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AFH Financial Group Plc
15 November 2017

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15 November 2017

AFH FINANCIAL GROUP PLC

("AFH" or the "Company")

Completion of Placing

AFH Financial Group plc is pleased to confirm that, further to the announcement made earlier today, the Company has raised a total of £17.5 million (the "**Placing**") through the issue of an aggregate of 7,000,000 new Ordinary Shares at a price of 250 pence per new Ordinary Share (the "**Placing Price**"). The Company increased the size of the Placing from £15 million to £17.5 million to satisfy excess demand received from new and existing investors.

The Placing is conditional on the approval of Shareholders at a General Meeting. Accordingly, a Circular and Notice of General Meeting will shortly be posted to Shareholders, following which the documents will also be available to download from the Company's website at (www.afhfinancialgroup.com). The General Meeting will take place at 10.00a.m. on 4 December 2017 at AFH House, Buntsford Drive, Stoke Heath, Bromsgrove, B60 4JE, at which the Directors will seek Shareholder approval for the Placing.

Application will be made to the London Stock Exchange for the admission of the new Ordinary Shares to trading on AIM and dealings are expected to commence on 5 December 2017. Following Admission, the Company will have a total of 37,595,443 Ordinary Shares of 10 pence each in issue. This figure may be used by Shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in the Company.

Unless otherwise defined, all capitalised terms in this Announcement are defined at the end of the announcement made earlier today entitled "Proposed Placing".

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Important Information

This announcement is released by AFH Financial Group plc and contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 ("**MAR**"), encompassing information relating to the Placing described above, and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is being made on behalf of the Company by Paul Wright, Chief Financial Officer.

This Announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. The Company cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", or other words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of continued volatility in credit markets, market-related risks such as changes in the price of commodities or changes in interest rates and foreign exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under International Financial Reporting Standards ("**IFRS**") applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of pending and future litigation or regulatory investigations, the success of future explorations, acquisitions and other strategic transactions and the impact of competition. A number of these factors are beyond the Company's control. As a result, the Company's actual future results

may differ materially from the plans, goals, and expectations set forth in the Company's forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. Except as required by the FCA, the London Stock Exchange or applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this Announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

This Announcement is for information purposes only and shall not constitute an offer to buy, sell, issue, or subscribe for, or the solicitation of an offer to buy, sell, issue, or subscribe for any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

The Placing Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, delivered or transferred, directly or indirectly, in or into the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Company does not intend to register any portion of the Placing in the United States or to conduct a public offering of securities in the United States.

This Announcement does not contain an offer or constitute any part of an offer to the public within the meaning of Sections 85 and 102B of the FSMA or otherwise. This Announcement is not an "approved prospectus" within the meaning of Section 85(7) of FSMA and a copy of it has not been, and will not be, delivered to the FCA in accordance with the Prospectus Rules or delivered to any other authority which could be a competent authority for the purpose of the Prospectus Directive. Its contents have not been examined or approved by the London Stock Exchange plc, nor has it been approved by an "authorised person" for the purposes of Section 21 of FSMA. This Announcement is being distributed to persons in the United Kingdom only in circumstances in which section 21(1) of the FSMA does not apply.

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The distribution of this Announcement and the offering of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company or Liberum that would permit an offering of such shares or possession or distribution of this Announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required to inform themselves about, and to observe such restrictions.

The Placing Shares to which this Announcement relates may be illiquid and / or subject to restrictions on their resale. Prospective purchasers of the Placing Shares should conduct their own due diligence on the Placing Shares. If you do not understand the contents of this Announcement you should consult an authorised financial adviser.

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Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

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