

AFH FINANCIAL GROUP PLC

(Incorporated and registered in England and Wales with registered number 07638831)

(the “Company”)

NOTICE OF GENERAL MEETING OF THE COMPANY

NOTICE IS HEREBY GIVEN that a **GENERAL MEETING** of the Company will be held at 11:00 a.m. on Tuesday 22nd September 2015 at AFH House, Buntsford Drive, Stoke Heath, Bromsgrove B60 4JE for the purposes set out below.

Special Resolutions

1. That the terms of a purchase of own shares relating to 165,666 ordinary shares of 10 pence each for an aggregate consideration of £248,499 as set out in a memorandum made available in accordance with section 696 of the Companies Act 2006 be and is hereby approved and such authority shall expire on 31 December 2015.
2. That the Company be, and is hereby, unconditionally and generally authorised for the purposes of section 701 of the Companies Act 2006 (the “**Act**”) to make one or more market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 10 pence each in the capital of the Company (“**Ordinary Shares**”) on such terms and in such manner as the directors shall determine, provided that:
 - a. the maximum aggregate number of Ordinary Shares that may be purchased is 1,005,415 (representing approximately 5 per cent. of the issued ordinary share capital of the Company);
 - b. the minimum price (excluding expenses) which may be paid for each Ordinary Share is 95 per cent. of the average of the closing middle market price for an Ordinary Share as derived from the AIM appendix to the London Stock Exchange’s Daily Official List for the five business days immediately prior to the day the purchase is made;
 - c. the maximum price (excluding expenses) which may be paid for each Ordinary Share is an amount equal to 105 per cent. of the average of the closing middle market price for an Ordinary Share as derived from the AIM appendix to the London Stock Exchange’s Daily Official List for the five business days immediately prior to the day the purchase is made;
 - d. this authority shall expire on the earlier of the date falling 15 months after the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company unless previously revoked, varied or

renewed; and

- e. the Company may, before the expiry of the authority granted by this resolution, enter into a contract to purchase Ordinary Shares which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of Ordinary Shares pursuant to any such contract as if such authority had not expired.

Dated 3 September 2015

By Order of the Board

Registered office:

AFH House, Buntsford Drive, Stoke Heath, Bromsgrove, Worcester B60 4JE

Notes:

- 1 Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the General Meeting. A Shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact SLC Registrars Limited, 42-50 Hersham Road, Walton on Thames, Surrey, KT12 1RZ.
- 2 To be valid any Form of Proxy or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at SLC Registrars Limited, 42-50 Hersham Road, Walton on Thames, Surrey, KT12 1RZ no later than 11:00 a.m. on 18 September 2015.
- 3 The return of a completed Form of Proxy will not prevent a Shareholder attending the General Meeting and voting in person if he/she wishes to do so.
- 4 To be entitled to attend and vote at the General Meeting (and for the purpose of determination by the Company of the votes they may cast), Shareholders must be registered in the Register of Members of the Company at 6:00 p.m. on 18 September 2015 (or, in the event of any adjournment, on the time and date which is 48 hours before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- 5 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
- 6 As of 6.00 p.m. on the day immediately prior to the date of posting of this Notice of General Meeting, the Company's issued share capital comprised 20,108,319 ordinary shares of 10 pence each. Each ordinary share carries the right to vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6.00 p.m. on the day immediately prior to the date of posting of this Notice of General Meeting is 20,108,319
- 7 This resolution authorises the board to make market purchases of up to 1,005,415 ordinary shares representing approximately 5 per cent. of the issued ordinary share capital of the Company.

Shares so purchased may be cancelled or held as treasury shares. The authority will

expire at the end of the next annual general meeting of the Company or 15 months from the passing of the resolution, whichever is the earlier. The directors intend to seek renewal of this authority at subsequent annual general meetings.

The minimum price that can be paid for an ordinary share is 5 per cent. under and the maximum price that can be paid is 5 per cent. over the average of the middle market prices for an ordinary share, derived from the Daily Official List of the London Stock Exchange, for the five business days immediately before the day on which the share is contracted to be purchased.

The directors intend to exercise this right only when, in light of the market conditions prevailing at the time and taking into account all relevant factors (for example, the effect on earnings per share), they believe that such purchases are in the best interests of the Company and shareholders generally. The overall position of the Company will be taken into account before deciding upon this course of action. The decision as to whether any such shares bought back will be cancelled or held in treasury will be made by the directors on the same basis at the time of the purchase.