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AFH Financial Group Plc  
23 December 2015

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

**Result of General Meeting  
and  
Successful £6.37 million Fundraising Completed**

The Board of AFH, a leading financial planning led investment management firm, is pleased to announce that at its General Meeting held today all of the Resolutions were duly passed.

On 9 December 2015, AFH announced proposals to raise gross proceeds of up to £6.50 million by way of a Placing of 2,727,273 new Ordinary Shares and a Subscription of up to 1,212,121 new Ordinary Shares (together the "Fundraising") at a Placing Price of 165 pence per new Ordinary Share. The Placing was conditional upon, *inter alia*, the passing of the Resolutions at the General Meeting.

The Company is pleased to confirm that it has raised gross proceeds of £6.37 million through the Placing and Subscription comprising the issue of 2,727,273 Placing Shares and 1,134,229 Subscription Shares at the Placing Price. It is proposed that the net proceeds of the Fundraising, estimated to be £6.16 million, will be applied by the Company to fund the purchase of further IFA companies and the working capital requirements of the enlarged organisation. The Company has a portfolio of acquisition opportunities that the Board is keen to take advantage of during 2016.

Alan Hudson, Chief Executive Officer of the Company, said: "**We are delighted to welcome our new shareholders on board, including the River and Mercantile UK Micro Cap Investment Company and Octopus Investments, and we would like thank our existing shareholders for their continued support. We look forward to 2016 with optimism, following another strong year of performance across the Company.**"

**Interests of Significant Shareholders and Directors**

Insofar as the Company is aware, the issue of the New Ordinary Shares will result in the following changes to the shareholding interests of the Company's Significant Shareholders and Directors:

<i>Significant Shareholder/Director</i>	<i>On Admission</i>	
	<i>Number of Ordinary Shares held</i>	<i>Percentage of Issued Share Capital</i>
Alan Hudson (Chief Executive Officer)	7,555,700	31.43%
Philip Mobberley*	2,967,919	12.35%

Paul Connor**	2,700,000	11.23%
River and Mercantile UK Micro Cap Investment Company	1,200,000	4.99%
John Wheatley (Non-Executive Chairman)	227,121	0.94%
Paul Wright (Finance Director)	35,000	0.14%
Mark Chambers (Non-Executive Director)	19,904	0.08%
Austin Broad (Executive Director)	15,000	0.06%

*\*Includes 816,347 Ordinary Shares held by Lynne Karen Mobberley (Philip Mobberley's wife) and 489,041 Ordinary Shares held by P Mobberley Carpenters Limited (a company whose voting rights are 50 per cent. held by Philip Mobberley and 50 per cent. held by Lynne Karen Mobberley).*

*\*\* 700,000 of the Ordinary Shares, representing the shares subscribed for in the Subscription, will be held by Carol Connor, the wife of Paul Connor.*

### **Related party transaction**

Paul Connor currently has a beneficial interest in 2,000,000 Ordinary Shares representing 9.91% of the current issued share capital. Carol Connor, Paul Connor's wife, has subscribed for 700,000 Subscription Shares at the Placing Price. Paul Connor has been a substantial shareholder within the past 12 months and as a consequence the subscription by Carol Connor in the Subscription constitutes a related party transaction under the AIM Rules for Companies. The Directors of the Company, having consulted with Allenby Capital Limited, the Company's Nominated Adviser, consider that Carol Connor's participation in the Subscription is fair and reasonable insofar as shareholders are concerned.

### **Admission and Total Voting Rights**

Application has been made to the London Stock Exchange for 3,861,502 New Ordinary Shares (comprising 2,727,273 Placing Shares and 1,134,229 Subscription Shares) to be admitted to trading on AIM. It is expected that Admission will occur at 8.00 a.m. on 30 December 2015.

The enlarged issued share capital of the Company following the issue of the Placing Shares and the Subscription Shares shall be 24,036,378 Ordinary Shares with voting rights. The Company does not hold any Ordinary Shares in treasury. Following Admission the above figure of 24,036,378 Ordinary Shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or change to their interest in, the share capital of the Company under the Disclosure and Transparency Rules.

Defined terms used in this announcement not otherwise defined shall have the same meaning as those terms defined and used in the Circular.

### **Enquiries:**

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