

DJ AFH Financial Group GBP 2.8 Million Equity and Bond Issue

TIDMAFHP

GBP 2.8 Million Equity and Bond Issue

21 August 2013
GB00B4W5WQ08

AFH FINANCIAL GROUP PLC
("AFH" or the "Company")

GBP 2.8 million Equity and Bond Issue

AFH Financial Group PLC, a leading independent financial advisory ("IFA") and discretionary wealth management firm, is pleased to announce that the Company has received firm commitments to subscribe for ordinary shares of 10 pence each in the Company ("Ordinary Shares", the "Equity Issue") and 8% Unsecured Bonds due 2020 ("Bonds", the "Bond Issue") for an aggregate total amount of GBP 2.8 million.

Key Points:

- * Proceeds of the Equity Issue and the Bond Issue will be used to provide additional working capital for the Company and to finance potential future acquisitions
- * Since AFH's June 2011 flotation the Company has completed 14 acquisitions and adviser numbers have grown from 53 to 120
- * The Company paid a maiden dividend in May 2013 and remains debt free

Under the Equity Issue, the Company has received firm commitments to subscribe for a total of 1,900,211 Ordinary Shares at a price of GBP 1.09 per share, to raise GBP 2,071,229.99 (gross of expenses) for the Company. Of the 1,900,211 Ordinary Shares, 1,242,202 have been issued today and the balance will be issued to subscribers on receipt of cleared funds and completion of SIPP account arrangements.

The Company has also received firm commitments to subscribe for GBP 752,000 in nominal amount of Bonds. Application will be made for the Bonds to be admitted to trading on the ISDX Growth Market and admission is expected to become effective and dealings in the Bonds are expected to commence on 16 September 2013.

The proceeds of the Equity Issue and the Bond Issue will be used to provide additional working capital for the Company and to finance potential future acquisitions.

Following the issue of the initial 1,242,202 Ordinary Shares in the Equity Issue, the Company's issued share capital comprises 16,022,576 Ordinary Shares. A further announcement will be made on completion of the Equity Issue.

Commenting on the fundraising, Alan Hudson, Chairman and Chief Executive of AFH, said:

"Today's fundraising is a strong endorsement of the Company's organic and acquisitive business strategy, executed against the background of a tight credit market. We are pleased to have received this strong level of support from the investment community and look forward to moving ahead with our strategy to become a leader within our field. AFH is well funded, debt free, dividend paying and perfectly positioned."

The Directors of AFH Financial Group PLC are responsible for the contents of this announcement.

Enquiries:

AFH Financial Group PLC 01527 577 775
Alan Hudson, Chairman and Chief Executive
www.afhfinancialgroup.com

Peterhouse Corporate Finance Limited 020 7469 0930
Mark Anwyl or Duncan Vasey

Yellow Jersey PR Limited 07768 537 739
Dominic Barretto or Anna Legge 07747 788 221

AFH Financial Group Plc

(END) Dow Jones Newswires