document.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received by 2.00 p.m. on Monday 17 December 2018.

Part 1

PROACTIS HOLDINGS PLC

(incorporated and registered in England and Wales under company number 05752247)

Registered Office:
Riverview Court
Castle Gate
Wetherby
LS22 6LE

26 November 2018

To the Shareholders of PROACTIS Holdings PLC

Notice of Annual General Meeting

Dear Shareholder,

I am pleased to be writing to you with details of our Annual General Meeting (AGM) which we are holding at the offices of finnCap Ltd, 60 Broad Street, London EC2M 1JJ on Wednesday 19 December 2018 at 2.00 p.m. The formal notice of AGM is set out on pages 3 to 4 of this document.

If you would like to vote on the resolutions but cannot attend the AGM, please complete the proxy form sent to you with this document and return it to our registrars as soon as possible. They must receive it by 2.00 p.m. on Monday 17 December 2018.

Explanatory notes on the business to be considered at this year's AGM appear on pages 7 of this document.

The directors of the Company consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole. The board of directors will be voting in favour of them and unanimously recommends that you do so as well.

Yours sincerely,

Alan Aubrey

Chairman

PROACTIS HOLDINGS PLC

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS GIVEN that the **ANNUAL GENERAL MEETING** of **PROACTIS Holdings PLC** (the Company) will be held at the offices of finnCap Ltd at 60 Broad Street, London EC2M 1JJ on Wednesday 19 December 2018 at 2.00 p.m. for the following purposes:

To consider and, if thought fit, pass the following resolutions of which resolutions 1 to 7 will be proposed as ordinary resolutions and resolution 8 will be proposed as a special resolution:

Ordinary Business

1. To adopt and receive the directors' report and the audited accounts of the Company for the year ended 31 July 2018.
2. To declare a final dividend for the year ended 31 July 2018 of 1.5 pence per ordinary share.
3. To re-appoint Sean McDonough as a director of the Company in accordance with article 33 of the Company's articles of association who offers himself for re-appointment as a director.
4. To re-appoint Rodney Potts as a director of the Company in accordance with article 33 of the Company's articles of association who offers himself for re-appointment as a director.
5. To re-appoint Sophie Tomkins as a director of the Company in accordance with article 28 of the Company's articles of association who offers herself for re-appointment as a director.
6. To appoint KPMG LLP as auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company and to authorise the audit committee of the board of directors to determine the auditor's remuneration.
7. To authorise the directors of the Company generally and unconditionally pursuant to section 551 of the Companies Act 2006 (the Act) to exercise all powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company (Rights) up to an aggregate nominal amount of £3,120,000 (being approximately one third of the issued share capital of the Company as at the date of this notice), provided that this authority shall expire on the earlier of the date falling six months from the expiry of the Company's current financial year and the conclusion of the next annual general meeting of the Company after the passing of this resolution unless varied, revoked or renewed by the Company in general meeting, save that the Company may before the expiry of the authority granted by this resolution make an offer or agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the directors of the Company may allot shares and grant Rights in pursuance of such an offer or agreement as if the authority conferred by this resolution had not expired and the authority granted by this resolution is in substitution for all previous authorities granted to the directors of the Company to allot shares and grant Rights which (to the extent that they remain in force and unutilised) are revoked but without prejudice to any allotment or grant of Rights made or entered into prior to the date that this resolution 7 is passed.

Special Business

8. To empower the directors of the Company (subject to the passing of resolution 7) pursuant to sections 570 and 573 of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred upon them by resolution 7 or where the allotment constitutes an allotment of equity securities by virtue of section 560(3) of the Act as if section 561(1) of the Act and sections (1) - (6) of sections 562 of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
- 8.1 in connection with or pursuant to an offer of such securities by way of a pre-emptive offer (as defined below); and
- 8.2 the allotment (otherwise than pursuant to sub-paragraph 8.1 above) of equity securities up to an aggregate nominal amount of £945,000 (being approximately 10% of the issued share capital of the Company as at the date of this notice),

and shall expire on the earlier of the date falling six months from the end of the current financial year of the Company and the conclusion of the next annual general meeting after the passing of this resolution, save that the Company may, before the expiry of any power contained in this resolution, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors of the Company may allot equity securities in pursuance of such offer or agreement as if the power conferred by this resolution had not expired.

For the purpose of this resolution 8:

pre-emptive offer means a rights issue, open offer or other pre-emptive issue or offer to (i) holders of ordinary shares in proportion (as nearly as may be practicable) to the respective numbers of ordinary shares held by them on the record date(s) for such allotment; and (ii) persons who are holders of other classes of equity securities if this is required by the rights of such securities (if any) or, if the directors of the Company consider necessary, as permitted by the rights of those securities, but subject in both cases to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory or any other matter whatsoever.

Dated: 26 November 2018

By order of the board
Timothy James Sykes

Company Secretary

Registered office:
Riverview Court
Castle Gate
Wetherby
LS22 6LE

Notes

1. This notice is the formal notification to shareholders of the Company's annual general meeting, its date, time and place, and the matters to be considered. If you are in any doubt as to what action to take you should consult an independent adviser.
2. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended) only those shareholders registered in the register of members of the Company as at close of business on 17 December 2018 as holders of ordinary shares of 10 pence each in the capital of the Company 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 register of members after close of business on 17 December 2018 shall be disregarded in determining the rights of any person to attend and vote at the meeting.
3. Members are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the meeting. A member 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 member. A proxy need not be a member of the Company. A proxy form, which may be used to make such appointment and give proxy instructions, accompanies this notice. Proxy forms must be in the hands of the registrars by 2.00 p.m. on 17 December 2018. Further details of how to appoint a proxy are set out in the notes to the proxy form.
4. The return of a proxy form or any CREST Proxy Instructions (as described in note 10) will not prevent a member attending the annual general meeting and voting in person if he/she so wishes.
5. If a member appoints a proxy or proxies and then decides to attend the annual general meeting in person and vote using his poll card, then the vote in person will override the proxy vote(s). If the vote in person is in respect of the member's entire holding, then all proxy votes will be disregarded. If, however, the member votes at the meeting in respect of less than the member's entire holding, then if the member indicates on his polling card that all proxies are to be disregarded, that shall be the case; but if the member does not specifically revoke proxies, then the vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding that which the member is entitled to pursuant to the member's entire shareholding. If you do not have a proxy form and/or believe that you should have one, please contact the Company at its registered office. Additional proxy form(s) may be obtained by photocopying the form.
6. To change your proxy instructions simply submit a new proxy appointment using the methods set out above and in note 9. Please note that the cut-off time for receipt of proxy appointments (see note 3) also applies 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 Asset Services at Proxies Department, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

If you submit more than one valid proxy appointment, whichever appointment is the last dated (provided that such date is on or before the date of delivery but otherwise regardless of the actual date of execution or the date of its delivery) shall be treated as replacing and revoking the others as regards that share.

7. 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 Asset Services. 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 Link Asset Services at Proxies Department, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU by no later than 2:00 p.m. on 17 December 2018. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to note 5, your appointment will remain valid.

8. If a corporation is a member of the Company, it may by resolution of its directors or other governing body authorise one or more persons to act as its representative or representatives at the meeting and any such representative(s) shall be entitled to exercise on behalf of the corporation all the powers that the corporation could exercise if it were an individual member of the Company.

Corporate representatives should bring with them either an original or certified copy of the appropriate board resolution or an original letter confirming the appointment, provided it is on the corporation's letterhead and is signed by an authorised signatory and accompanied by evidence of the signatory's authority.

9. CREST members who wish to appoint a proxy or proxies 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) 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.
10. 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 & Ireland Limited's (**Euroclear**) specifications, and must contain the information required for such instruction, as described in the CREST manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 2.00 p.m. on 17 December 2018. 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 issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
11. CREST members and, where applicable, their CREST sponsors, or voting service provider(s) 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(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 system provider(s) are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.
12. 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).
13. As at 26 November 2018 (being the last business day prior to the publication of this notice) the Company's issued share capital consisted of 94,603,614 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 26 November 2018 were 94,603,614.

Explanations of resolutions

Resolution number 1 – Accounts

The directors of the Company are obliged to present to shareholders the report of the directors and the accounts for the Company for the year ended 31 July 2018. That report and those accounts, and the report of the Company's auditors on those accounts, are set out in the report and accounts delivered with this notice.

Resolution number 2 – Declaration of final dividend

Final dividends must be approved by shareholders but must not exceed the amount recommended by the directors. If the meeting approves resolution 2, a final dividend in respect of the year ended 31 July 2018 of 1.5 pence per ordinary share will be paid on 22 January 2019 to shareholders on the register of members on 28 December 2018.

Resolutions numbers 3,4 and 5 – Re-appointment of directors

At each annual general meeting one third of the directors for the time being are required to retire. A director who wishes to retire and not offer himself for re-election shall be included in the calculation of the one third. If the number of relevant directors is not a multiple of three, the number nearest to but not less than one third of directors are obliged to retire. Directors due to retire by rotation are those who have been longest in office since their last re-appointment and as between persons who become or were last re-appointed on the same day those due to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring director is eligible for re-appointment. Sean McDonough and Rodney Potts retire by rotation and offer themselves for re-appointment. Sophie Tomkins also offers herself for re-appointment in accordance with article 28.

Resolution number 6 – Appointment of auditors and approving their remuneration

The Company is required to appoint auditors at each general meeting at which accounts are laid, to hold office until the next such general meeting.

Resolution 6 proposes that KPMG LLP is appointed as auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company, and, in accordance with standard practice, that its remuneration be fixed by the audit committee of the board of directors.

Resolution number 7 – Authority to allot shares

The resolution grants the directors authority to allot shares or grant rights to subscribe for, or to convert any security into, shares up to an aggregate nominal amount of £3,120,000 (being approximately one third of the Company's ordinary share capital in issue at 26 November 2018). It is not the directors' current intention to utilise this authority (if granted), except to grant options under the Company's share option schemes. This authority replaces the existing like authority to the extent unutilised.

Resolution number 8 – Disapplication of statutory pre-emption rights

This resolution disapplies the statutory pre-emption rights which would otherwise apply on an issue of shares for cash and is limited to allotments in connection with rights issues or other pre-emptive offers where the securities attributable to the interests of all shareholders are proportionate (as nearly as may be) to the number of shares held and generally up to a further aggregate nominal amount of £945,000 of equity securities (being approximately 10 per cent. of the Company's ordinary share capital in issue at 26 November 2018). This replaces the existing power to disapply pre-emption rights to the extent unutilised.

