

Notice of Annual General Meeting

AFH FINANCIAL GROUP PLC

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

(the "Company")

NOTICE OF ANNUAL GENERAL MEETING OF THE COMPANY

NOTICE IS HEREBY GIVEN that the **ANNUAL GENERAL MEETING** of the Company will be held at 11:00 a.m. on Thursday 23rd April 2015 at AFH House, Buntsford Drive, Stoke Heath, Bromsgrove B60 4JE for the purposes set out below.

Ordinary Business

1. To receive the Accounts and Reports of the Directors and of the Auditors for the year ended 31 October 2014.
2. To re-elect Mark Chambers who is retiring for re-election pursuant to Article 24.3.
3. To re-elect John Wheatley who is retiring for re-election pursuant to Article 24.4.
4. To re-elect Toby Denne who is retiring for re-election pursuant to Article 24.4.
5. To re-appoint Baldwins (Stourbridge) Limited as Auditors of the Company and to authorise the directors to fix their remuneration.

Special Business

Ordinary Resolution

6. That, in accordance with section 551 of the Companies Act 2006 (the "**2006 Act**"), the Directors be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("**Rights**") up to an aggregate nominal amount of £300,000 (consisting of 3,000,000 ordinary shares of 10 pence each) provided that this authority shall, unless renewed, varied or revoked by the Company, expire at the end of the next Annual General Meeting of the Company to be held after the date on which this resolution is passed, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 551 of the 2006 Act.

Special Resolution

7. That subject to the passing of resolution , the Directors be given the general power to allot equity securities (as defined by section 560 of the 2006 Act)

for cash, either pursuant to the authority conferred by resolution 5 or by way of a sale of treasury shares, as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to:

- a) the allotment of equity securities in connection with an offer by way of a rights issue to the holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings but subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
- b) the allotment (otherwise than pursuant to paragraph (a) above) of equity securities up to an aggregate nominal amount of £300,000 (consisting of 3,000,000 ordinary shares of 10 pence each).

The power granted by this resolution will expire on the conclusion of the Company's next annual general meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

This resolution revokes and replaces all unexercised powers previously granted to the Directors to allot equity securities as if section 561(1) of the 2006 Act did not apply but without prejudice to any allotment of equity securities already made or agreed to be made pursuant to such authorities.

Dated 13 March 2015

By Order of the Board

Registered office:

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

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Notes:

1. Relevant Securities means:
 - (a) shares in the Company other than shares allotted pursuant to:
 - (i) an employee share scheme (as defined by section 1166 of the 2006 Act);
 - (ii) a right to subscribe for shares in the Company where the grant of the right itself constituted a Relevant Security; or
 - (iii) a right to convert securities into shares in the Company where the grant of the right itself constituted a Relevant Security;
 - (b) any right to subscribe for or to convert any security into shares in the Company other than rights to subscribe for or convert any security into shares allotted pursuant to an employee share scheme (as defined by section 1166 of the 2006 Act). References to the allotment of Relevant Securities in the resolution include the grant of such rights.
2. 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 Annual General Meeting. A Shareholder may appoint more than one proxy in relation to the Annual 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.
3. 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, Hersham Road Walton-on-Thames Surrey KT12 1RZ no later than 11:00 a.m. on 21 April 2015.
4. The return of a completed Form of Proxy will not prevent a Shareholder attending the Annual General Meeting and voting in person if he/she wishes to do so.
5. To be entitled to attend and vote at the Annual 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 20 April 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.
6. 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).
7. As of 6.00 p.m. on the day immediately prior to the date of posting of this Notice of Annual General Meeting, the Company's issued share capital comprised 19,492,754 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 Annual General Meeting is 19,492,754.