

14 January 2021

Frenkel Topping Group plc

("Frenkel Topping", the "Company" or the "Group")

Trading Update

Strategic Progress on Consolidation Delivering Robust Performance

Frenkel Topping, the specialist independent financial advisor and asset manager focused on asset protection for vulnerable clients, is pleased to provide the following update on trading and progress to the year end 31 December 2020.

The Company made good progress in the year driven by organic growth and new business, and has grown AUM by 12.7% to £1,012m (2019: £898m) showing resilience to the continuing COVID-19 pandemic. Assets on a DFM Mandate increased 32.1% to £527m (2019: £399m). In addition, the Company is also pleased to see continued high client retention rates at 99% and it has a solid pipeline of new business opportunities for the year ahead.

The Board therefore expects that the Company's trading for the full year will be in line with management expectations reporting approximate revenues of £10m¹ (2019: £8.56m) and adjusted EBITDA of £2.5m² (2019: £1.97m). The Company's balance sheet remains robust with £12.0m of cash at the year end.

The Board is delighted with the year end results that reflect a positive year of growth, including the acquisition of forensic accountancy firm, Forth Associates Limited ("Forths"), and the oversubscribed fundraising of £13m (gross) in July 2020.

The integration of Forths has progressed well since the completion of the acquisition, reaffirming the Company's strategy to pursue opportunities to consolidate the pre-settlement professional services marketplace in Personal Injury and Clinical Negligence.

Given remarkable market volatility, it is pleasing the Group's investment solutions, provided by Ascencia Investment Management, have performed well throughout the year. In the 12 months from 1 January to 31 December 2020, all Ascencia clients received a positive return – a testament to its robust and conservative strategies.

Of particular note is the strong performance of the Company's Environmental, Social and Governance (ESG) portfolios, launched over two years ago. This ESG approach has now been integrated into the Company's investment philosophy.

Furthermore, Ascencia's fund of Sharia-compliant holdings, launched in 2019, has gained traction throughout 2020 and has been received well by clients of the Group with particular interest from external companies.

A comprehensive update and review of the year will be provided with the Company's annual results, which are expected to be announced in April 2021.

¹ Inclusive of the acquisition of Forth Associates Limited on 22 July 2020

² Inclusive of the acquisition of Forth Associates Limited on 22 July 2020 and EBITDA stated before Share Based Compensation, M&A strategy and re-organisation costs

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Further to yesterday's announcement confirming that the Company will not be making a firm offer for NAHL Group plc, while it is disappointing not to be able to deliver a business combination, the Company is working on other compelling M&A opportunities which it looks forward to updating shareholders on as soon as practicable.

Richard Fraser, Chief Executive Officer of Frenkel Topping Group plc, said:

"We are pleased to report a strong performance that is in line with management expectations. Our successful £13m capital raise and acquisition of forensic accountancy firm, Forths, earlier this year were key steps in our consolidation of the PI and Clinical Negligence marketplace.

"We are looking forward to building on those successes as we move into 2021 with a continued focus on growing our core business, driving AUM and executing our Buy and Build strategy, maintaining our outstanding client retention levels and generating strong and sustainable returns for our shareholders."

The information communicated in this announcement contains inside information

-ENDS-

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About Frenkel Topping Group:

The financial services firm consists of Frenkel Topping Limited, Ascencia Investment Management, Obiter Wealth Management, Equatas Accountants and Forth Associates.

The group of companies specialises in providing financial advice and asset protection services to clients at times of financial vulnerability, with particular expertise in the field of personal injury and clinical negligence.

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With more than 30 years' experience in the industry, Frenkel Topping has earned a reputation for commercial astuteness underpinned by a strong moral obligation to its clients, employees and wider society, with a continued focus on its Environmental, Social and Governance (ESG) impact.

Through its core business, Frenkel Topping Limited, the firm supports litigators pre-settlement in achieving maximum damages, by providing expert witness services, and post-settlement to achieve the best long-term financial outcomes for clients after injury. It boasts a client retention rate of 99%.

The Group's discretionary fund manager, Ascencia, provides financial portfolios for clients in unique circumstances. In recent years Ascencia has diversified its portfolios to include a Sharia-law-compliant portfolio and a number of ESG portfolios in response to increased interest in socially responsible investing (SRI).

Obiter provides a generalist wealth management service - including advice on Savings and Investments; Tax planning; Life Insurance; Critical Illness and Income protection; Endowment advice and Keyman Insurance, with a particular specialism in financial advice on pensions and pension sharing orders for the clients of divorce and family lawyers. Obiter applies the same core principles of honesty, transparency, responsibility and reliability to individuals, regardless of background or situation.

In 2019, Frenkel Topping launched its accountancy arm, Equatas, to assist clients with tax planning and move closer to providing a full end-to-end service under the Group brand, improving the experience for clients and maintaining the Group's standards throughout the client journey.

In 2020 Frenkel Topping acquired Forths, a specialist forensic accounting services business which assists in financial and legal disputes. The acquisition makes Frenkel Topping the largest independent provider of financial expert witness reports to the claimant marketplace.

For more information visit: www.frenkeltopping.co.uk